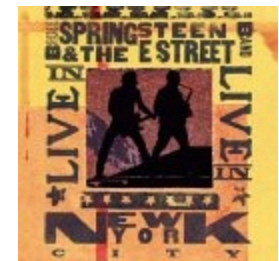




# SONY FY00 Results

## Cautionary Statements With Respect to Forward-Looking Statements

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. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. Sony cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to (i) general economic conditions in Sony's markets, particularly levels of consumer spending; (ii) exchange rates, particularly between the yen and the U.S. dollar, and other currencies in which Sony makes significant sales or in which Sony's assets and liabilities are denominated; and (iii) Sony's ability to continue to design and develop and win acceptance of its products and services, which are offered in highly competitive markets characterized by continual new product introductions, rapid developments in technology (particularly in the Electronics business), and subjective and changing consumer preferences (particularly in the Game, Music and Pictures businesses).



# Consolidated Results

FY2000 (year ended March 31, 2001)

		<u>YOY change</u>	<u>LC*</u>
<b>Sales and operating revenue</b>	<b>7,315 bln yen</b>	<b>+9%</b>	<b>+12%</b>
<b>Operating income</b>	<b>225 bln yen</b>	<b>+1%</b>	<b>+47%</b>
<b>Income before income taxes</b>	<b>266 bln yen</b>	<b>+1%</b>	
<b>Net income</b>	<b>17 bln yen</b>	<b>- 86%</b>	

## Impact of Exchange Rates (FY00 vs FY99)

(\$1= 110 yen vs 111 yen; 1 euro= 99 yen vs 114 yen)\*\*

Sales impact: -177 bln yen

Oper. Income impact: -104 bln yen

## Impact of Change in Pictures Accounting

Operating Income: -29 bln yen    Net Income: -130 bln yen (of which 102 is one time charge for previously carried amount)

## Impact of Change in Accounting for Revenue Recognition

Net Income: -2.8 bln yen (for previously carried amount)

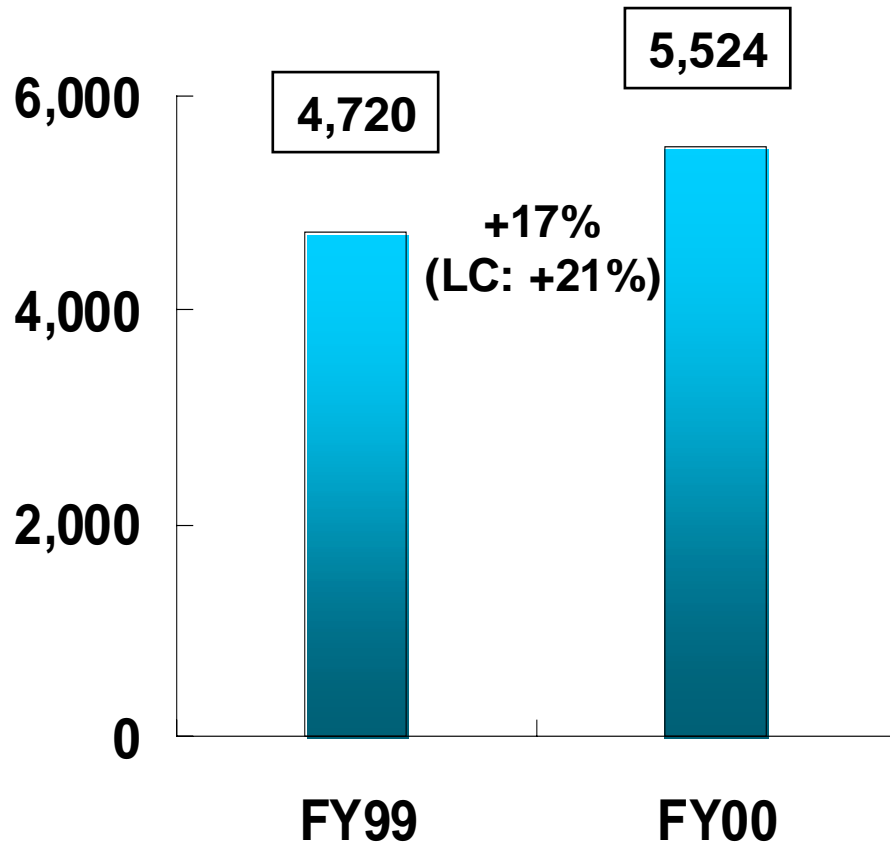
\*LC=local currency

\*\* average market rate in period

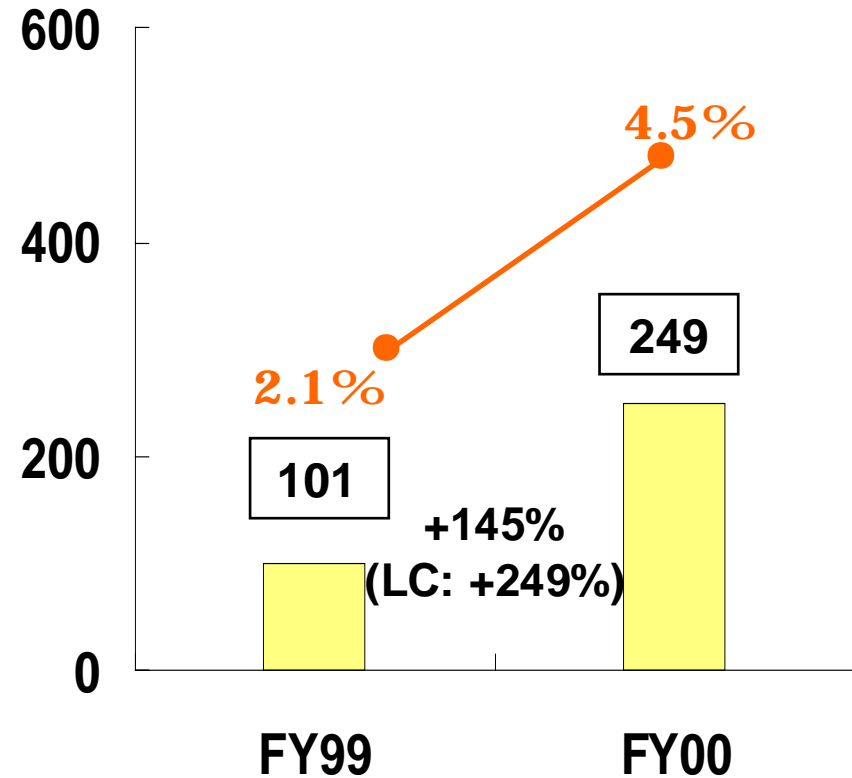
# Electronics FY00

(bln yen)

## SALES



## OPERATING INCOME ( and as % of sales)

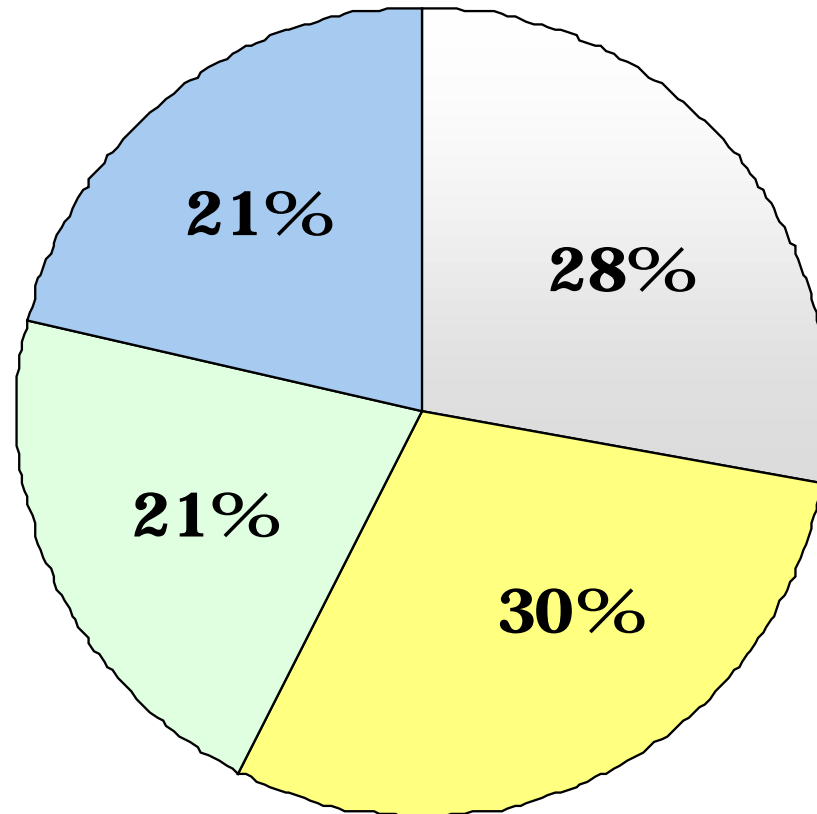


including intersegment transactions  
LC=local currency basis  
% change over year earlier period  
line graph is operating margin

# Electronics Sales by Area FY00

**Other Area**  
**+22%**  
**(LC+25%)**

**Japan**  
**+21%**



**Europe**  
**+3%**  
**(LC+17%)**

**U.S.**  
**+11%**  
**(LC+11%)**

based on location of customer  
change over year earlier period, LC = local currency  
excluding other operating revenue

