



SONY



FY2006

Consolidated Results
(Year ended March 31, 2007)

Sony Corporation Investor Relations

Statements made in this presentation with respect to Sony's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Sony. Forward-looking statements include, but are not limited to, those statements using words such as "believe," "expect," "plans," "strategy," "prospects," "forecast," "estimate," "project," "anticipate," "aim," "may" or "might" and words of similar meaning in connection with a discussion of future operations, financial performance, events or conditions. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These statements are based on management's assumptions and beliefs in light of the information currently available to it. Sony cautions you that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore you should not place undue reliance on them. You also should not rely on any obligation of Sony to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Sony disclaims any such obligation. Risks and uncertainties that might affect Sony include, but are not limited to (i) the global economic environment in which Sony operates, as well as the economic conditions in Sony's markets, particularly levels of consumer spending; (ii) exchange rates, particularly between the yen and the U.S. dollar, the Euro and other currencies in which Sony makes significant sales or in which Sony's assets and liabilities are denominated; (iii) Sony's ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services including newly introduced platforms within the Game segment, which are offered in highly competitive markets characterized by continual new product introductions, rapid development in technology and subjective and changing consumer preferences (particularly in the Electronics, Game and Pictures segments, and music business); (iv) Sony's ability to recoup large-scale investment required for technology development and increasing production capacity; (v) Sony's ability to implement successfully personnel reduction and other business reorganization activities in its Electronics segment; (vi) Sony's ability to implement successfully its network strategy for its Electronics, Game and Pictures segments and All Other, including the music business, and to develop and implement successful sales and distribution strategies in its Pictures segment and music business in light of the Internet and other technological developments; (vii) Sony's continued ability to devote sufficient resources to research and development and, with respect to capital expenditures, to correctly prioritize investments (particularly in the Electronics segment); (viii) shifts in customer demand for financial services such as life insurance and Sony's ability to conduct successful Asset Liability Management in the Financial Services segment; and (ix) the success of Sony's joint ventures and alliances. Risks and uncertainties also include the impact of any future events with material unforeseen impacts.

Results Overview and Topics FY06

Results Overview

Consolidated sales grew 10% YoY (+7% on a local currency basis), recording our highest sales ever, on contribution from growth in the Electronics, Pictures, and Game segments.

Consolidated operating income declined 68% YoY. Although the Electronics segment recorded significantly increased operating income and the Pictures segment also saw improved profitability, overall operating income declined as a result of the loss in the Game segment arising from the launch of PLAYSTATION®3 (PS3), as well as the significant decrease in operating income in the Financial Services segment.

Topics



BRAVIA LCD TVs achieved the #1 share in the worldwide LCD TV market for calendar year 2006 (revenue base, according to DisplaySearch).



Within the Pictures segment, both *The Da Vinci Code* and *Casino Royale* were successful hits. *Spider-Man 3* was released world-wide in May, and grossed US\$382 mln globally in its opening weekend – the highest opening ever in motion picture history.

PS3 was launched in FY06. SCE will strive to strengthen the platform's software lineup in all regions going forward.



Sony Ericsson broke its earnings records for unit sales, sales revenue, and net income with the success of handsets including Walkman® and Cyber-shot phones, and also achieved the #4 position in the world-wide mobile handset market.



Consolidated Results FY06

(bln yen)

	FY05	FY06	Change	Change (LC*)
Sales & operating revenue	7,510.6	8,295.7	+10.5%	+7%
Operating income	226.4**	71.8***	-68.3%	-
Income before income taxes	286.3	102.0	-64.4%	
Equity in net income of affiliates	13.2	78.7	+496.9%	
Net income	123.6	126.3	+2.2%	
Net income per share of common stock (diluted)	116.88 yen	120.29 yen	+2.9%	
Restructuring charges****	138.7	38.8	-99.9	

Foreign exchange impact		Average Rate	FY05	FY06
Sales & operating revenue:	approx. +287.3 bln yen	1 Dollar	112 yen	116 yen
Operating income:	approx. +92.1 bln yen	1 Euro	136 yen	149 yen

