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SONY CORP
Form 6-K
January 16, 2008

Form 6-K

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of January 2008
Commission File Number: 001-06439

SONY CORPORATION
(Translation of registrant's name into English)

1-7-1 KONAN, MINATO-KU, TOKYO, 108-0075, JAPAN

(Address of principal executive offices)

The registrant files annual reports under cover of Form 20-F.

Indicate by check mark whether the registrant files or will file annual reports
under cover of Form 20-F or Form 40-F,

Form 20-F X

Form 40-F __

Indicate by check mark whether the registrant by furnishing the information
contained in this Form is also thereby furnishing the information to the
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934,
Yes No X

If "Yes" is marked, indicate below the file number assigned to the registrant in
connection with Rule 12g3-2(b):82-_____

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the
registrant has duly caused this report to be signed on its behalf by the
undersigned, thereunto duly authorized.

SONY CORPORATION
(Registrant)

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By: /s/ Nobuyuki Oneda
(Signature)
Nobuyuki Oneda
Executive Vice President and
Chief Financial Officer

Date: January 16, 2008

List of materials

Documents attached hereto:

- i) Press release announcing: 'Sony Ericsson sells over 100 million handsets in 2007'

SONY ERICSSON

PRESS RELEASE

January 16, 2008

Sony Ericsson sells over 100 million handsets in 2007

Q4 Highlights:

- 18% increase in volume year-on-year
- Continued market share gains and profitable growth
- Continued investment for the future

2007 Highlights:

- Over 100 million units sold - more than double global market growth rate
- Margins remain strong as company shifts to broader portfolio
- Unit growth underpinned by increased sales of lower priced phones
- 145 million music enabled phones sold to date, of which 57 million were Walkman(R) phones - maintaining leadership in music

The consolidated financial summary for Sony Ericsson Mobile Communications AB (Sony Ericsson) for the fourth quarter ended December 31, 2007 is as follows:

| | Q4 2006 | Q3 2007 | Q4 2007 | 2006 FY | 2007 FY |
|-----------------------------------|---------|---------|---------|---------|---------|
| Number of units shipped (million) | 26.0 | 25.9 | 30.8 | 74.8 | 103.4 |
| Sales (Euro m.) | 3,782 | 3,108 | 3,771 | 10,959 | 12,916 |
| Gross Margin (%) | 29.0% | 30.7% | 31.8% | 29.1% | 30.6% |
| Operating Income (Euro m.) | 484 | 393 | 489 | 1,257 | 1,544 |
| Operating Margin (%) | 12.8% | 12.7% | 13.0% | 11.5% | 11.9% |
| Income before taxes (Euro m.) | 502 | 384 | 501 | 1,298 | 1,574 |
| Net Income (Euro m.) | 447 | 267 | 373 | 997 | 1,114 |
| Average Sales Price (Euro) | 146 | 120 | 123 | 146 | 125 |

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Units shipped in the quarter reached 30.8 million, a 18% increase compared to the same period last year, generating continued sequential and year-on-year market share gains. Sales for the quarter were Euro 3,771 million, in line with sales a year ago reflecting a strategic shift to a greater proportion of lower priced handsets in the product portfolio. Income before taxes for the quarter was Euro 501 million in line with a year ago. Net income for the quarter was Euro 373 million.

Sony Ericsson gained market share during the quarter due to the continued success of such products as the K550 Cyber-shot(TM) and the W200, W300 and W580 Walkman(R) phones in the Americas and Europe. Although Average Selling Price (ASP) increased slightly sequentially during the quarter, as a result of the introduction of new flag-ship Walkman(R) and Cyber-shot(TM) phones such as the W910 and K850 models, the trend for falling ASPs year-on-year reflects the company's direction to broaden its product portfolio.

"Sony Ericsson finished a very good year, which highlighted how the company has strategically positioned itself to capture market share with an expanded product portfolio. Investments are being made in both R&D and brand building, to deepen the portfolio and strengthen Sony Ericsson's presence in new and developing markets around the world. Our target remains to become one of the top three players in the industry, and the momentum we established in 2006 and 2007 makes this a realistic and achievable ambition," said Dick Komiyama, President of Sony Ericsson.