# Electronics Sales Trends by Area

## Japan

Percentage change on year earlier period



### 00.4Q positive factors

- Cellular Phones
- VAIO PCs
- Semiconductors
- Digital Still Cameras

### 00.4Q negative factors

- Camcorders

excluding other operating revenue

# Electronics Sales Trends by Area

## U.S.

Local currency base;  
Percentage change on year earlier period



### 00.4Q positive factors

- VAIO PCs
- Camcorders
- CD-R/RW

### 00.4Q negative factors

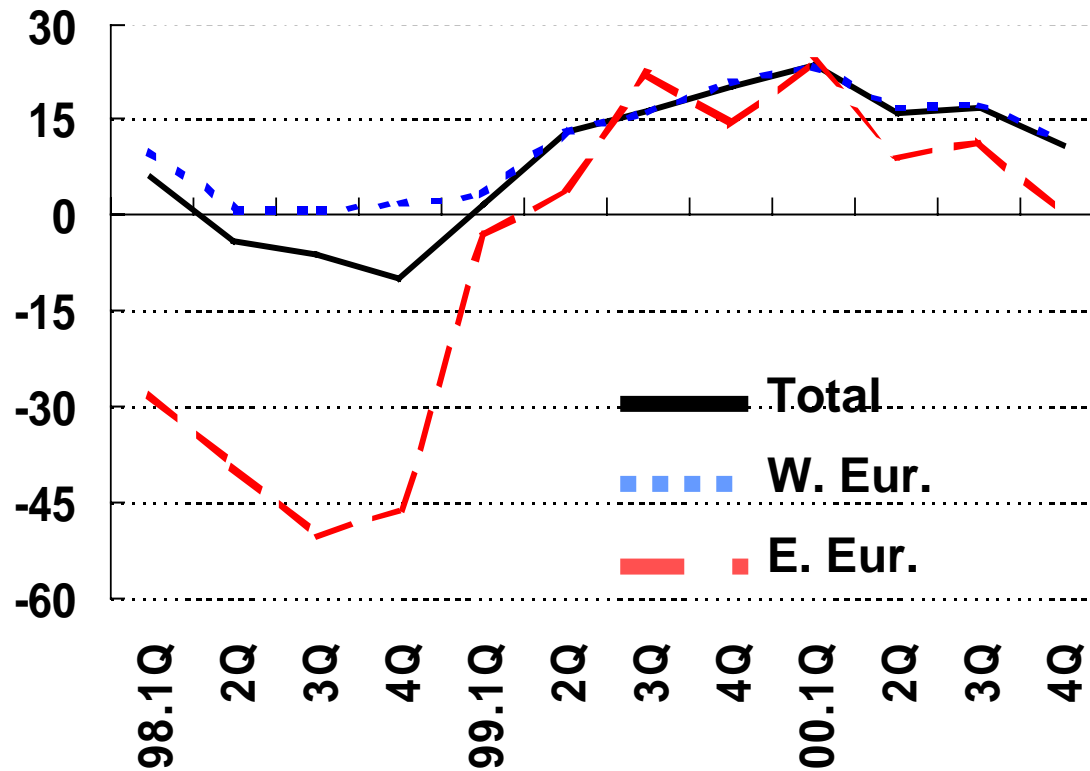
- Broadcast & Professional equipment

excluding other operating revenue

# Electronics Sales Trends by Area

## Europe

Local currency base;  
Percentage change on year earlier period



### 00.4Q positive factors

- Cellular Phones
- PC Displays
- VAIO PCs

### 00.4Q negative factors

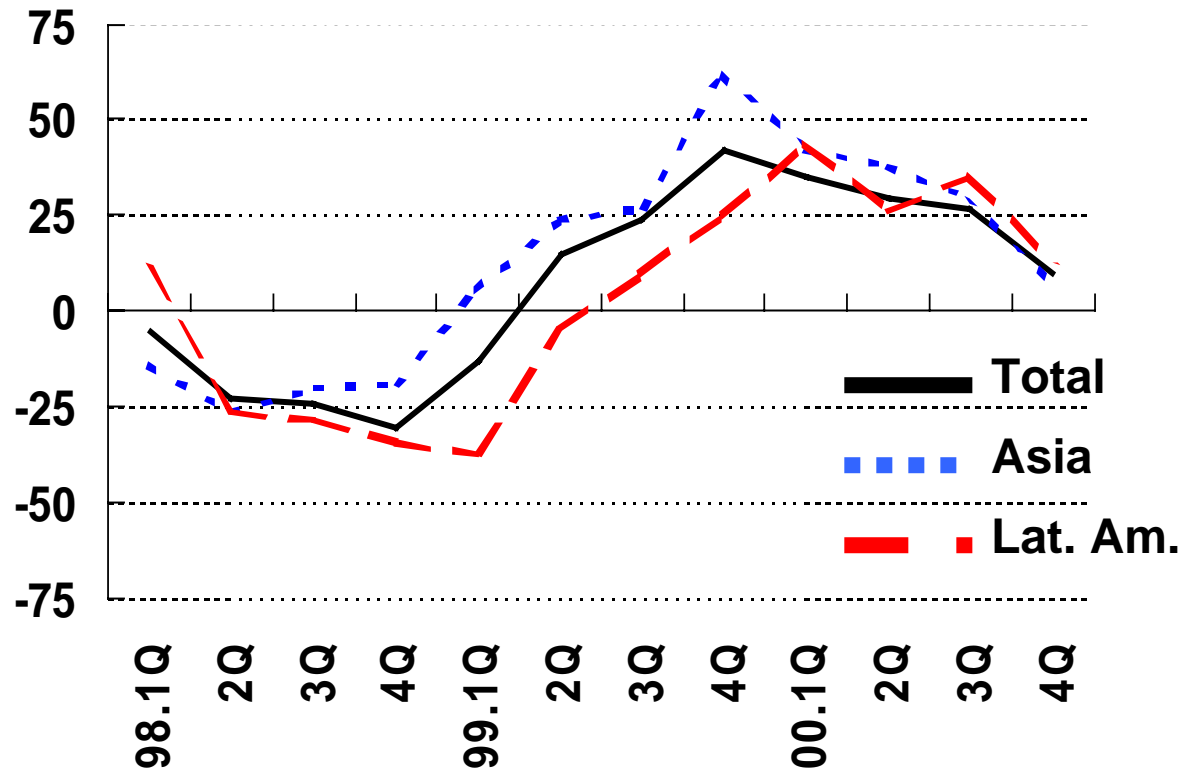
- Televisions

excluding other operating revenue

# Electronics Sales Trends by Area

## Other Area

Local currency base;  
Percentage change on year earlier period



### 00.4Q positive factors

- Cellular Phones
- Camcorders
- Semiconductors

### 00.4Q negative factors

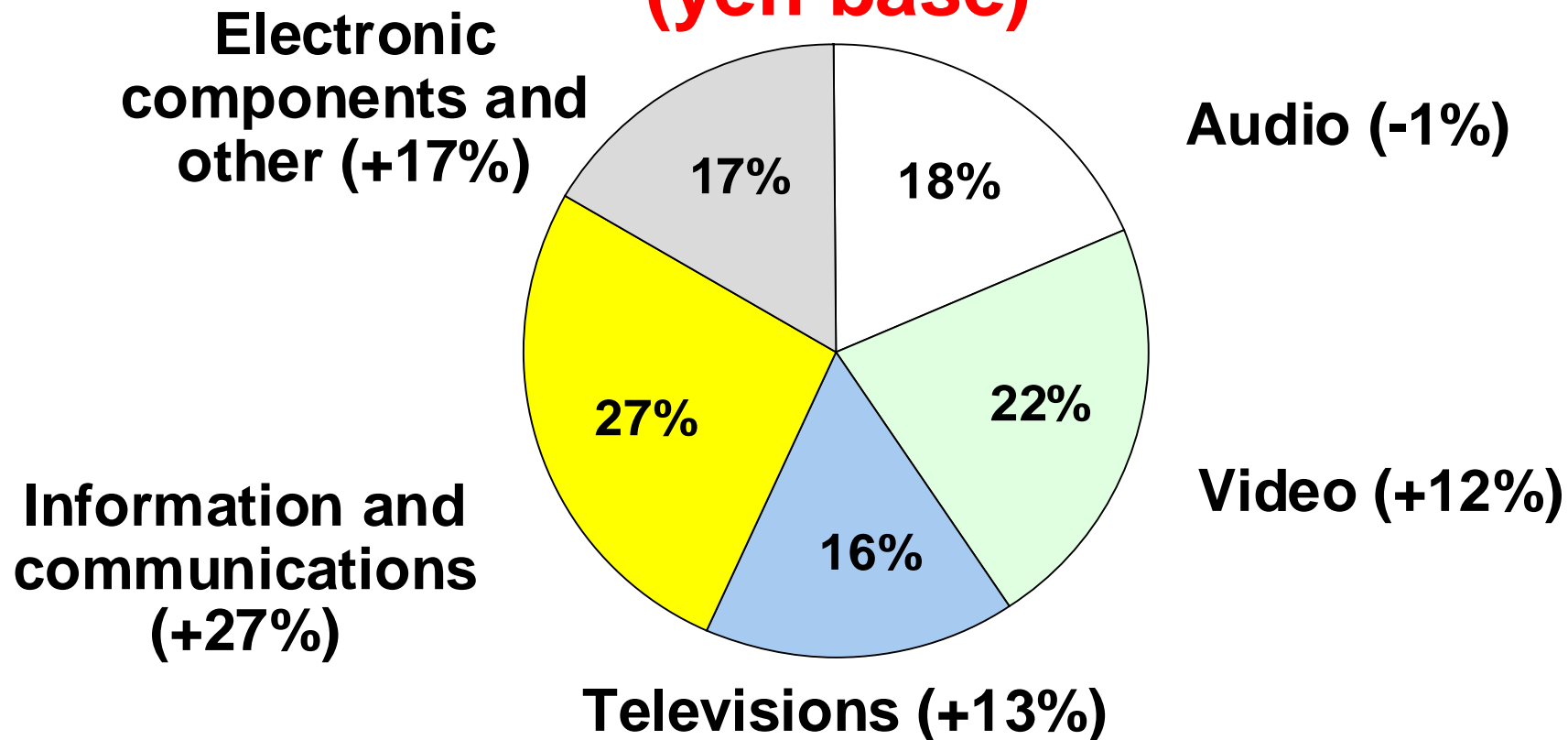
- CD-R/RW

