

Life With”) on April 1, 2020. Furthermore, on April 1, 2021, Sony Life undertook an absorption-type merger with Sony Life With, with Sony Life as the surviving company.

Sony Assurance has conducted a non-life insurance business in Japan since October 1999. Sony Assurance’s core business is providing automobile insurance and medical insurance products, as well as overseas travel insurance and fire insurance products, to individual customers, primarily through direct marketing via the internet and via telephone. The direct marketing business model employed by Sony Assurance enables it to improve operating efficiency and lower the costs of marketing and maintaining its insurance policies, creating savings which it passes on to policyholders in the form of competitively priced premiums.

Sony Bank has conducted banking operations in Japan since June 2001. As an internet bank focusing on the asset management and borrowing needs of individual customers, Sony Bank offers an array of products and services including yen and foreign currency deposits, investment trusts and mortgages. By using Sony Bank’s transaction channel, the “MONEYKit” service website, account holders can invest and manage assets over the internet according to their life plans. On July 1, 2011, Sony Bank acquired Sony’s 57% equity interest in Sony Payment Services Inc. (“Sony Payment Services”), resulting in Sony Payment Services becoming a consolidated subsidiary of Sony Bank. Sony Payment Services provides credit card settlement services to members of its internet network.

## All Other

Sony DADC group offers Ultra HD Blu-ray™, Blu-ray Disc™, DVD and CD media replication services as well as digital and physical supply chain solutions to business customers. Sony Storage Media Solutions Corporation sells its storage media products through its own sales forces, as well as through Sony’s sales companies mentioned in the above description of Sales and Distribution for the G&NS, EP&S and I&SS segments.

## Sales to External Customers by Geographic Area

The following table shows Sony’s consolidated sales to external customers in each of its major markets for the periods indicated.

	Fiscal year ended March 31		
	2019	2020	2021
	(Yen in millions)		
Japan	2,591,784	2,472,479	<b>2,962,465</b>
United States	1,982,135	1,864,390	<b>2,153,466</b>
Europe	1,862,166	1,697,791	<b>1,816,244</b>
China	770,416	845,235	<b>762,766</b>
Asia-Pacific	912,193	892,026	<b>861,623</b>
Other Areas	546,993	487,964	<b>442,796</b>
Total	<u>8,665,687</u>	<u>8,259,885</u>	<u><b>8,999,360</b></u>

## Sources of Supply

Sony procures parts, components and raw materials used in the production of its products on a global basis on the most favorable terms that it can achieve. These items are purchased from various suppliers around the world. Sony has a general policy of maintaining multiple suppliers for important parts and components. In the fiscal year ended March 31, 2021, Sony continued to optimize the number of its suppliers to achieve efficiencies and to minimize procurement risks when possible.

When parts, components and raw materials become scarce, it not only causes production costs to rise but also may affect production. For example, semiconductors, LCD panels and other discrete components, which are used in multiple applications, can influence Sony’s performance when the availability of such parts and components is significantly limited. Regarding raw materials, the market price of resin and sheet steel, which are widely used in mechanical parts, electronic parts and components, may also fluctuate and impact the cost of those parts and components. The price of copper may fluctuate and impact the cost of the parts and components that utilize copper, such as printed circuit boards and power cables.