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SONY CORP
Form 6-K
April 20, 2007

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 April 2007
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: April 20, 2007

List of materials

Documents attached hereto:

i) Press release announcing Sony Ericsson Q1 Results

Sony Ericsson

PRESS RELEASE

April 20, 2007

Sony Ericsson starts 2007 with strong first quarter

Q1 Highlights:

- . Year-on-year volume & sales growth of 63% and 47% respectively
- . Income before tax rose 139% year-on-year to EUR362 million
- . W880 further strengthens Walkman(R) phone sales
- . Low and mid-tier products generating market share gains year-on-year

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

| | Q1 2006 | Q4 2006 | Q1 2007 |
|-----------------------------------|---------|---------|---------|
| Number of Units shipped (million) | 13.3 | 26.0 | 21.8 |
| Sales (Euro m.) | 1,992 | 3,782 | 2,925 |
| Gross Margin % | 26.3% | 29.0% | 30.3% |
| Operating Income (Euro m.) | 143 | 484 | 346 |
| Operating Margin % | 7.2% | 12.8% | 11.8% |
| Income Before Taxes (Euro m.) | 151 | 502 | 362 |
| Net income (Euro m.) | 109 | 447 | 254 |
| Average Sales Price (Euro) | 149 | 146 | 134 |

Beginning this quarter Sony Ericsson is expanding its financial disclosure. More information can be found at the end of this report. This decision was made as a result of the company's continuing growth and in consultation with the parent companies.

Units shipped in the quarter reached 21.8 million, a 63% increase compared to the same period last year, generating significant year-on-year market share gains and continuing the momentum of 2006. Sales for the quarter were Euro 2,925 million, representing a year-on-year increase of 47%. Income before taxes for the quarter was Euro 362 million representing a year-on-year increase of 139%. Net income for the quarter was Euro 254 million. ASP decreased to Euro 134 as we continue to expand our product portfolio successfully with mid-tier and with more competitively priced phones.

"Sony Ericsson has made a very positive start to the year selling 63% more phones in the first quarter than a year ago. The strong sales and solid

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financial performance demonstrate a continuation of the momentum we established last year," said Miles Flint, President of Sony Ericsson. "We have announced a number of exciting new products during the quarter many of which are already shipping and have been well received by consumers. The company continues to develop hit model products with a clear consumer proposition that appeals to operators, and then rapidly ramp-up volume to meet market demand," he added.

Sony Ericsson continued to build on the success of 2006 with strong growth in Asia Pacific, Latin America and Europe. The company captured market share in these markets through low and mid-tier products such as the W300 and W200 Walkman(R) phones and the K310 camera phone without undermining profitability. Margins improved year-on-year despite the increased proportion of mid and low tier products in the line-up illustrating management's focus on controlling cost and maintaining margins while expanding Sony Ericsson's appeal to a wider market.

Sony Ericsson also announced a number of attractive new products during the quarter, including two new Cyber-shot(TM) phones, five additional Walkman(R) models across a variety of price points to further strengthen its unique music offering, and its first HSDPA handset aimed primarily at the North American market.

In February in Japan Sony Ericsson started shipping the S0703i, a mobile phone with selectable Style-Up panels that include a scented sheet to match the panel's design, for NTT DoCoMo, and the W51S, a new clam-shell phone with illuminated icons, for au (KDDI). Both phones were well received by consumers.

During the quarter Sony Ericsson made a number of strategic announcements:

Following the rapid growth in sales in the Asia Pacific region, the company announced plans to start manufacturing phones in India through its global manufacturing partners, Flextronics and Foxconn.

In February Sony Ericsson announced it had completed the acquisition of the Swedish software company UIQ Technology AB, and established a separate holding company, UIQ Holdings, to manage the business.

In March Sony Ericsson signed licensing and development agreements concerning entry-level GSM, GPRS and EDGE mobile phones with Sagem Communication (SAFRAN Group). Through this co-operation, Sony Ericsson will be able to strengthen its position in the entry level area of the market.