Sony Ericsson estimates the 2007 global handset market as being over 1.1 billion units, in line with previous forecasts. On this basis the company believes it grew market share around 2 percentage points to reach approximately 9% for the full year 2007 compared to full year 2006.

During the fourth quarter Sony Ericsson announced that it had entered into a series of agreements with Motorola, Inc. whereby Motorola acquired 50% of the share capital in U.I. Holdings BV, the Dutch owner of the Swedish software company UIQ Technology AB, which was acquired by Sony Ericsson from Symbian Ltd. earlier in the year. The transaction was ratified by the appropriate competition authorities during the quarter.

Sony Ericsson announced a number of new products during the quarter including high-end W890 Walkman(R) and the K630 and the K660 HSDPA web phone. The company also announced its strategy to expand Sony Ericsson's PlayNow(TM) digital content distribution application into a full service proposition during 2008.

On November 1, 2007 Sony Ericsson's president Miles Flint stepped down and Hideki 'Dick' Komiyama joined the company to replace him. Dick Komiyama joined Sony Ericsson from Sony Corporation where he was Director, Chairman, Sony Electronics Inc., USA, and Executive Vice President of Electronics Marketing and Sales Strategies of Sony Corporation, Japan.

WALKMAN(R) and Cyber-shot(TM) are trademarks or registered trademarks of Sony Corporation.

PlayNow(TM) is a trademark of Sony Ericsson.

EDITOR'S NOTES:

Financial Statements and Additional Information:

Financial Statements:

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Consolidated Income Statement
Consolidated Income Statement - Year-to-Date
Consolidated Income Statement - Isolated Quarters
Consolidated Balance Sheet
Consolidated Statement of Cash Flows
Consolidated Statement of Cash Flows - Year-to-Date
Consolidated Statement of Cash Flows - Isolated Quarters

Additional Information:

Net Sales by Market Area by Quarter

- ENDS -

Sony Ericsson Mobile Communications was established as a 50:50 joint venture by Sony and Ericsson in October 2001, with global corporate functions located in London. The company serves the worldwide communications market with innovative and feature-rich mobile phones, accessories and PC-cards, and it has R&D sites in Europe, Japan, China, India and America. Sony Ericsson is the title sponsor of the Women's Tennis Association, and works with the Association to promote the Sony Ericsson WTA Tour in over 80 cities during the year. For more information, please visit www.sonyericsson.com

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This press release contains forward-looking statements that involve inherent risks and uncertainties. We have identified certain important factors that may cause actual results to differ materially from those contained in such forward-looking statements. For a detailed description of risk factors see Sony's and Ericsson's filings with the US Securities and Exchange Commission, particularly each company's latest published Annual Report on Form 20-F.

Sony Ericsson
CONSOLIDATED INCOME STATEMENT

| EUR million | Oct-Dec | | |
|-------------|---------|-------|--------|
| | 2007 | 2006 | Change |
| Net sales | 3,771 | 3,782 | 0% |

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| | | | |
|-------------------------------------|--------|--------|------|
| Cost of sales | -2,573 | -2,686 | -4% |
| Gross profit | 1,198 | 1,096 | 9% |
| Gross margin % | 31.8% | 29.0% | 3% |
| Research and development expenses | -349 | -256 | 36% |
| Selling and administrative expenses | -375 | -367 | 2% |
| Operating expenses | -724 | -623 | 16% |
| Other operating income, net | 15 | 10 | 43% |
| Operating income | 489 | 484 | 1% |
| Operating margin % | 13.0% | 12.8% | 0% |
| Financial income | 19 | 19 | 3% |
| Financial expenses | -7 | 0 | - |
| Income after financial items | 501 | 502 | 0% |
| Taxes | -118 | -43 | 176% |
| Minority interest | -10 | -12 | -18% |
| Net income | 373 | 447 | -17% |
| Number of units shipped (million) | 30.8 | 26.0 | 18% |
| ASP (EUR) | 123 | 146 | -16% |