* Local currency (LC) basis: change that would have occurred with no year-on-year change in exchange rates

** FY05 operating income includes 73.5 bln yen of pension return benefits

*** FY06 operating income includes a provision of 51.2 bln yen for expenses relating to a notebook computer battery pack recall and our voluntary global replacement program

**** Restructuring charges are recorded as operating expenses

Segments and Affiliates FY06

(bln yen)

CONSOLIDATED SEGMENTS		FY05	FY06	Change	Change (LC*)
Electronics	Sales	5,176.4	6,050.5	+16.9%	+12%
	Operating income	6.9**	156.7***	+2,167.4%	+880%
Game	Sales	958.6	1,016.8	+6.1%	+2%
	Operating income	8.7	-232.3	-	-
Pictures	Sales	745.9	966.3	+29.5%	+26%
	Operating income	27.4	42.7	+55.7%	+57%
Financial Services	Revenue	743.2	649.3	-12.6%	
	Operating income	188.3**	84.1	-55.3%	
All Other	Sales	426.0	377.6	-11.4%	
	Operating income	20.5**	32.4	+57.9%	

* Local currency (LC) basis: change that would have occurred with no year-on-year change in exchange rates

** Includes pension return benefits (64.5 bln yen within Electronics)

*** Includes a provision of 51.2 bln yen for expenses relating to a notebook computer battery pack recall and our voluntary global replacement program

MAJOR EQUITY METHOD AFFILIATES		4/05 – 3/06	4/06 – 3/07	Change
Sony Ericsson (mln euros)	Sales	7,972	11,892	+49%
	Income before taxes	593	1,509	+154%
SONY BMG (mln dollars)	Sales	4,283	4,101	-4.2%
	Income before taxes	150	135	-10.0%

Sony Ericsson Mobile Communications AB & SONY BMG MUSIC ENTERTAINMENT are 50-50 joint ventures with LM Ericsson & Bertelsmann AG, respectively, both of which are accounted for by the equity method.

5

Sony Corporation Investor Relations

FY07 Consolidated Results Forecast

(bln yen)

	FY06	FY07 FCT	Change
Sales & operating revenue	8,295.7	8,780	+6%
Operating income*	71.8	440	+513%
Restructuring charges (included above)	38.8	35	-10%
Income before income taxes	102.0	420	+312%
Equity in net income of affiliates	78.7	80	+2%
Net income	126.3	320	+153%
Capital Expenditures	414.1	440	+6%
for semiconductors (included above)	150.0	130	-13%
Depreciation & Amortization**	400.0	430	+7%
Research & Development	543.9	550	+1%

Foreign Exchange Rates

	<u>FY06 Actual</u>	<u>FY07 Assumption</u>
1 Dollar	116 yen	Approx. 115 yen
1 Euro	149 yen	Approx. 150 yen

* FY07 operating income forecast includes a gain on the sale of a portion of the site of Sony's former headquarters of approx. 59.0 bln yen, compared to the gain recorded in FY06 operating income of 21.7 bln yen. In addition, FY06 operating income includes a provision of 51.2 bln yen for expenses relating to a notebook computer battery pack recall and our voluntary global replacement program.

** Including amortization expenses for intangible assets and for deferred insurance acquisition costs

6

Sony Corporation Investor Relations

Structural Reform Progress Report FY06

	Goal (By end of FY07)	FY05 + FY06		
		FY05 ACT	FY06 ACT	ACT
Consolidated Operating Income Margin *	5%	3.9%	1.9%	-
Electronics Operating Income Margin *	4%	1.4%	4.1%	-
Cost Reductions (bln yen)**	200	38	137	175
Manufacturing Sites	11 out of 65	9	0	9
Model Count ***	-20%	Base Year	-20%	-20%
Headcount	10,000	5,700	6,300	12,000
Asset Sales (bln yen)	120	78	123	201