Sony Ericsson forecasts that the 2007 global handset market will be above 1.1 billion units. The company believes that in Q1 2007 it grew market share around 2 percentage points compared with the same period last year to over 8%.

Sony Ericsson will make a total payment of Euro 848 million to its parent companies in 2007 in the form of dividends, or both a dividend and a capital redemption.

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

Style-Up is a trademark or a registered trademark of Sony Ericsson Mobile Communications AB.

- ENDS -

EDITOR'S NOTES:

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Financial Statements and Additional Information:

Financial Statements:

Consolidated Income Statement
Consolidated Income Statement - Isolated quarters
Consolidated Balance Sheet
Consolidated Statement of Cash Flows
Consolidated Statement of Cash Flows - Isolated quarters

Additional Information:

Net Sales by Market Area by Quarter

Sony Ericsson Mobile Communications serves the global communications market with innovative and feature-rich mobile phones, accessories and PC-cards. Established as a joint venture by Sony and Ericsson in 2001, with global corporate functions located in London, the company employs over 7,500 people worldwide, including R&D sites in Europe, Japan, China and America. Sony Ericsson celebrated the 5th anniversary of the start of the joint venture on 1st October, 2006.

Sony Ericsson is the global 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 on Sony Ericsson, 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 | Jan-March | | |
|-------------|-----------|------|--------|
| | 2007 | 2006 | Change |

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| | | | |
|-------------------------------------|--------|--------|------|
| Net sales | 2,925 | 1,992 | 47% |
| Cost of sales | -2,039 | -1,469 | 39% |
| | | | |
| Gross margin | 886 | 524 | 69% |
| Gross margin % | 30.3% | 26.3% | 4% |
| Research and development expenses | -261 | -202 | 29% |
| Selling and administrative expenses | -284 | -186 | 52% |
| | | | |
| Operating expenses | -545 | -388 | 40% |
| Other operating income, net | 5 | 7 | -30% |
| | | | |
| Operating income | 346 | 143 | 142% |
| Operating margin % | 11.8% | 7.2% | 5% |
| Financial income | 18 | 9 | 109% |
| Financial expenses | -2 | 0 | - |
| | | | |
| Income after financial items | 362 | 151 | 139% |
| Taxes | -100 | -34 | 193% |
| Minority interest | -9 | -9 | 2% |
| | | | |
| Net income | 254 | 109 | 133% |
| Number of units shipped (million) | 21.8 | 13.3 | 63% |
| ASP (EUR) | 134 | 149 | -10% |

Sony Ericsson
CONSOLIDATED INCOME STATEMENT - ISOLATED QUARTERS

| EUR million | 2007 | | 2006 | | |
|-------------------------------------|--------|--------|--------|--------|--------|
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Net sales | 2,925 | 3,782 | 2,913 | 2,272 | 1,992 |
| Cost of sales | -2,039 | -2,686 | -1,995 | -1,625 | -1,469 |
| | | | | | |
| Gross margin | 886 | 1,096 | 917 | 647 | 524 |
| Gross margin % | 30.3% | 29.0% | 31.5% | 28.5% | 26.3% |
| Research and development expenses | -261 | -256 | -225 | -223 | -202 |
| Selling and administrative expenses | -284 | -367 | -287 | -246 | -186 |
| | | | | | |
| Operating expenses | -545 | -623 | -511 | -470 | -388 |
| Other operating income, net | 5 | 10 | 21 | 26 | 7 |
| | | | | | |
| Operating income | 346 | 484 | 427 | 203 | 143 |
| Operating margin % | 11.8% | 12.8% | 14.6% | 8.9% | 7.2% |
| Financial income | 18 | 19 | 8 | 8 | 9 |
| Financial expenses | -2 | 0 | -1 | 0 | 0 |
| | | | | | |
| Income after financial items | 362 | 502 | 433 | 211 | 151 |
| Taxes | -100 | -43 | -127 | -64 | -34 |