excluding other operating revenue

# Composition of Electronics Sales

**FY00**

**(yen base)**

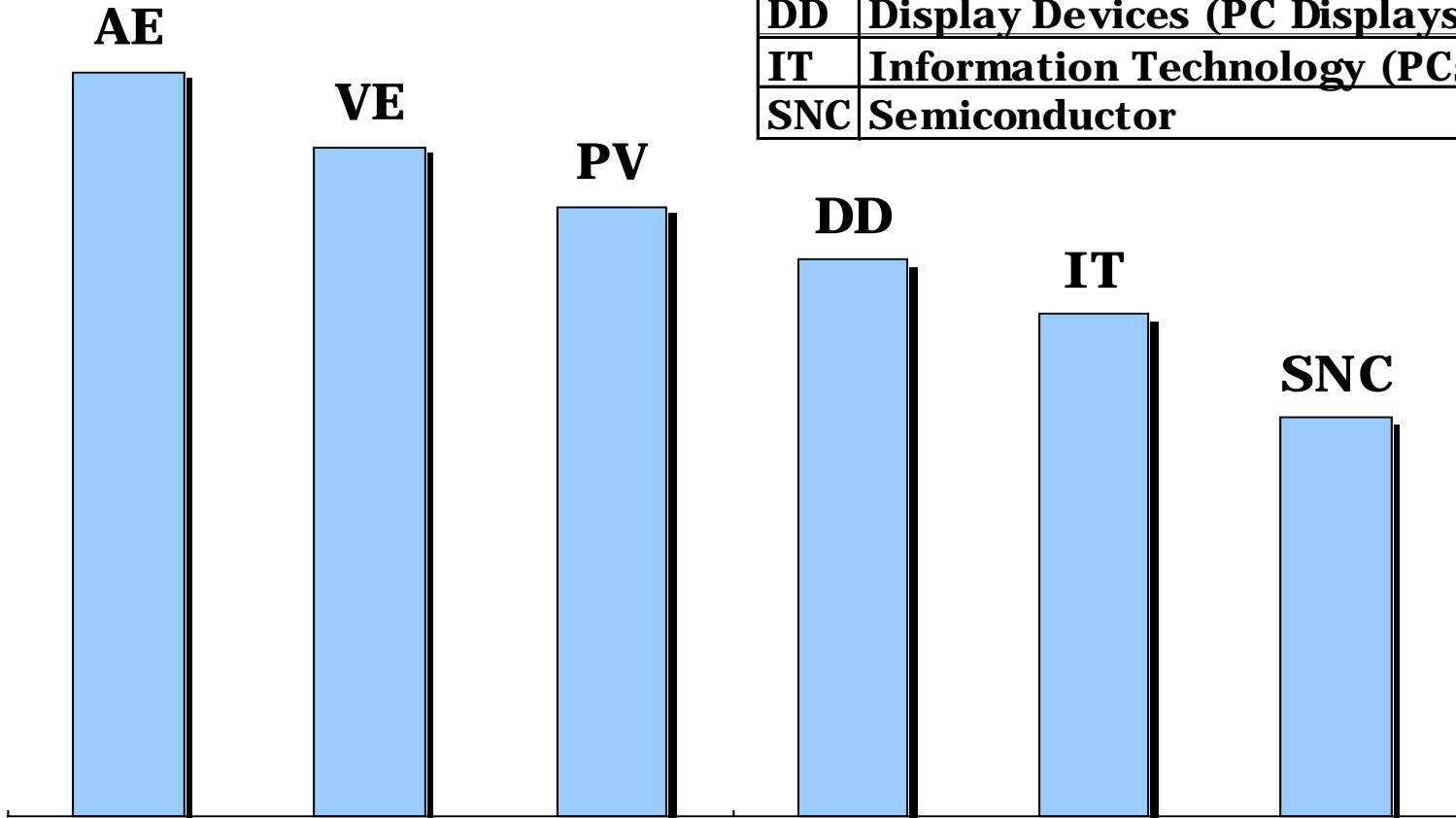


Percentage of total Electronics business;  
year on year growth rates;  
excluding intersegment transactions

# Electronics: Sales by Major Product Area

**FY00**  
yen base

<b>AE</b>	<b>Audio Entertainment</b>
<b>VE</b>	<b>Visual Entertainment (Televisions, etc.)</b>
<b>PV</b>	<b>Personal Video (Camcorders, Digital Still Cameras, etc.)</b>
<b>DD</b>	<b>Display Devices (PC Displays, etc.)</b>
<b>IT</b>	<b>Information Technology (PCs, etc.)</b>
<b>SNC</b>	<b>Semiconductor</b>

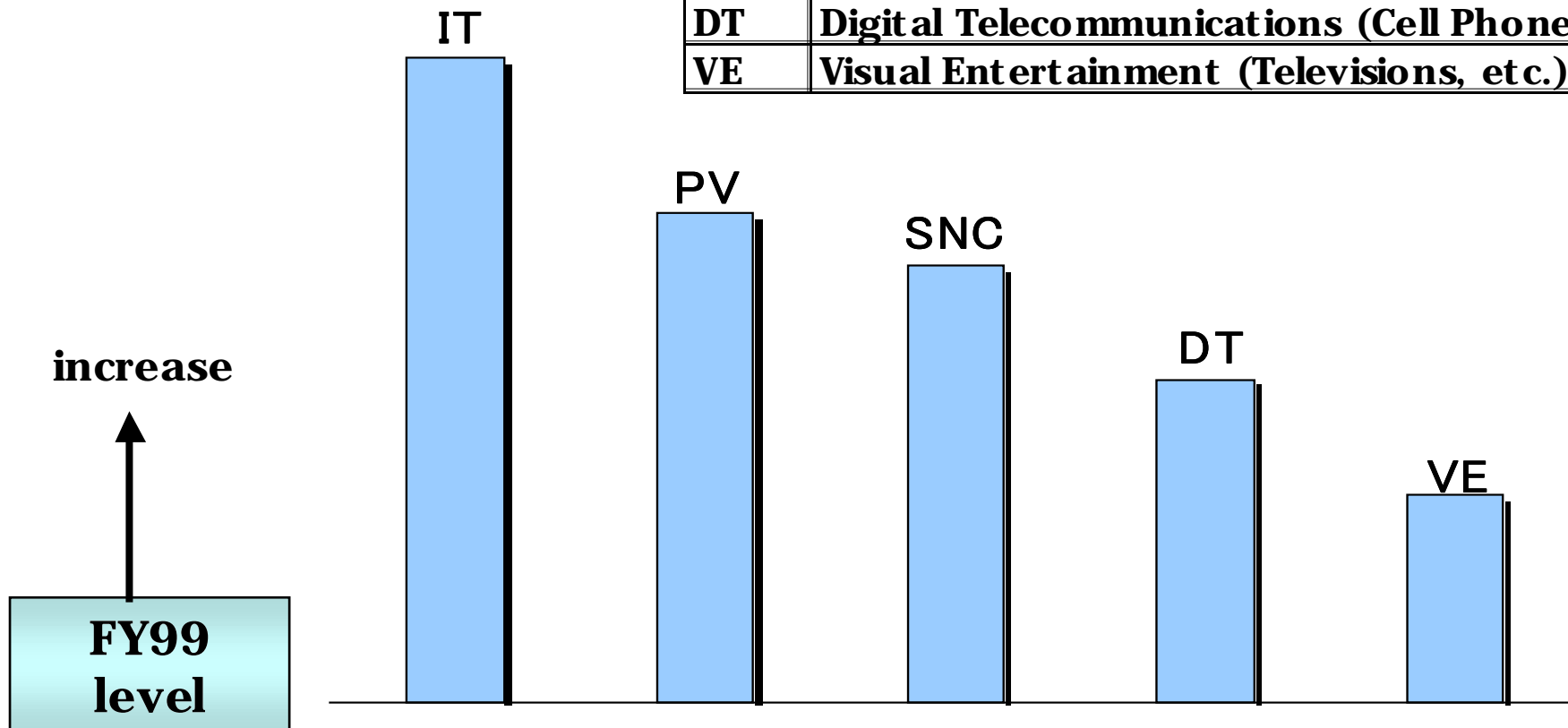


\*Note that the total of these categories is different from the actual total of the Electronics segment, and only includes major product areas.  
\*Semiconductor, etc. includes internal sales

# Electronics: Major Areas Sales Changes

**FY00  
yen base**

<b>IT</b>	<b>Information Technology (PCs, etc.)</b>
<b>PV</b>	<b>Personal Video (Camcorders, Digital Still Cameras, etc.)</b>
<b>SNC</b>	<b>Semiconductor</b>
<b>DT</b>	<b>Digital Telecommunications (Cell Phones)</b>
<b>VE</b>	<b>Visual Entertainment (Televisions, etc.)</b>