On Track to the Original Plan

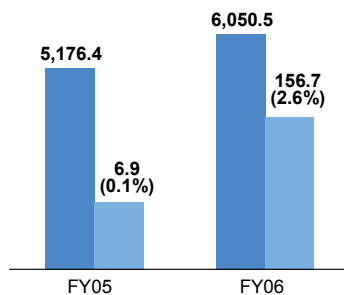
✓ = goal achieved

- * Operating income margin, excluding restructuring charges, pension return benefits and the provision for expenses relating to a notebook computer battery pack recall and our voluntary global replacement program
- ** Cost reductions are cumulative
- *** Model count reduction comparison based on FY05 (base year)

Electronics FY06

(bln yen)

Sales & Operating Income



Change (LC)

Sales	+16.9%	+12%
Operating Income	+2,167.4%	+880%

FY06 Results

Sales: Increased by 16.9%

(sales to outside customers increased 13%)

- Increase: BRAVIA LCD TVs, VAIO PCs, Cyber-shot digital cameras
- Decrease: CRT TVs

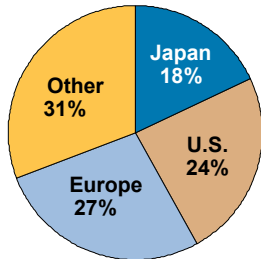
Operating income: Increased by 149.8 bln yen

- (+) factors: Outside sales increase, Foreign exchange rate impact
- (-) factors: SGA increase

Restructuring charges: 37.4 bln yen (FY05: 125.8 bln yen)

Includes intersegment transactions; "LC" is local currency comparison; % under operating income is operating margin

Electronics Sales by Area FY06



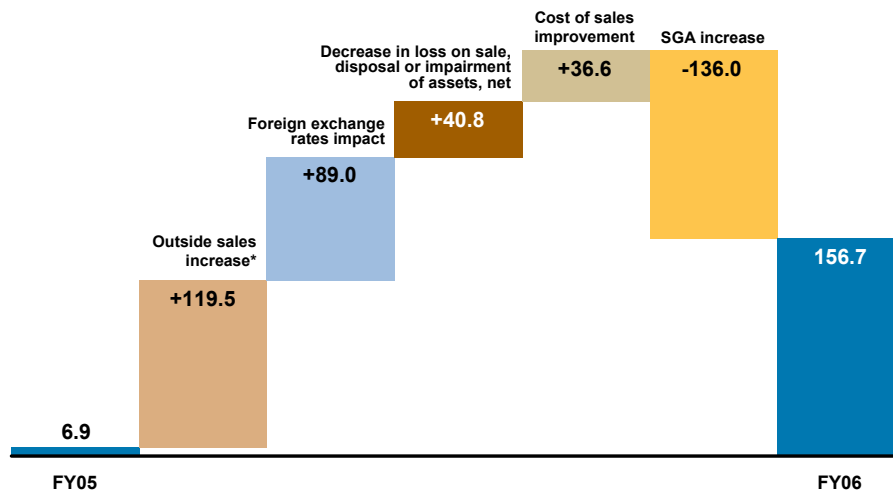
Sales to outside customers excluding operating revenue
5,355.2 bln yen, +13% (LC +9%)

- Japan: +7%**
 - Increase: Cellular phones, LCD TVs
 - Decrease: Low-temperature polysilicon LCDs, VAIO PCs, CRT TVs
- U.S.: +8% (LC +4%)**
 - Increase: LCD TVs
 - Decrease: LCD rear-projection TVs, CRT TVs
- Europe: +24% (LC +15%)**
 - Increase: LCD TVs, VAIO PCs
 - Decrease: CRT TVs, Video cameras
- Other Areas: +14% (LC +9%)**
 - Increase: LCD TVs, Digital cameras
 - Decrease: CRT TVs

Sales composition is based on customer location (yen basis); Sales are to outside customers and exclude operating revenue; "LC" is local currency comparison