Sony Ericsson
CONSOLIDATED INCOME STATEMENT

| EUR million | Jan-Dec | | |
|-------------------------------------|---------|--------|--------|
| | 2007 | 2006 | Change |
| Net sales | 12,916 | 10,959 | 18% |
| Cost of sales | -8,958 | -7,775 | 15% |
| Gross profit | 3,958 | 3,184 | 24% |
| Gross margin % | 30.6% | 29.1% | 2% |
| Research and development expenses | -1,173 | -906 | 29% |
| Selling and administrative expenses | -1,260 | -1,086 | 16% |
| Operating expenses | -2,432 | -1,992 | 22% |
| Other operating income, net | 18 | 65 | -74% |
| Operating income | 1,544 | 1,257 | 23% |
| Operating margin % | 11.9% | 11.5% | 0% |
| Financial income | 62 | 43 | 43% |
| Financial expenses | -32 | -2 | - |
| Income after financial items | 1,574 | 1,298 | 21% |
| Taxes | -423 | -267 | 59% |
| Minority interest | -36 | -33 | 9% |
| Net income | 1,114 | 997 | 12% |

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| | | | |
|-----------------------------------|-------|------|------|
| Number of units shipped (million) | 103.4 | 74.8 | 38% |
| ASP (EUR) | 125 | 146 | -15% |

Sony Ericsson
CONSOLIDATED INCOME STATEMENT - ISOLATED QUARTERS

| EUR million | 2007 | | | | 2006 | | | |
|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Net sales | 3,771 | 3,108 | 3,112 | 2,925 | 3,782 | 2,913 | 2,272 | 1,992 |
| Cost of sales | -2,573 | -2,154 | -2,192 | -2,039 | -2,686 | -1,995 | -1,625 | -1,469 |
| Gross profit | 1,198 | 954 | 921 | 886 | 1,096 | 917 | 647 | 524 |
| Gross margin % | 31.8% | 30.7% | 29.6% | 30.3% | 29.0% | 31.5% | 28.5% | 26.3% |
| Research and development expenses | -349 | -280 | -283 | -261 | -256 | -225 | -223 | -202 |
| Selling and administrative expenses | -375 | -280 | -321 | -284 | -367 | -287 | -246 | -186 |
| Operating expenses | -724 | -560 | -604 | -545 | -623 | -511 | -470 | -388 |
| Other operating income, net | 15 | -1 | -2 | 5 | 10 | 21 | 26 | 7 |
| Operating income | 489 | 393 | 315 | 346 | 484 | 427 | 203 | 143 |
| Operating margin % | 13.0% | 12.7% | 10.1% | 11.8% | 12.8% | 14.6% | 8.9% | 7.2% |
| Financial income | 19 | 7 | 18 | 18 | 19 | 8 | 8 | 9 |
| Financial expenses | -7 | -16 | -6 | -2 | 0 | -1 | 0 | 0 |
| Income after financial items | 501 | 384 | 327 | 362 | 502 | 433 | 211 | 151 |
| Taxes | -118 | -109 | -97 | -100 | -43 | -127 | -64 | -34 |
| Minority interest | -10 | -8 | -10 | -9 | -12 | -8 | -5 | -9 |
| Net income | 373 | 267 | 220 | 254 | 447 | 298 | 143 | 109 |
| Number of units shipped (million) | 30.8 | 25.9 | 24.9 | 21.8 | 26.0 | 19.8 | 15.7 | 13.3 |
| ASP (EUR) | 123 | 120 | 125 | 134 | 146 | 147 | 145 | 149 |

Sony Ericsson
CONSOLIDATED BALANCE SHEET

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| EUR million | Dec 31 2007 | Sep 30 2007 | Dec 31 2006 |
|---|----------------|----------------|----------------|
| ASSETS | | | |
| Total fixed and financial assets | 572 | 511 | 469 |
| Current assets | | | |
| Inventories | 437 | 620 | 437 |
| Accounts receivables | 1,870 | 1,803 | 1,653 |
| Other assets | 345 | 544 | 310 |
| Other short-term cash investments | 1,431 | 954 | 1,580 |
| Cash and bank | 724 | 804 | 693 |
| Total current assets | 4,808 | 4,725 | 4,673 |
| Total assets | 5,380 | 5,236 | 5,141 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 2,026 | 1,663 | 1,781 |
| Minority interest | 64 | 70 | 45 |
| Total equity | 2,090 | 1,733 | 1,826 |
| Total long-term liabilities | 26 | 22 | 20 |
| Accounts payable | 1,263 | 1,602 | 1,276 |
| Other current liabilities | 2,001 | 1,879 | 2,019 |
| Total current liabilities | 3,264 | 3,481 | 3,296 |
| Total shareholders' equity and liabilities | 5,380 | 5,236 | 5,141 |
| Net cash* | 2,155 | 1,758 | 2,272 |