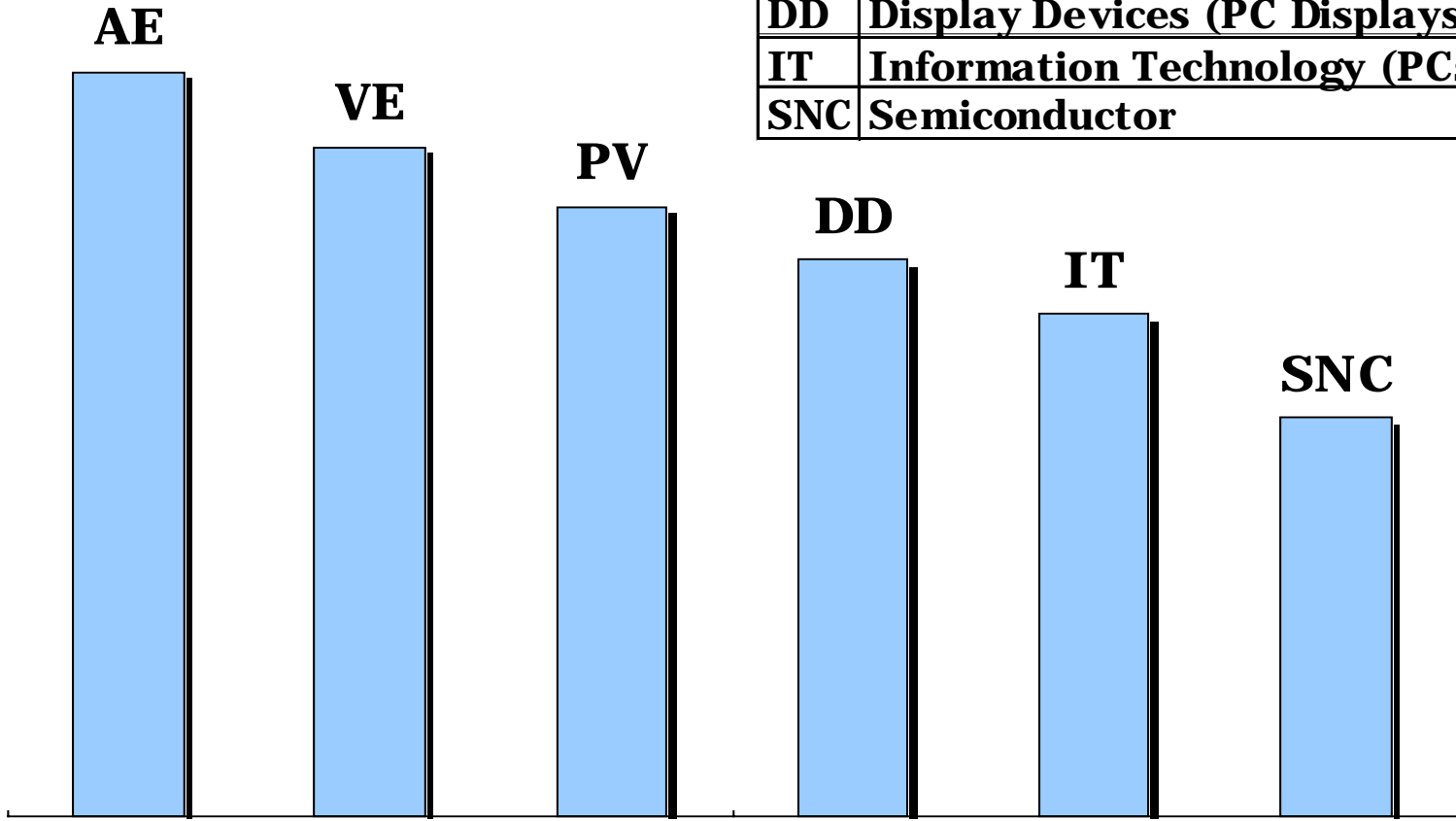
\*Note that the total of these categories is different from the actual total of the Electronics segment, and only includes product areas with major absolute changes.

\*Semiconductor, etc. includes internal sales

# Electronics: Sales by Major Product Area

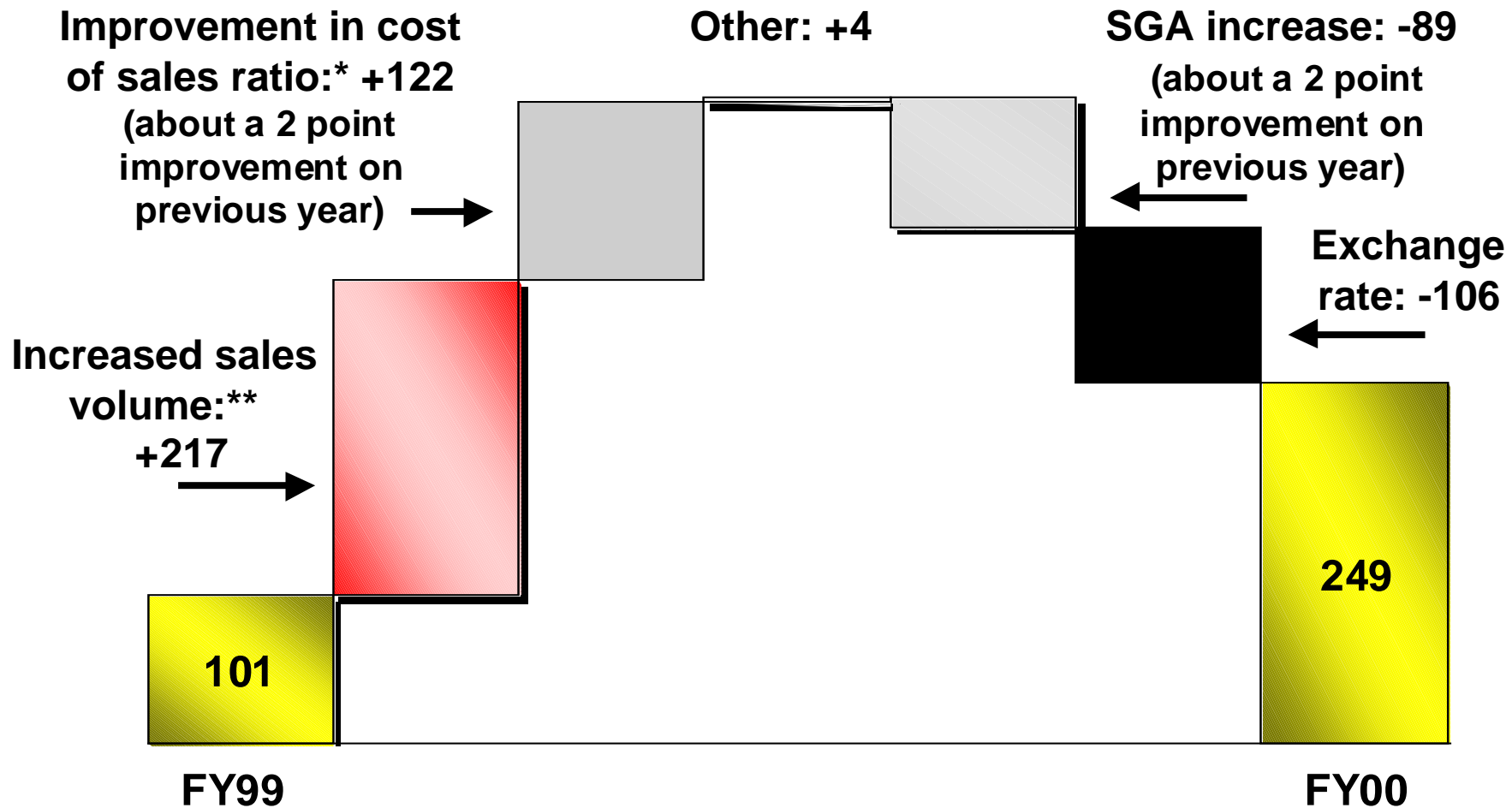
**FY00**  
**yen base**

<b>AE</b>	<b>Audio Entertainment</b>
<b>VE</b>	<b>Visual Entertainment (Televisions, etc.)</b>
<b>PV</b>	<b>Personal Video (Camcorders, Digital Still Cameras, etc.)</b>
<b>DD</b>	<b>Display Devices (PC Displays, etc.)</b>
<b>IT</b>	<b>Information Technology (PCs, etc.)</b>
<b>SNC</b>	<b>Semiconductor</b>



\*Note that the total of these categories is different from the actual total of the Electronics segment, and only includes major product areas.  
\*Semiconductor, etc. includes internal sales

# Electronics: Factors in Operating Profit



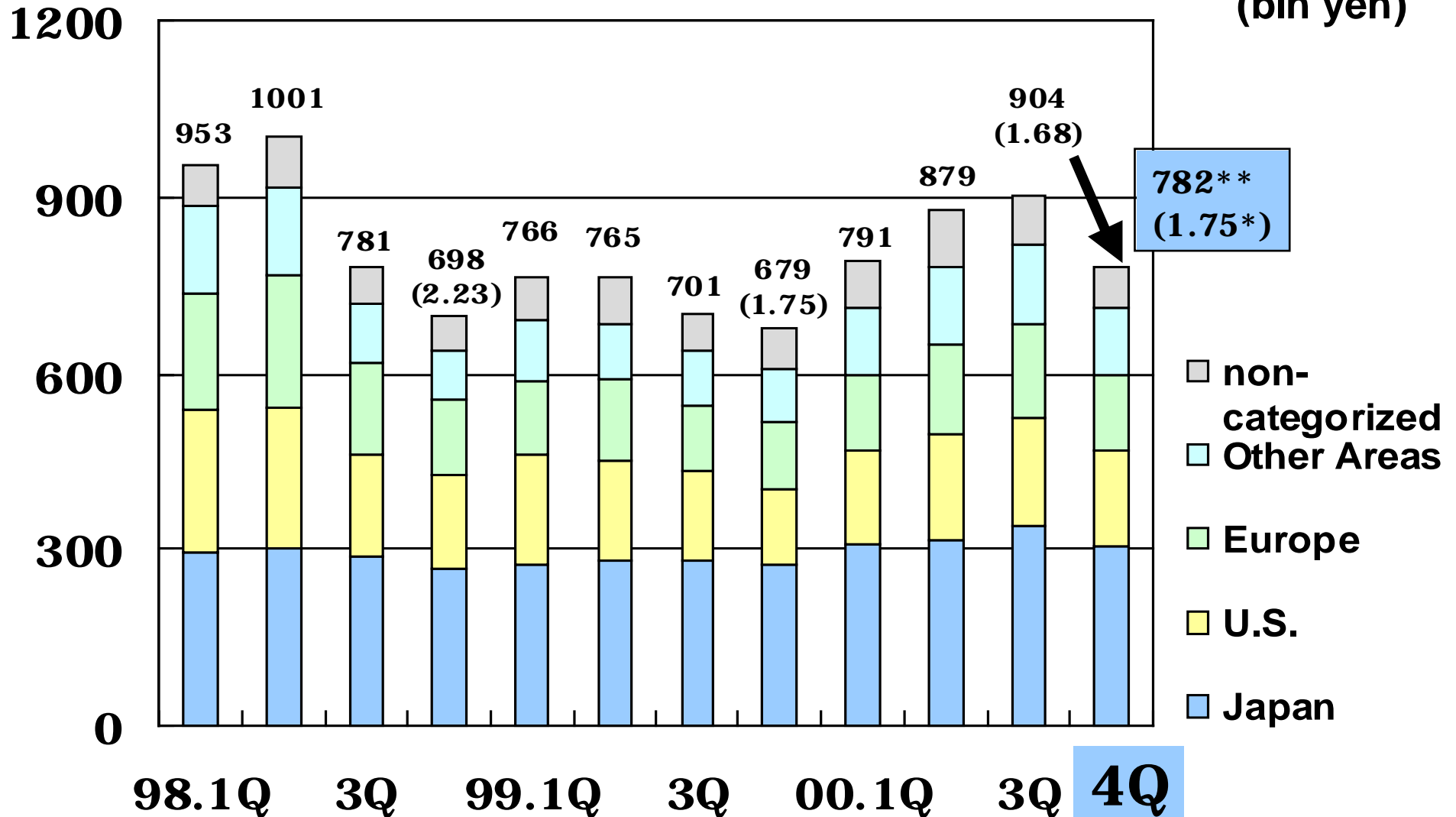
\* Improvement in cost of sales ratio = % change in cost of sales ratio X year earlier period's sales