Electronics Operating Income FY06

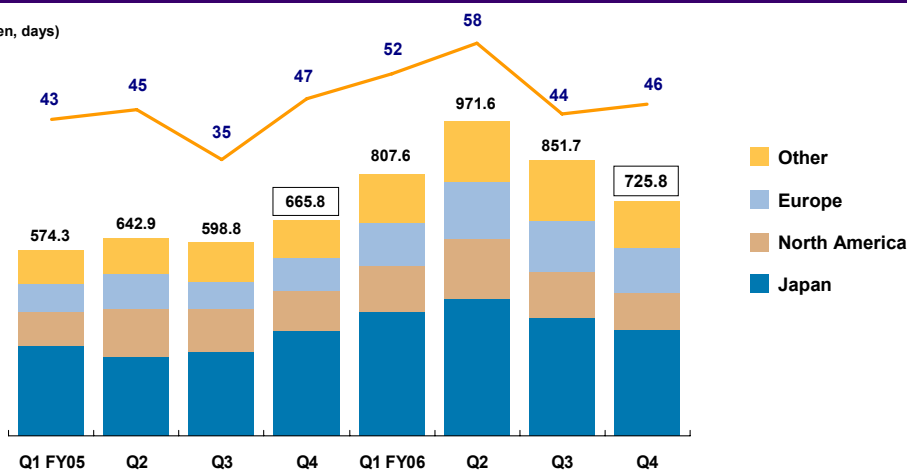
(bln yen)



* Increase in gross profit from the increase in sales to outside customers.

Electronics Inventory Levels by Area

(bln yen, days)



- 725.8 bln yen – a 60.0 bln yen increase from the end of same period last year, and a 125.8 bln yen decrease from the end of December '06

Bar graph: Inventory levels (bln yen)

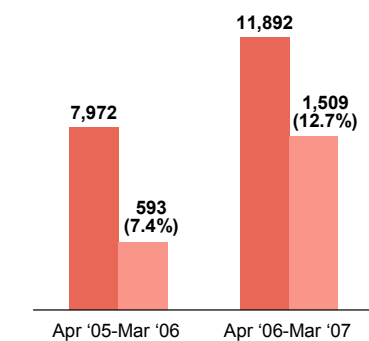
Line graph: Inventory turnover (average beginning & ending inventory during the quarter divided by average daily sales in the quarter).

Days supply for Q1 FY05 has been revised due to the revision of our business segment configuration.

Sony Ericsson Mobile Communications

(mln euro)

Sales & Income Before Taxes



Category	Change
Sales	+49%
Income Before Taxes	+154%

Equity Method Affiliate

Apr '06-Mar '07 Results

Breaks own records for sales and profit

- Sales and income before taxes both broke records; sales increased 49% to 11,892 mln euro, and income before taxes increased 154% to 1,509 mln euro.
- Unit shipments up 51% YoY to 83.3 mln units.
- Contributors to earnings included Walkman® phones and Cyber-shot phones.

Sony recorded equity in net income of 85.3 bln yen, an almost 3-fold increase YoY.

Impact To Sony

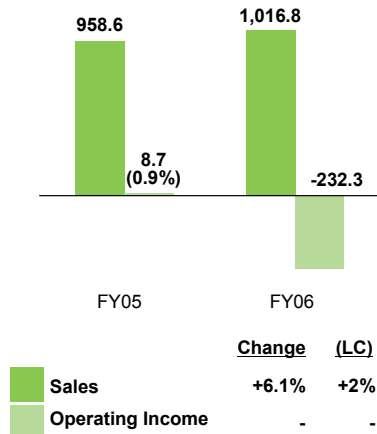
	Apr '05 – Mar '06	Apr '06 – Mar '07	Change
Net income (mln euro)	427	1,142	+168%
Equity in net income recorded by Sony (bln yen)	29.0	85.3	+194%

% under income before taxes is BT margin

Game FY06

(bln yen)

Sales & Operating Income



FY06 Results

Sales:

- Overall segment sales increased due to the launch of PS3.
- Hardware sales increased, while software sales decreased overall.

Operating loss:

- Primarily the result of the loss arising from the sale of PS3 at strategic price points lower than its production cost during the introductory period.

Inventory:

- 198.8 bln yen. Increased YoY and QoQ primarily due to the launch of PS3 in Japan, North America and Europe.