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| | | | | | |
|-----------------------------------|------|------|------|------|------|
| Minority interest | -9 | -12 | -8 | -5 | -9 |
| Net income | 254 | 447 | 298 | 143 | 109 |
| Number of units shipped (million) | 21.8 | 26.0 | 19.8 | 15.7 | 13.3 |
| ASP (EUR) | 134 | 146 | 147 | 145 | 149 |

Sony Ericsson
CONSOLIDATED BALANCE SHEET

| EUR million | Mar 31 2007 | Dec 31 2006 | Sept 30 2006 | Jun 30 2006 | Mar 31 2006 | Dec 31 2005 |
|---|----------------|----------------|-----------------|----------------|----------------|----------------|
| ASSETS | | | | | | |
| Total fixed and financial assets | 495 | 469 | 316 | 311 | 306 | 274 |
| Current assets | | | | | | |
| Inventories | 498 | 437 | 578 | 318 | 277 | 306 |
| Accounts receivable | 1,566 | 1,653 | 1,347 | 1,101 | 908 | 852 |
| Other assets | 859 | 310 | 249 | 196 | 200 | 178 |
| Other short-term cash investments | 1,376 | 1,580 | 1,098 | 897 | 861 | 900 |
| Cash and bank | 668 | 693 | 763 | 698 | 568 | 637 |
| Total current assets | 4,968 | 4,673 | 4,035 | 3,210 | 2,813 | 2,873 |
| Total assets | 5,463 | 5,141 | 4,351 | 3,521 | 3,119 | 3,147 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity | 2,033 | 1,781 | 1,353 | 1,048 | 921 | 1,070 |
| Minority interest | 55 | 45 | 37 | 59 | 59 | 46 |
| Total equity | 2,088 | 1,826 | 1,391 | 1,106 | 980 | 1,116 |
| Total long-term liabilities | 22 | 20 | 17 | 17 | 17 | 19 |
| Accounts payable | 1,316 | 1,276 | 1,118 | 954 | 799 | 807 |
| Other current liabilities | 2,037 | 2,019 | 1,825 | 1,444 | 1,323 | 1,204 |
| Total current liabilities | 3,353 | 3,296 | 2,944 | 2,398 | 2,122 | 2,011 |
| Total shareholders' equity and liabilities | 5,463 | 5,141 | 4,351 | 3,521 | 3,119 | 3,147 |
| Net cash* | 2,045 | 2,272 | 1,795 | 1,556 | 1,417 | 1,530 |

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

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Sony Ericsson
CONSOLIDATED STATEMENT OF CASH FLOWS

| | Jan-Mar | |
|---|---------|-------|
| EUR million | 2007 | 2006 |
| OPERATIONS | | |
| Net income | 254 | 109 |
| Adjustments to reconcile net income to cash | 24 | 20 |
| | 278 | 129 |
| Changes in operating net assets * | -454 | 53 |
| Cash flow from operating activities | -176 | 182 |
| INVESTMENTS | | |
| Investing activities | -49 | -43 |
| Cash flow from investing activities | -49 | -43 |
| FINANCING | | |
| Financing activities | - 1 | - 236 |
| Cash flow from financing activities | -1 | -236 |
| Net change in cash | -226 | -97 |
| Cash, beginning of period | 2,273 | 1,537 |
| Translation difference in Cash | -2 | -12 |
| Cash, end of period | 2,045 | 1,428 |

* Includes an advanced payment to Ericsson for an amount equivalent to Ericsson's share of the dividend/redemption.