\*\* Increased sales volume = amount change in sales X year earlier period's gross profit margin

( bln yen )

# Electronics Inventory Levels by Area

(bln yen)

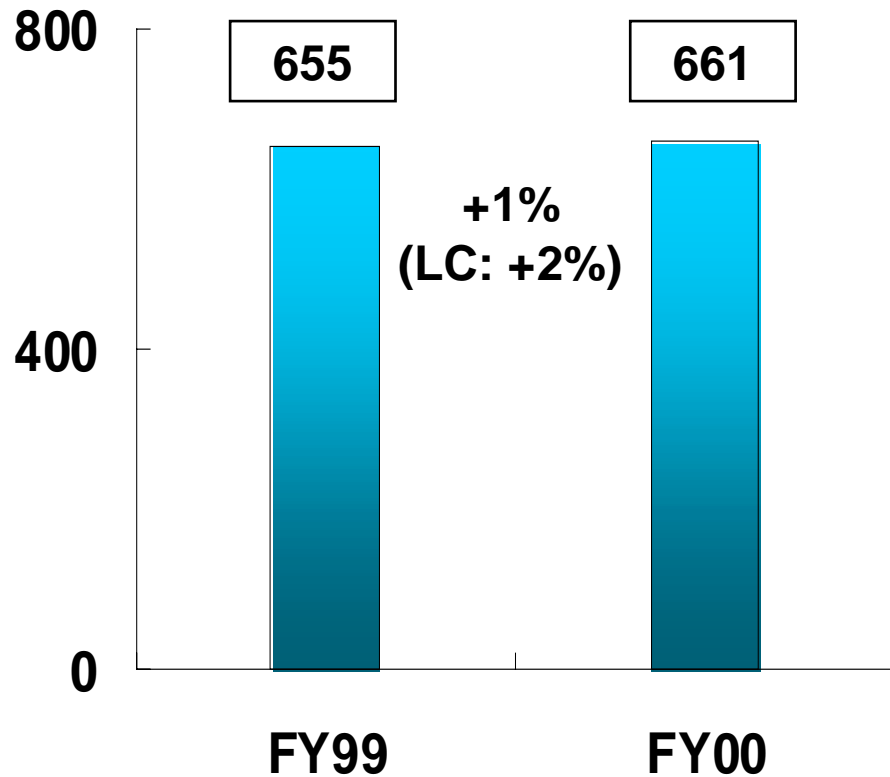


\*inventory levels \*\* months of sales (average inventory level in quarter divided by average monthly sales in quarter)

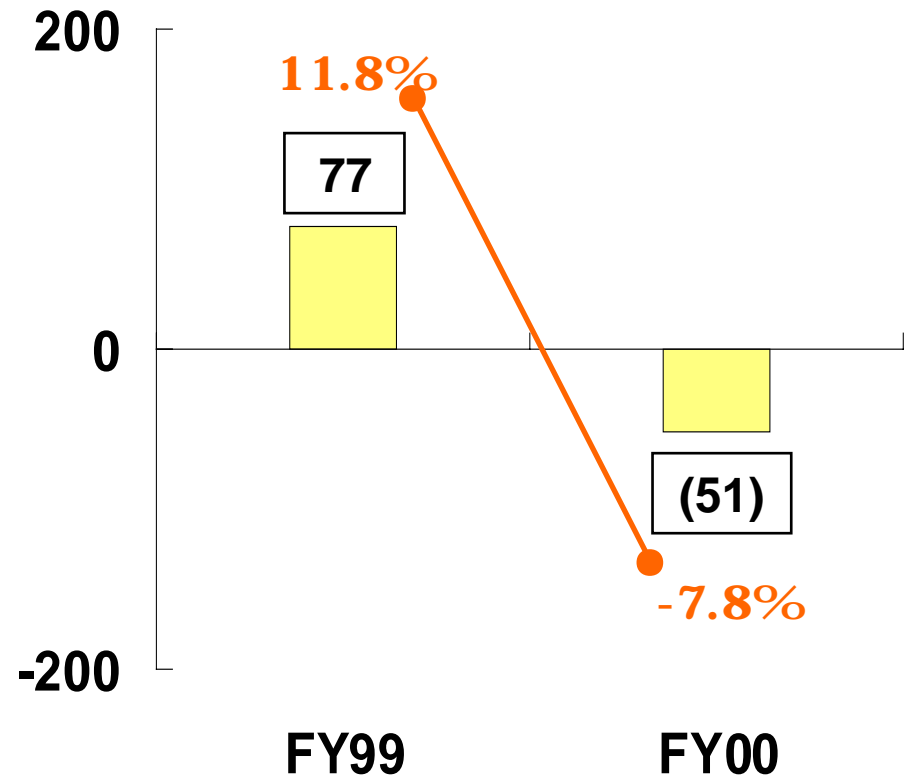
# Game FY00

(bln yen)

## SALES



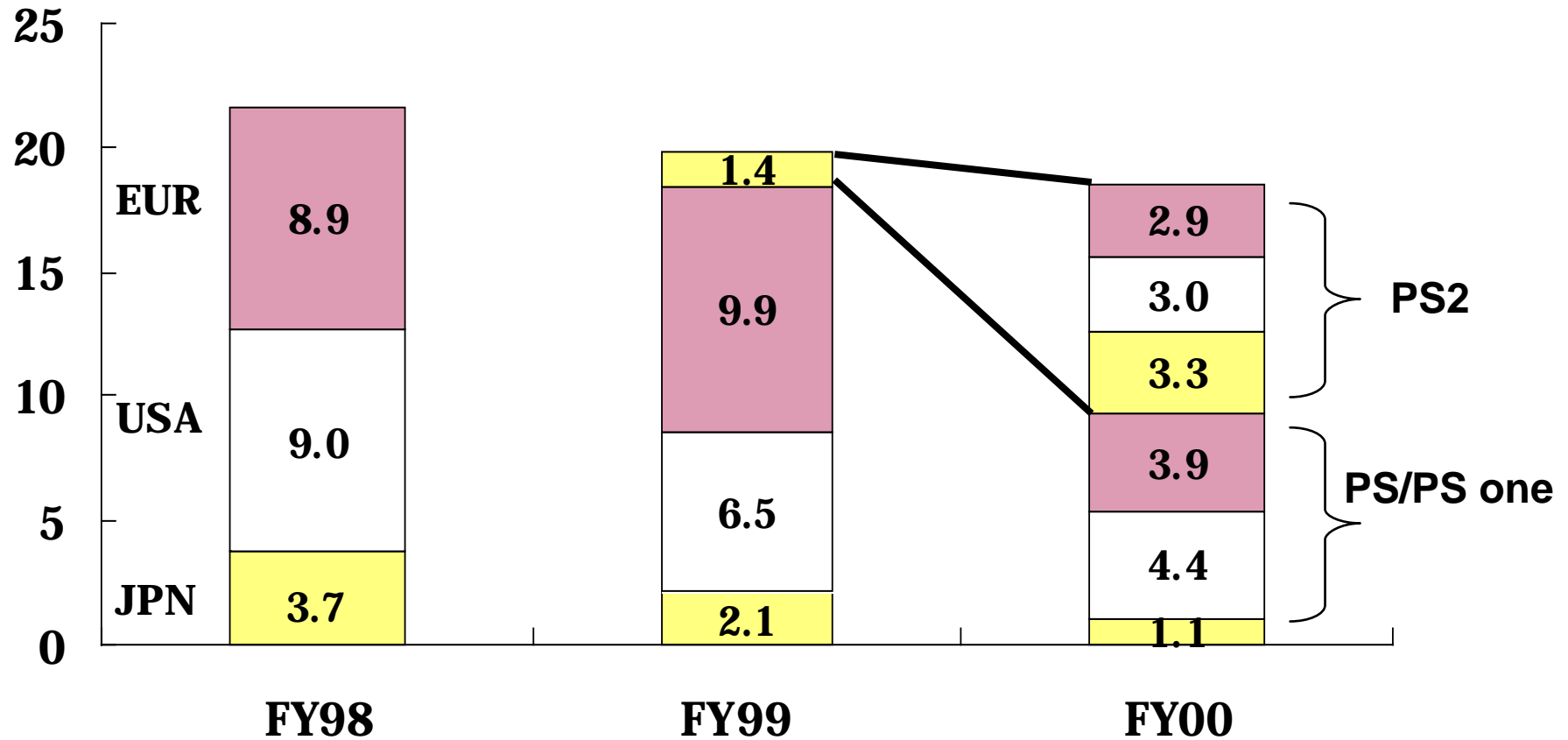
## OPERATING INCOME (LOSS) ( and as % of sales)



including intersegment transactions  
LC=local currency basis  
% change over year earlier period  
line graph is operating margin

# PS, PS2 Hardware Shipments (by year)

(mln units)



## Annual Totals

PS/PS one: 21.6 mln

PS2:

18.5 mln

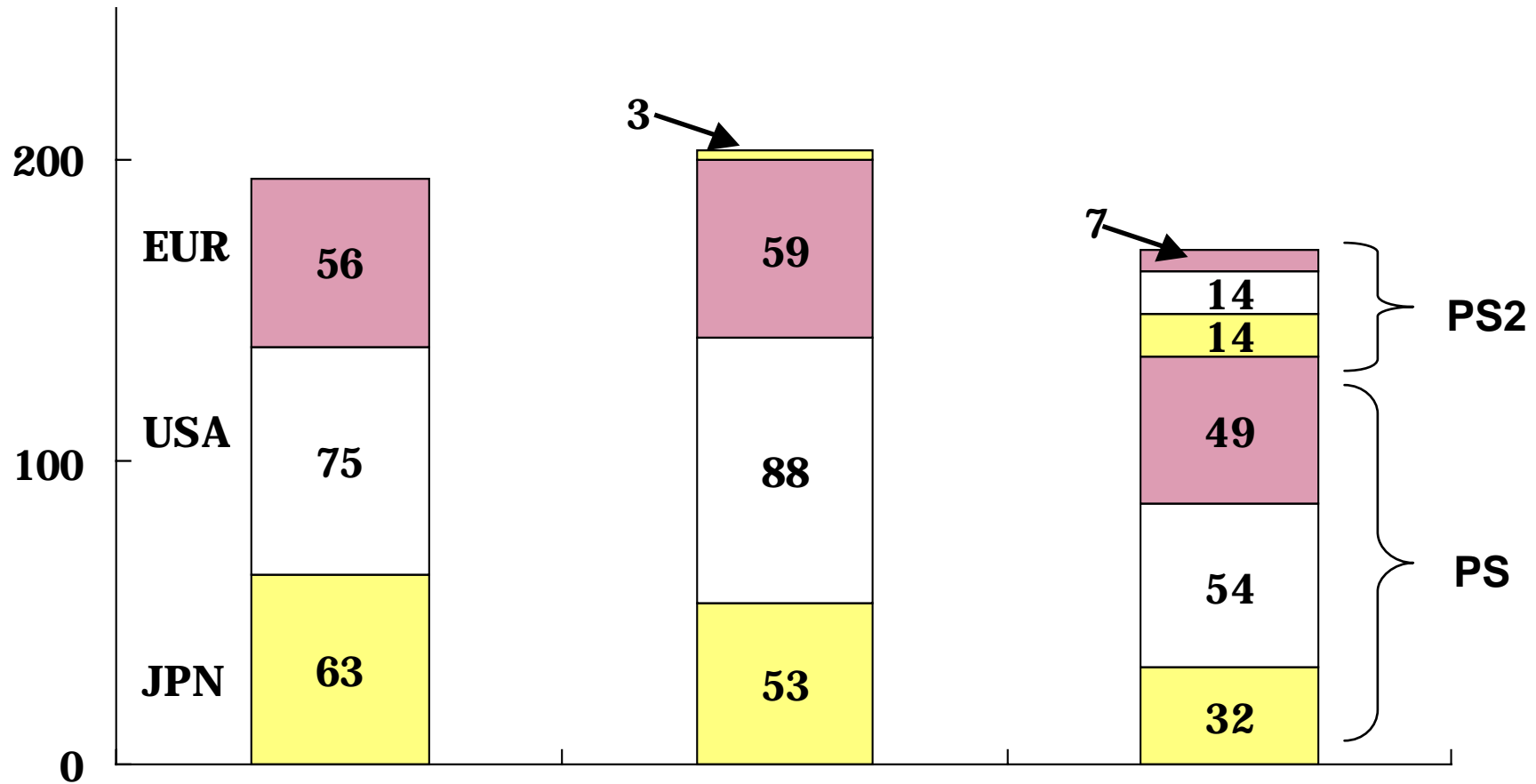
1.4 mln

9.3 mln (-50%)

9.2 mln

# PS, PS2 Software Shipments (by year)

(mln units)



## Annual Totals

**PS:** 194 mln  
**PS2:**

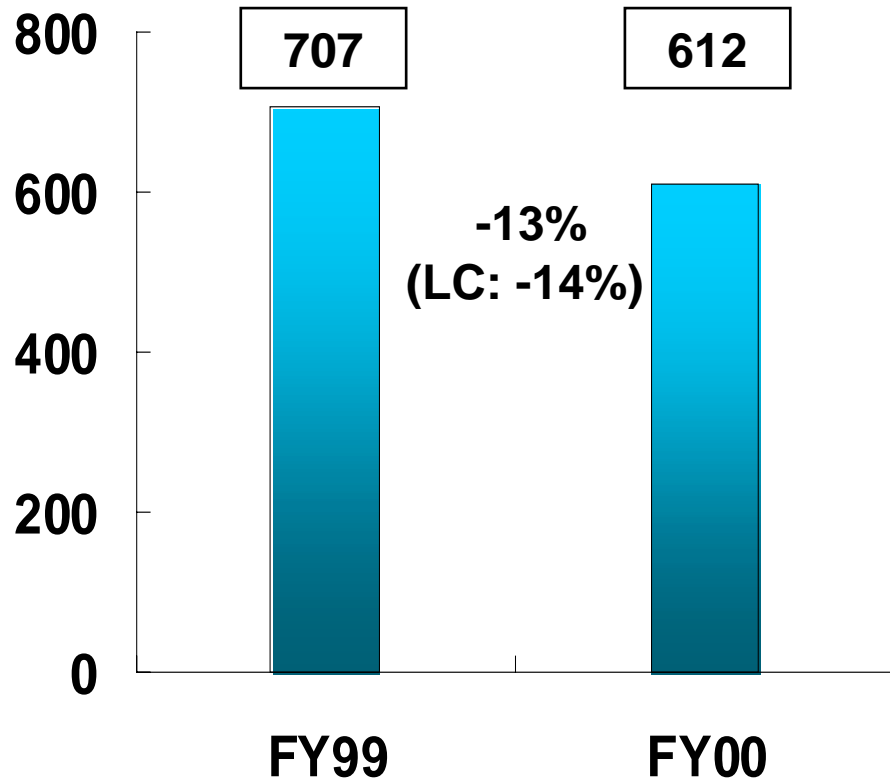
**200 mln**  
**3 mln**

**135 mln (- 33%)**  
**35 mln**

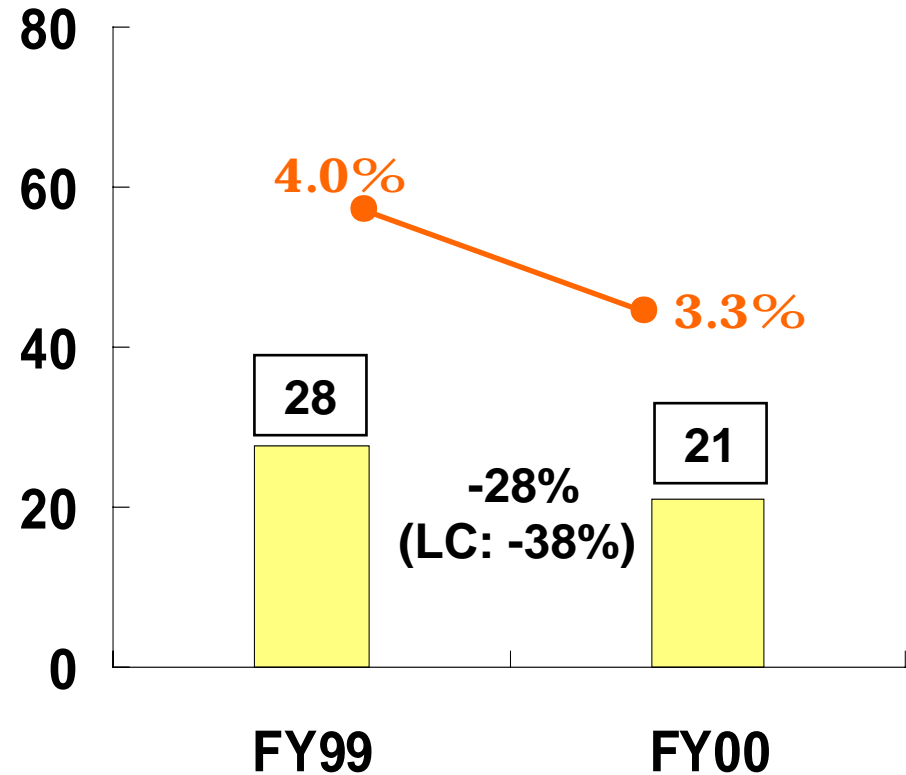
# Music FY00

(bln yen)

## SALES



## OPERATING INCOME ( and as % of sales)

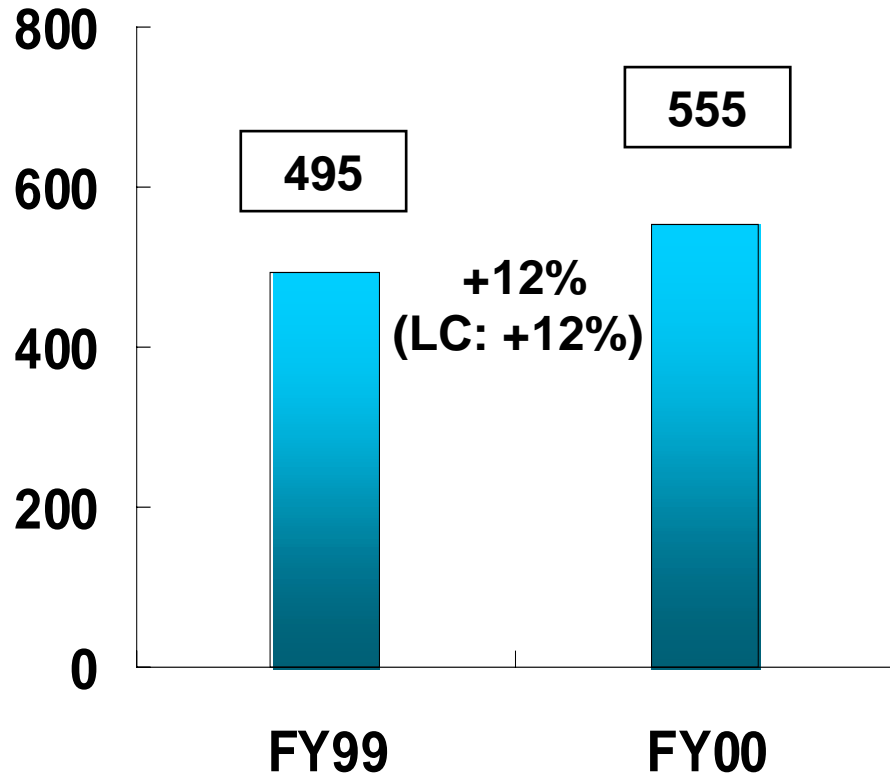


including intersegment transactions  
LC=local currency basis (for Music, on a US\$ basis)  
% change over year earlier period  
line graph is operating margin