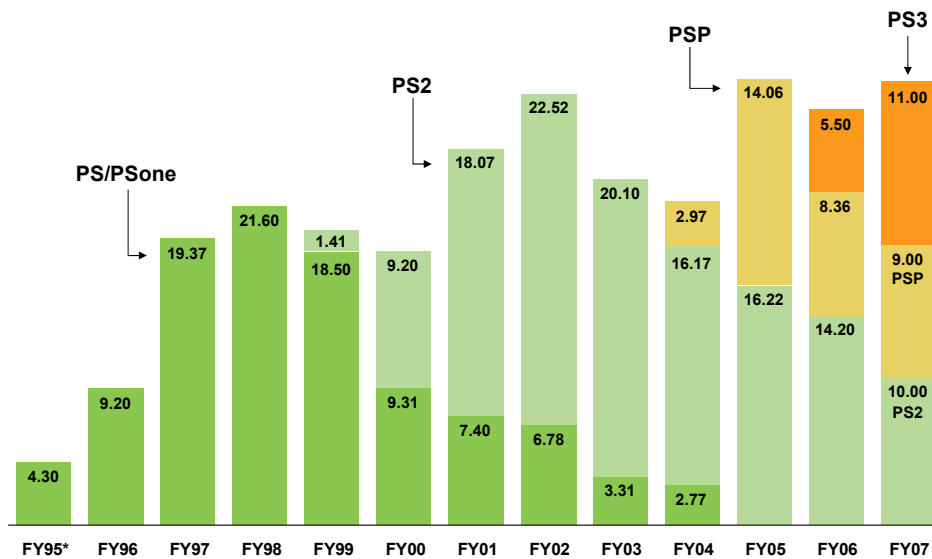
Unit Shipments

		FY05	FY06	Change
Hardware (mln units)	PS2	16.22	14.20	-12%
	PSP	14.06	8.36	-41%
	PS3	-	5.50	-
Software (mln units)	PS2	223	193	-13%
	PSP	41.6	54.1	+30%
	PS3	-	13.2	-

Includes intersegment transactions; "LC" is local currency comparison; % under operating income is operating margin

PlayStation Hardware Production Shipments

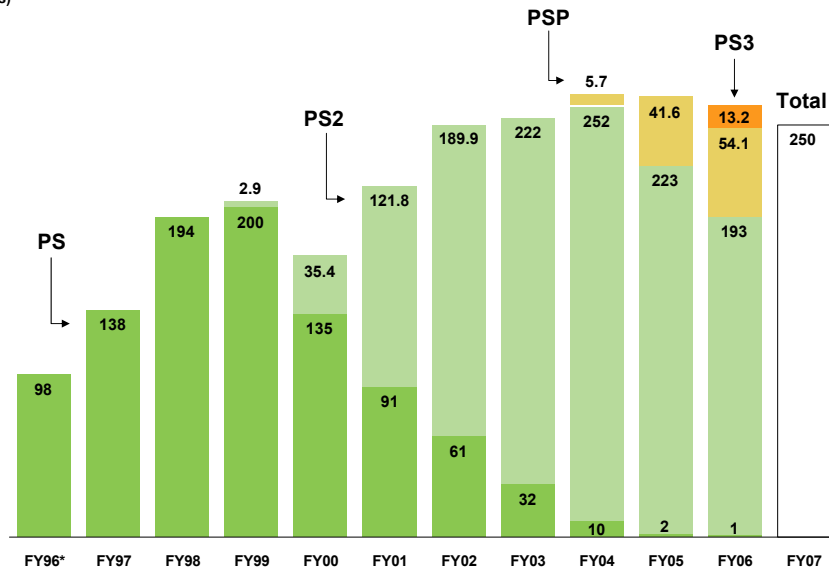
(mln units)



*Cumulative from Dec '94 to Mar '96

PlayStation Software Production Shipments

(mln units)



*Cumulative from Dec '94 to Mar '97

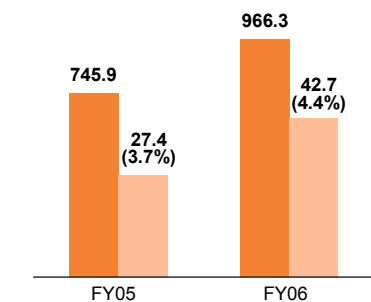
15

Sony Corporation Investor Relations

Pictures FY06

(bln yen)