* Net cash is defined as cash and bank plus short-term cash investments less interest bearing liabilities.

Sony Ericsson
CONSOLIDATED STATEMENT OF CASH FLOWS

| EUR million | Oct-Dec | |
|-------------------|---------|------|
| | 2007 | 2006 |
| OPERATIONS | | |
| Net income | 373 | 447 |

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| | | |
|---|-------|-------|
| Adjustments to reconcile net income to cash | 17 | 23 |
| | 390 | 470 |
| Changes in operating net assets | 44 | 50 |
| | 434 | 520 |
| INVESTMENTS | | |
| Investing activities | -27 | -26 |
| | -27 | -26 |
| FINANCING | | |
| Financing activities | 0 | - 66 |
| | 0 | -66 |
| Cash flow from financing activities | | |
| Net change in cash | 408 | 428 |
| Cash, beginning of period | 1,758 | 1,861 |
| Translation difference in Cash | -10 | -16 |
| | 2,155 | 2,273 |
| Cash, end of period | | |

Sony Ericsson
CONSOLIDATED STATEMENT OF CASH FLOWS

| | Jan-Dec | |
|---|---------|-------|
| EUR million | 2007 | 2006 |
| OPERATIONS | | |
| Net income | 1,114 | 997 |
| Adjustments to reconcile net income to cash | 107 | 85 |
| | 1,221 | 1,082 |
| Changes in operating net assets | -305 | 100 |
| | 916 | 1,182 |
| Cash flow from operating activities | | |
| INVESTMENTS | | |
| Investing activities | -164 | -134 |
| | -164 | -134 |
| Cash flow from investing activities | | |
| FINANCING | | |
| Financing activities | - 849 | -278 |
| | -849 | -278 |
| Cash flow from financing activities | | |
| Net change in cash | -97 | 770 |
| Cash, beginning of period | 2,273 | 1,537 |
| Translation difference in Cash | -21 | -34 |
| | 2,155 | 2,273 |
| Cash, end of period | | |

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Sony Ericsson
CONSOLIDATED STATEMENT OF CASH FLOWS - ISOLATED QUARTERS

| | Oct-Dec | Jul-Sep | Apr-Jun | Jan-Mar | Oct-Dec | Jul-Sep | Apr-Jun | Jan-Mar |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| EUR million | 2007 | 2007 | 2007 | 2007 | 2006 | 2006 | 2006 | 2006 |
| OPERATIONS | | | | | | | | |
| Net income | 373 | 267 | 220 | 254 | 447 | 298 | 143 | 109 |
| Adjustments to reconcile net income to cash | 17 | 32 | 30 | 28 | 23 | 20 | 22 | 20 |
| | 390 | 299 | 250 | 282 | 470 | 318 | 165 | 129 |
| Changes in operating net assets | 44 | 88 | 16 | -454 | 50 | -21 | 18 | 53 |
| Cash flow from operating activities | 434 | 387 | 266 | -172 | 520 | 297 | 183 | 182 |
| INVESTMENTS | | | | | | | | |
| Investing activities | -27 | -53 | -31 | -53 | -26 | -36 | -29 | -43 |
| Cash flow from investing activities | -27 | -53 | -31 | -53 | -26 | -36 | -29 | -43 |
| FINANCING | | | | | | | | |
| Financing activities | 0 | - 300 | - 548 | - 1 | - 66 | - 2 | 26 | - 236 |
| Cash flow from financing activities | 0 | -300 | -548 | -1 | -66 | -2 | 26 | -236 |
| Net change in cash | 408 | 34 | -312 | -226 | 428 | 259 | 180 | -97 |
| Cash, beginning of period | 1,758 | 1,730 | 2,045 | 2,273 | 1,861 | 1,595 | 1,428 | 1,537 |
| Translation difference in Cash | -10 | -6 | -3 | -2 | -16 | 7 | -13 | -12 |
| Cash, end of period | 2,155 | 1,758 | 1,730 | 2,045 | 2,273 | 1,861 | 1,595 | 1,428 |