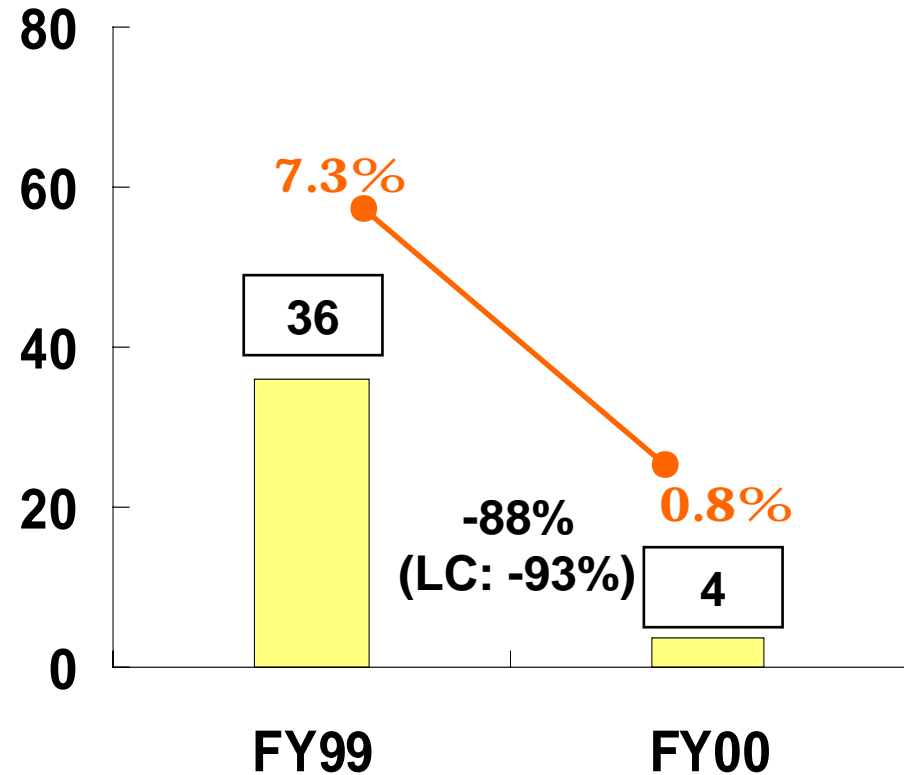
# Pictures FY00

(bln yen)

## SALES



## OPERATING INCOME ( and as % of sales)

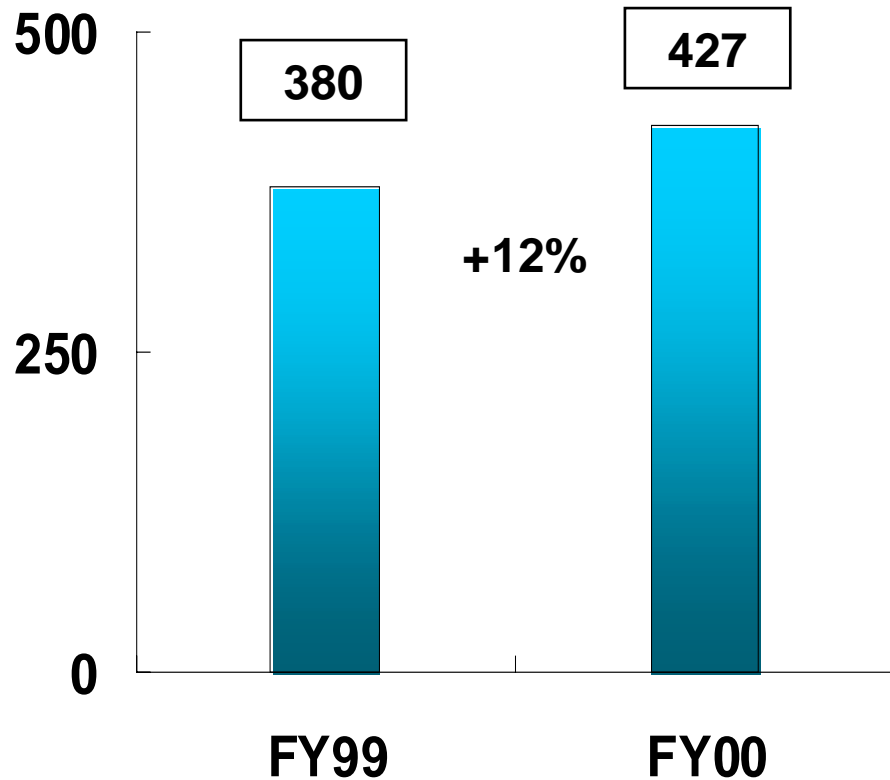


including intersegment transactions  
LC=local currency basis (for Pictures, on a US\$ basis)  
% change over year earlier period  
line graph is operating margin

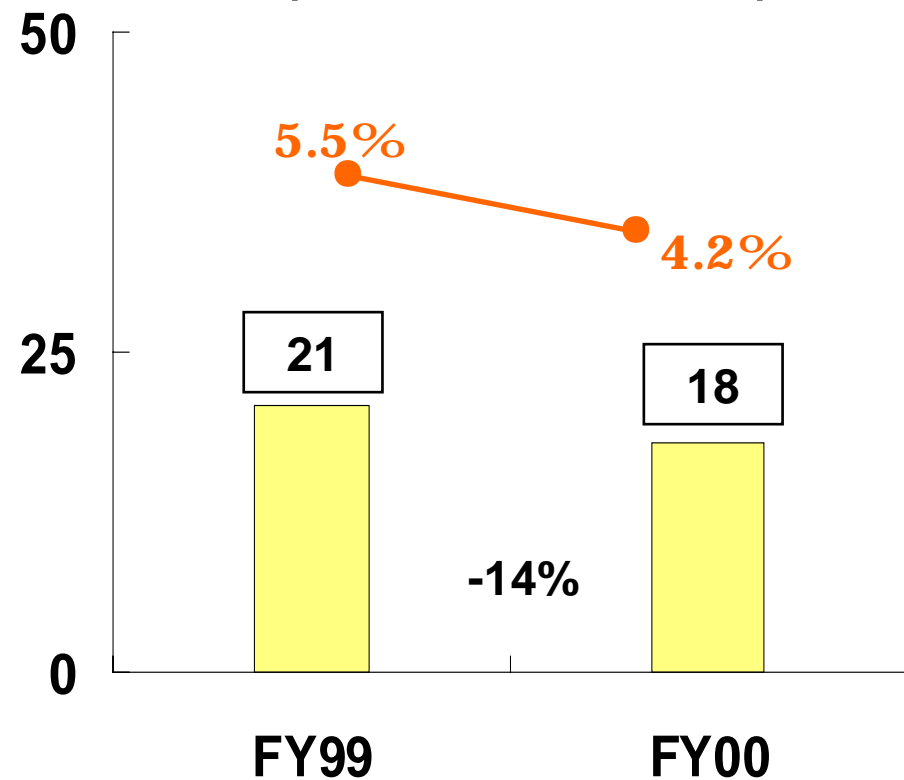
# Insurance FY00

(bln yen)

## SALES



## OPERATING INCOME ( and as % of sales)

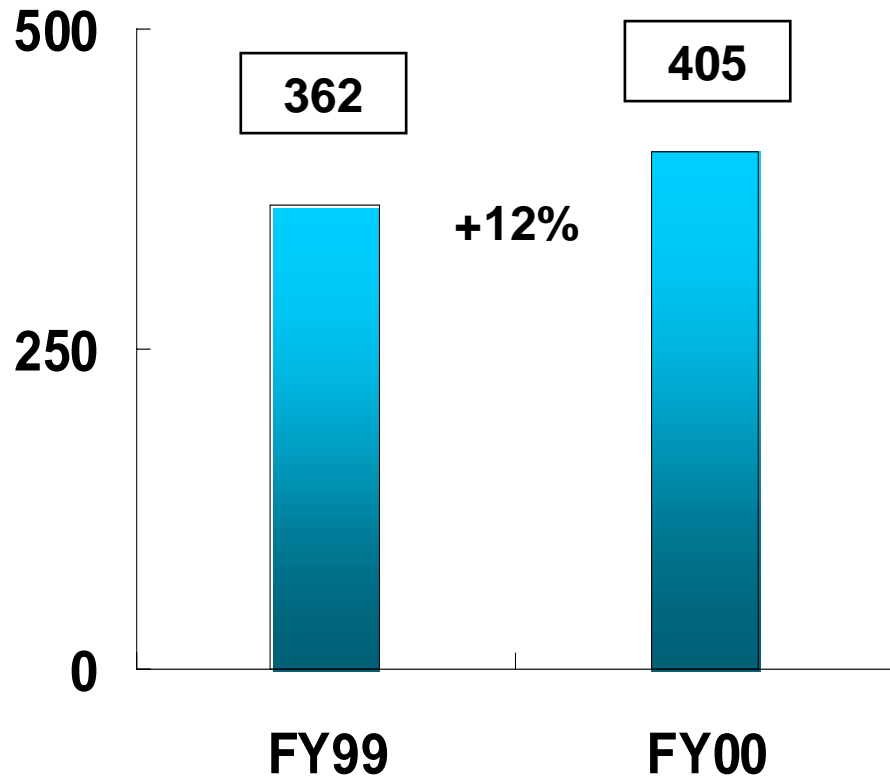


including intersegment transactions  
LC=local currency basis  
% change over year earlier period  
line graph is operating margin