Sales & Operating Income



	Change	(US\$)
Sales	+29.5%	+26%
Operating Income	+55.7%	+57%

FY06 Results

Sales: 30% increase, 26% increase on a US\$ basis

- Increase primarily due to significantly higher theatrical and home entertainment revenue from current-year films including *The Da Vinci Code*, *Casino Royale*, *Click*, *Talladega Nights: The Ballad of Ricky Bobby* and *The Pursuit of Happyness*.
- Television business revenue increased primarily from higher advertising and subscription sales from several international channels.

Operating income: 56% increase, 57% increase on a US\$ basis

- Increase is due to substantially higher revenue from current-year films (as above).
- Television business operating performance partially offset this increase. This was caused by the recording of production and marketing expenses in the current fiscal year for several new television shows, combined with the absence of a licensing agreement that was recorded in the prior fiscal year.

Includes intersegment transactions; "US\$" is a comparison on the basis of SPE's US dollar consolidated results; % under operating income is operating margin

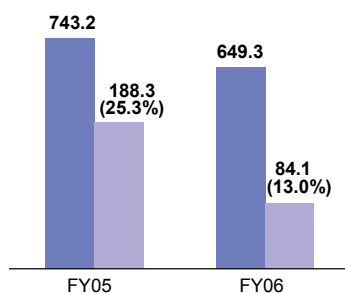
16

Sony Corporation Investor Relations

Financial Services FY06

(bln yen)

Financial Services Revenue & Operating Income



	Change
Revenue	-12.6%
Operating Income	-55.3%

FY06 Results

Financial Services revenue: Decreased 13% due to lower revenue at Sony Life

- Sony Life revenue: 15% decrease
 - (-) factor: Lower valuation gains in the general and separate accounts
 - (+) factor: Increase in revenue from insurance premiums

Operating income: 55% decline due to decreased income at Sony Life

- Sony Life operating income: 57% lower
 - (-) factor: Decrease in valuation gains from investments in the general account, including valuation gains from convertible bonds
 - (+) factor: Increase in revenue from insurance premiums
- Sony Assurance and Sony Bank continued to perform well

Sony Life Results

	FY05	FY06	Change
Revenue (bln yen)	645.0	545.1	-15%
Operating income (bln yen)	188.4	81.7	-57%

Includes intersegment transactions; % under operating income is operating margin

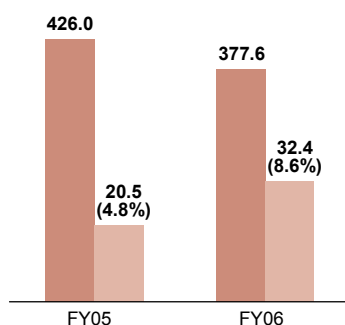
17

Sony Corporation Investor Relations

All Other FY06

(bln yen)

Sales & Operating Income



	Change
Sales	-11.4%
Operating Income	+57.9%

FY06 Results

Includes SMEI's music publishing business & SMEJ

Sales: 11% decrease

- Mainly due to the deconsolidation of Sony retail businesses and lower sales at SMEJ.
- SMEJ
 - Decrease mainly due to the transfer of business activity relating to Sony's disc custom press business to other segments.
 - Best-selling albums included Chemistry's *ALL THE BEST*, Yuna Ito's *HEART* and Angela Aki's *HOME*.

Operating income: 32.4 bln yen, increase of 58%

- Improvement mainly due to a loss recorded in the previous year as the result of a write down of assets attributed to the asset impairment reflected upon the sale of a U.S. entertainment complex.

