

Sony Corporation

Sony Computer Entertainment

IBM

**SONY, SCEI AND IBM TO DEVELOP DIGITAL CONTENT CREATION
ENVIRONMENT BASED ON CELL PROCESSOR**

Cell-based Workstations to be Readied for Entertainment Applications

Los Angeles, May 11, 2004 – Sony Corporation (Sony), Sony Computer Entertainment Inc. (SCEI) and IBM today announced plans to develop a digital content creation environment, the first computing application planned for the Cell* processor. The companies expect to build the first prototype Cell-based workstations in 4Q 2004.

Utilizing massive data bandwidth and vast floating point capabilities, coupled with a parallel processing architecture, the Cell processor based development environment is expected to deliver quantum-leap innovation to entertainment applications. Cell-based workstations will be designed to expand the platform for creating digital content across future movie and video game entertainment industries.

IBM intends to develop the Cell-based workstations to power digital content creation. Sony and SCEI plan to lead the development of the Cell-based operating environment by providing the architecture, algorithms, middleware and data structure for tools needed to create digital content for movies and computer entertainment applications.

“Cell has enormous power for creating broadband content,” said Ken Kutaragi, executive deputy president and COO, Sony Corporation, and president and Group CEO, Sony Computer Entertainment Inc. “Today, movies and games are sharing the same world and characters on a common database. Within a few years, both forms of entertainment will be fused and become indistinguishable, offering a seamless experience in the home. Together with IBM, the three companies aim to offer technology that will accelerate the paradigm shift in digital entertainment.”

“The Cell-based workstations we are creating with Sony and SCEI will deliver scalable, supercomputer-like performance to the media, entertainment and video game industries,” said Dr. John E. Kelly, senior vice president and group executive, IBM

Systems and Technology Group. “Our joint Cell processor effort is right on track to bring tremendous impact to the entertainment industry.”

The requirements for massive computing power in digital content creation in the entertainment industry have escalated with the use of photo-realistic and ever more complex images and special effects now commonly found in today’s motion pictures. Dramatic improvements in processing performance and data throughput are needed to generate these dynamic and realistic scenes. Similarly, the creation of computer entertainment content demands high levels of computational power. Within a couple of years, tremendous floating point calculations will be necessary for complex physics simulation and control of digital characters in digital content creation.

This movement will trigger a convergence of digital entertainment content that can be enabled through the common Cell-based development environment Sony, SCEI and IBM plan to create. The integration and availability of content created using Cell-based environment will enable users to experience a real-time “cyber world” anytime, anywhere through the broadband network. This integration can expand future opportunities for exciting consumer experiences.

Note:

* “Cell” is the code-name for an advanced microprocessor under development by Sony, IBM and Toshiba.

About Sony Corporation

Sony Corporation is a leading manufacturer of audio, video, game, communications, key device and information technology products for the consumer and professional markets. With its music, pictures, computer entertainment and on-line businesses, Sony is uniquely positioned to be the leading personal broadband entertainment company in the world. Sony recorded consolidated annual sales of approximately \$72 billion for the fiscal year ended March 31, 2004. Sony Global Web Site: <http://www.sony.net/>

About Sony Computer Entertainment Inc.

Recognized as the global leader and company responsible for the progression of consumer-based computer entertainment, Sony Computer Entertainment Inc. (SCEI) manufactures, distributes and markets the PlayStation® game console and PlayStation®2 computer entertainment system. PlayStation has revolutionized home entertainment by introducing advanced 3D graphic processing, and PlayStation 2 further enhances the PlayStation legacy as the core of home networked entertainment. SCEI, along with its subsidiary divisions Sony Computer Entertainment America Inc., Sony Computer Entertainment Europe Ltd., and Sony Computer Entertainment Korea Inc. develops, publishes, markets and distributes software, and manages the third party licensing programs for these two platforms in the respective markets worldwide. Headquartered in Tokyo, Japan, Sony Computer Entertainment Inc. is an independent business unit of the Sony Group.

About IBM

IBM is the world's largest information technology company, with 80 years of leadership in helping businesses innovate. IBM is also a recognized innovator in the semiconductor industry, having been first with advances like more power-efficient copper wiring in place of aluminum and faster SOI and silicon germanium transistors. These and other innovations have contributed to IBM's standing as the number one U.S. patent holder for 11 consecutive years. More information about IBM semiconductors can be found at: <http://www.ibm.com/chips>.