Sony Ericsson
CONSOLIDATED STATEMENT OF CASH FLOWS - ISOLATED QUARTERS

| | Jan-Mar | Oct-Dec | Jul-Sep | Apr-Jun | Jan-Mar |
|---|---------|---------|---------|---------|---------|
| EUR million | 2007 | 2006 | 2006 | 2006 | 2006 |
| OPERATIONS | | | | | |
| Net income | 254 | 447 | 298 | 143 | 109 |
| Adjustments to reconcile net income to cash | 24 | 23 | 20 | 22 | 20 |
| | 278 | 470 | 318 | 165 | 129 |
| Changes in operating net assets | -454 | 50 | -21 | 18 | 53 |
| Cash flow from operating activities | -176 | 520 | 297 | 183 | 182 |
| INVESTMENTS | | | | | |
| Investing activities | -49 | -26 | -36 | -29 | -43 |

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| | | | | | |
|-------------------------------------|-------|-------|-------|-------|-------|
| Cash flow from investing activities | -49 | -26 | -36 | -29 | -43 |
| FINANCING | | | | | |
| Financing activities | - 1 | - 66 | - 2 | 26 | -236 |
| Cash flow from financing activities | -1 | -66 | -2 | 26 | -236 |
| Net change in cash | -226 | 428 | 259 | 180 | -97 |
| Cash, beginning of period | 2,273 | 1,861 | 1,595 | 1,428 | 1,537 |
| Translation difference in Cash | -2 | -16 | 7 | -13 | -12 |
| Cash, end of period | 2,045 | 2,273 | 1,861 | 1,595 | 1,428 |

Sony Ericsson
NET SALES BY MARKET AREA BY QUARTER

EUR million

| | 2007 | | 2006 | | |
|--------------------------------|-------|-------|-------|-------|-------|
| Isolated quarters | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | 1,598 | 2,145 | 1,600 | 1,090 | 1,029 |
| Americas | 365 | 555 | 417 | 328 | 250 |
| Asia | 961 | 1,082 | 896 | 853 | 713 |
| Total | 2,925 | 3,782 | 2,913 | 2,272 | 1,992 |
| * of which Western Europe | 1,078 | 1,478 | 1,115 | 748 | 674 |
| | 2007 | | 2006 | | |
| Sequential change (%) | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | -26% | 34% | 47% | 6% | -27% |
| Americas | -34% | 33% | 27% | 31% | -19% |
| Asia | -11% | 21% | 5% | 20% | 20% |
| Total | -23% | 30% | 28% | 14% | -14% |
| * of which Western Europe | -27% | 33% | 49% | 11% | -35% |
| | 2007 | | 2006 | | |
| Year over year change (%) | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | 55% | 52% | 35% | 43% | 71% |
| Americas | 46% | 79% | 77% | 53% | 53% |
| Asia | 35% | 83% | 42% | 33% | 36% |
| Total | 47% | 64% | 42% | 41% | 55% |
| * of which Western Europe | 60% | 45% | 33% | 42% | 84% |
| | 2007 | | 2006 | | |
| Year to date | 0703 | 0612 | 0609 | 0606 | 0603 |

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| | | | | | |
|--------------------------------|-------|--------|-------|-------|-------|
| Europe, Middle East & Africa * | 1,598 | 5,865 | 3,720 | 2,120 | 1,029 |
| Americas | 365 | 1,550 | 995 | 578 | 250 |
| Asia | 961 | 3,544 | 2,462 | 1,566 | 713 |
| <hr/> | | | | | |
| Total | 2,925 | 10,959 | 7,177 | 4,264 | 1,992 |
| <hr/> | | | | | |
| * of which Western Europe | 1,078 | 4,014 | 2,537 | 1,422 | 674 |
| | 2007 | | | 2006 | |
| <hr/> | | | | | |
| YTD year over year change (%) | 0703 | 0612 | 0609 | 0606 | 0603 |
| <hr/> | | | | | |
| Europe, Middle East & Africa * | 55% | 48% | 46% | 56% | 71% |
| Americas | 46% | 68% | 62% | 53% | 53% |
| Asia | 35% | 48% | 37% | 35% | 36% |
| <hr/> | | | | | |
| Total | 47% | 51% | 45% | 47% | 55% |
| <hr/> | | | | | |
| * of which Western Europe | 60% | 46% | 46% | 59% | 84% |