Includes intersegment transactions; % under operating income is operating margin

18

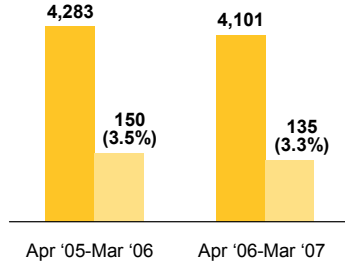
Sony Corporation Investor Relations

SONY BMG MUSIC ENTERTAINMENT

(mln dollar)

Equity Method Affiliate

Sales & Income Before Taxes



	Change
Sales	-4.2%
Income Before Taxes	-10.0%

% under income before taxes is BT margin

Apr '06-Mar '07 Results

Sales decreased 4%, income before taxes decreased 10% to \$135 mln

- Sales: Decrease primarily due to accelerated decline in worldwide physical music market not being entirely offset by digital product sales.
- Best selling albums included Justin Timberlake's *FutureSex/LoveSounds*, Beyonce's *B'Day*, Il Divo's *Siempre* and Christina Aguilera's *Back to Basics*.
- Income before taxes: Decrease due to sales decrease, but was partially offset by the favorable impact of an industry-related legal settlement and lower restructuring and overhead costs.
- Income before taxes includes \$140 million of restructuring charges, a year-on-year reduction of \$45 million.

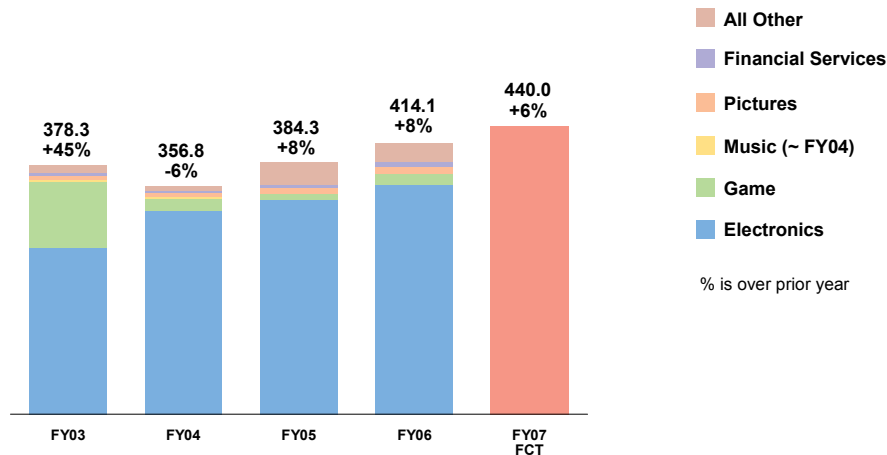
Sony recorded equity in net income of 5.0 bln yen

Impact To Sony

	Apr '05-Mar '06	Apr '06-Mar '07	Change
Net income (mln dollar)	95	84	-12%
Equity in net income recorded by Sony (bln yen)	5.8	5.0	-14%

FY07 Capital Expenditures Forecast

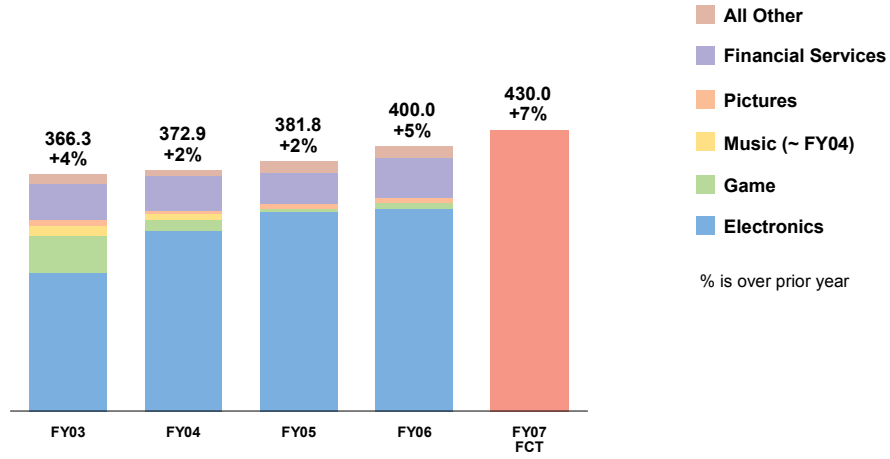
(bln yen)



