



September 14, 2011

Videoscope  
Dear Rose,

We sincerely appreciate your continued support to Sony Professional Media products as we strive to resume full production in our factories after the damage they suffered from the earthquake March 11, 2011.

We are keen to provide continuous updates on the recovery progress. Please find below updated information subsequent to our previous communication to you.

**Production Recovery Status** (as of September 1st)

As planned, we restarted tape coating production of HDCAM-SR and HDCAM, ahead of other coating media, at the end of July 2011 at the Tagajo Plant. The newly coated tapes have been supplied to the assembling and packaging lines and we restarted shipments of HDCAM-SR finished products at the end of August. However, due to partial realignment of the production processes after the disaster, the production yield has been lower than expected, and therefore, the supply volume will be limited for the time being.

**HDCAM-SR**

Although the shipment restarted at the end of August, the production yield is low as the result of constant realignment of the production lines in the aim of attaining stable product quality. In addition, some of the testing equipment has been renewed to ensure we continue to produce the highest quality of products, which we regard as the most important in any circumstance. Although we will not be able to meet the full demand for the time being, we will continue our efforts to secure enough production volume while stabilizing quality level at the same time to recover our supply capability to normal level as soon as possible.

**HDCAM**

The tape coating production of HDCAM restarted at the end of July 2011 and the first finished goods with the newly coated tapes are expected to be shipped out early in September. However the production capacity of the half-inch tapes has not fully recovered yet, which, together with the newly added testing steps just like HDCAM-SR, is expected to have certain impact on the final production yield. We estimate that it will take some time before the supply volume gets to the normal run rate.

**Other Coating Media Products**

As for other coating media products, we are targeting to restart end-to-end production of Digital Betacam around the end of September, and that of other coating tape products, such as MPEG IMX and Betacam SP, in October with a gradual increase in production.

As already informed, the end-to-end production of DVCAM / Digital Master and Professional Disc resumed mid May respectively, and the production and supply of those products continues to be stable.

We will keep a close eye on the progress of the component and the raw material supply, and continue our utmost effort for an earlier recovery and normalization of end-to-end production and stable supply. As always, we count on your kind understanding and cooperation.

We will keep you informed on the progress of our production recovery.



Senior Vice President  
Professional Solutions Group



Vice President  
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