Sony Ericsson
NET SALES BY MARKET AREA BY QUARTER

EUR million

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| Isolated quarters | 2007 | | | | 2006 | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | 2,251 | 1,715 | 1,729 | 1,598 | 2,145 | 1,600 | 1,090 | 1,029 |
| Americas | 636 | 573 | 499 | 365 | 555 | 417 | 328 | 250 |
| Asia | 884 | 820 | 885 | 961 | 1,082 | 896 | 853 | 713 |
| Total | 3,771 | 3,108 | 3,112 | 2,925 | 3,782 | 2,913 | 2,272 | 1,992 |
| * of which Western Europe | 1,569 | 1,103 | 1,102 | 1,078 | 1,478 | 1,115 | 748 | 674 |

| Sequential change (%) | 2007 | | | | 2006 | | | |
|-----------------------------------|------------|-----------|-----------|-------------|------------|------------|------------|-------------|
| | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | 31% | -1% | 8% | -26% | 34% | 47% | 6% | -27% |
| Americas | 11% | 15% | 37% | -34% | 33% | 27% | 31% | -19% |
| Asia | 8% | -7% | -8% | -11% | 21% | 5% | 20% | 20% |
| Total | 21% | 0% | 6% | -23% | 30% | 28% | 14% | -14% |
| * of which Western Europe | 42% | 0% | 2% | -27% | 33% | 49% | 11% | -35% |

| Year over year change (%) | 2007 | | | | 2006 | | | |
|-----------------------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|
| | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | 5% | 7% | 59% | 55% | 52% | 35% | 43% | 71% |
| Americas | 15% | 37% | 52% | 46% | 79% | 77% | 53% | 53% |
| Asia | -18% | -8% | 4% | 35% | 83% | 42% | 33% | 36% |
| Total | 0% | 7% | 37% | 47% | 64% | 42% | 41% | 55% |
| * of which Western Europe | 6% | -1% | 47% | 60% | 45% | 33% | 42% | 84% |

| Year to date | 2007 | | | | 2006 | | | |
|-----------------------------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|
| | 0712 | 0709 | 0706 | 0703 | 0612 | 0609 | 0606 | 0603 |
| Europe, Middle East & Africa * | 7,293 | 5,042 | 3,328 | 1,598 | 5,865 | 3,720 | 2,120 | 1,029 |
| Americas | 2,072 | 1,436 | 864 | 365 | 1,550 | 995 | 578 | 250 |
| Asia | 3,550 | 2,666 | 1,846 | 961 | 3,544 | 2,462 | 1,566 | 713 |
| Total | 12,916 | 9,145 | 6,037 | 2,925 | 10,959 | 7,177 | 4,264 | 1,992 |
| * of which Western Europe | 4,852 | 3,283 | 2,179 | 1,078 | 4,014 | 2,537 | 1,422 | 674 |

| YTD year over year change (%) | 2007 | | | | 2006 | | | |
|----------------------------------|------|------|------|------|------|------|------|------|
| | 0712 | 0709 | 0706 | 0703 | 0612 | 0609 | 0606 | 0603 |
| | 0712 | 0709 | 0706 | 0703 | 0612 | 0609 | 0606 | 0603 |

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| | | | | | | | | |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| Europe, Middle East & Africa * | 24% | 36% | 57% | 55% | 48% | 46% | 56% | 71% |
| Americas | 34% | 44% | 49% | 46% | 68% | 62% | 53% | 53% |
| Asia | 0% | 8% | 18% | 35% | 48% | 37% | 35% | 36% |
| Total | 18% | 27% | 42% | 47% | 51% | 45% | 47% | 55% |
| * of which Western Europe | 21% | 29% | 53% | 60% | 46% | 46% | 59% | 84% |