- FY07 (FCT) includes 130.0 bln yen for semiconductors, compared to 150.0 bln in FY06

FY07 Depreciation & Amortization Forecast

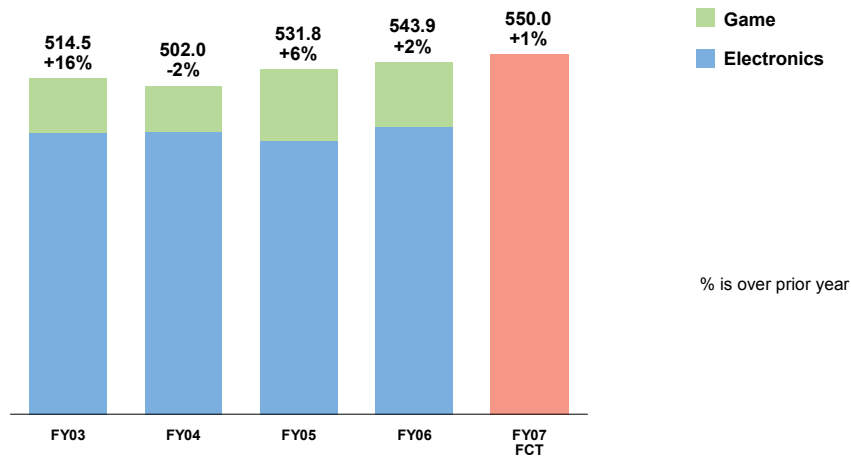
(bln yen)



- FY07 (FCT) includes 350 bln yen for depreciation of tangible assets, compared to 315.8 bln in FY06

FY07 Research & Development Forecast

(bln yen)



Consolidated Results Q4 FY06

(bln yen)

	Q4 FY05	Q4 FY06	Change	Change (LC*)
Sales & operating revenue	1,855.7	2,089.6	+12.6%	+9%
Operating income	-51.9	-113.4	-	-
Income before income taxes	-47.9	-105.7	-	-
Equity in net income of affiliates	5.4	12.3	+129.3%	
Net income	-66.5	-67.6	-	-
Net income per share of common stock (diluted)	-66.48 yen	-67.44 yen	-	-
Restructuring charges**	75.3	23.1	-52.2	

Foreign exchange impact	Average Rate	Q4 FY05	Q4 FY06
Sales & operating revenue: approx. +72.8 bln yen	1 Dollar	116 yen	119 yen
Operating income: approx. +17.9 bln yen	1 Euro	139 yen	155 yen

* Local currency (LC) basis: change that would have occurred with no year-on-year change in exchange rates
 ** Restructuring charges are recorded as operating expenses

23

Sony Corporation Investor Relations

Segments and Affiliates Q4 FY06

(bln yen)

CONSOLIDATED SEGMENTS		Q4 FY05	Q4 FY06	Change	Change (LC*)
Electronics	Sales	1,223.2	1,527.5	+24.9%	+20%
	Operating income	-81.6	-74.1	-	-
Game	Sales	152.4	281.2	+84.6%	+75%
	Operating income	-61.4	-107.8	-	-
Pictures	Sales	240.4	286.4	+19.1%	+17%
	Operating income	30.2	32.9	+9.0%	+6%
Financial Services	Revenue	223.1	184.2	-17.4%	
	Operating income	79.3	29.5	-62.8%	
All Other	Sales	106.6	99.5	-6.7%	
	Operating income	-8.9	5.4	-	

* Local currency (LC) basis: change that would have occurred with no year-on-year change in exchange rates

MAJOR EQUITY METHOD AFFILIATES		1/06 – 3/06	1/07 – 3/07	Change
Sony Ericsson (mln euro)	Sales	1,992	2,925	+47%
	Income before taxes	151	362	+139%
SONY BMG (mln dollars)	Sales	864	807	-7%
	Income before taxes	-36	-37	-

Sony Ericsson Mobile Communications AB & SONY BMG MUSIC ENTERTAINMENT are 50-50 joint ventures with LM Ericsson & Bertelsmann AG, respectively, both of which are accounted for by the equity method.

24

Sony Corporation Investor Relations