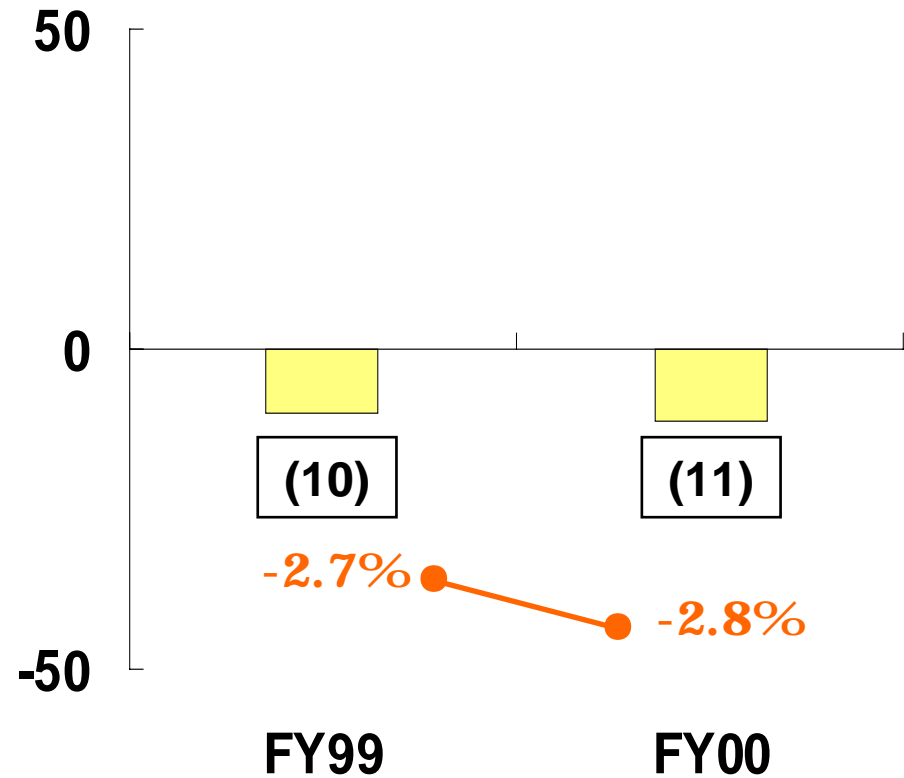
# Other FY00

(bln yen)

## SALES



## OPERATING INCOME (LOSS) ( and as % of sales)



including intersegment transactions  
LC=local currency basis  
% change over year earlier period  
line graph is operating margin

# FY2001 Forecast

<b>(bln yen)</b>	<u>FY00</u>	<u>FY01</u>	<u>YoY change</u>
Sales and operating revenue	7,315	8,000	+ 9%
Operating income	225	300	+ 33%
Income before income taxes	266	280	+ 5%
Net income	17	150	+ 795%

## Assumed Exchange Rates

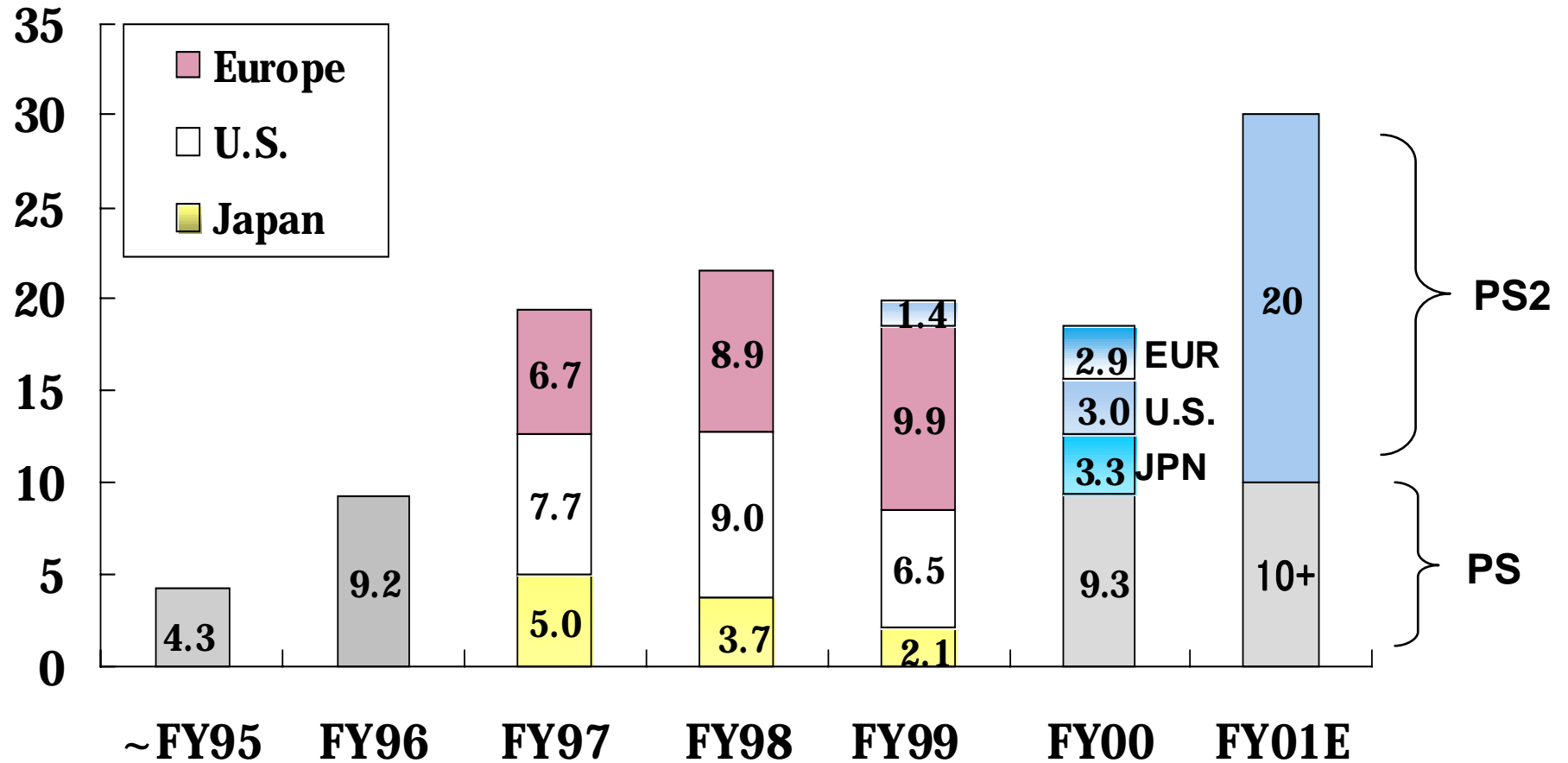
1 U.S. dollar = 115 yen

1 euro = 105 yen

	<u>FY00</u>	<u>FY01</u>	<u>YoY change</u>
Capital Expenditures	465	400	- 14%
Dep. & Amort.	348	410	+ 18%
(of that, dep. for tangible assets)	270	330	+22%)

# PS, PS2 Hardware Shipments (by year)

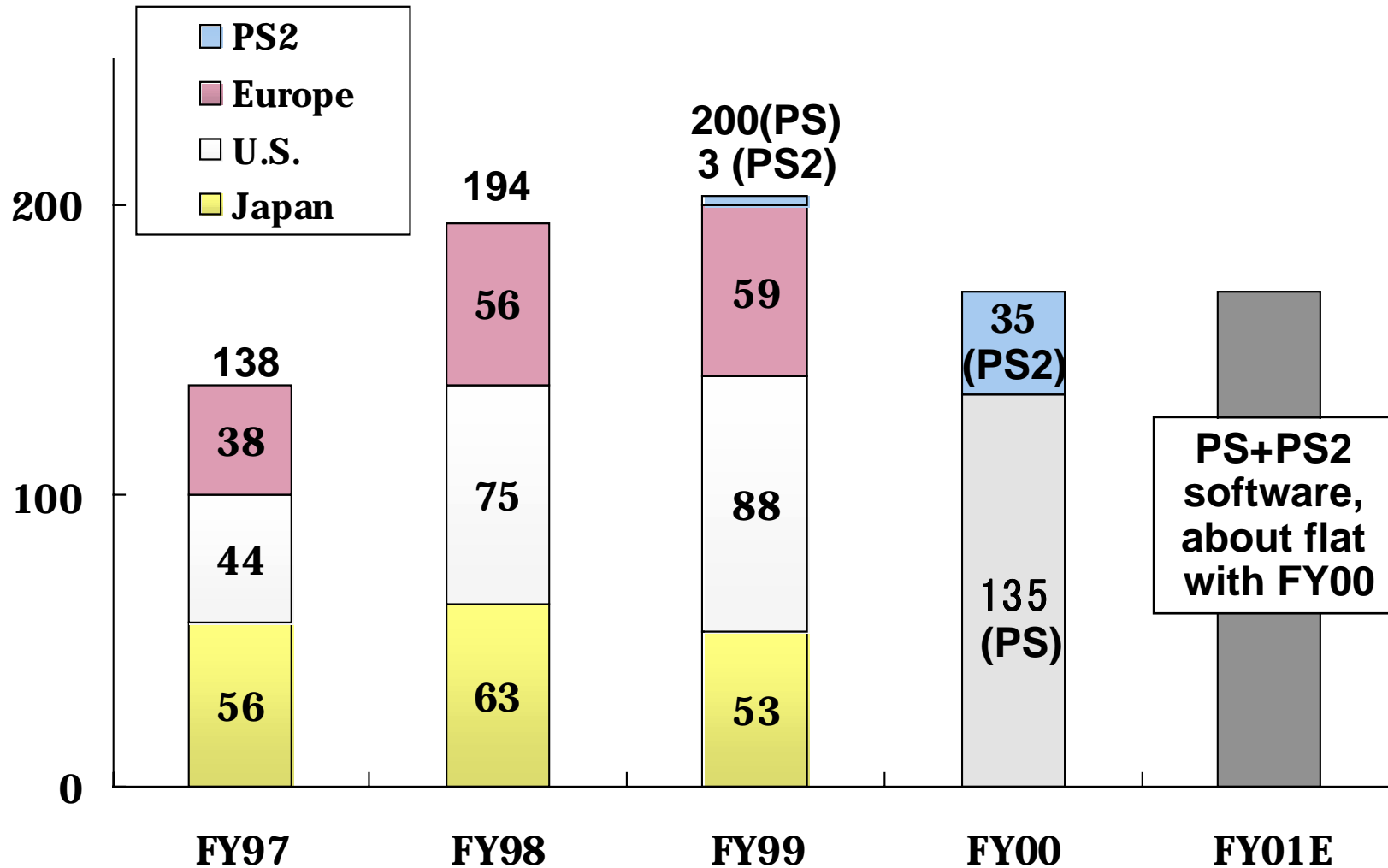
(mln units)



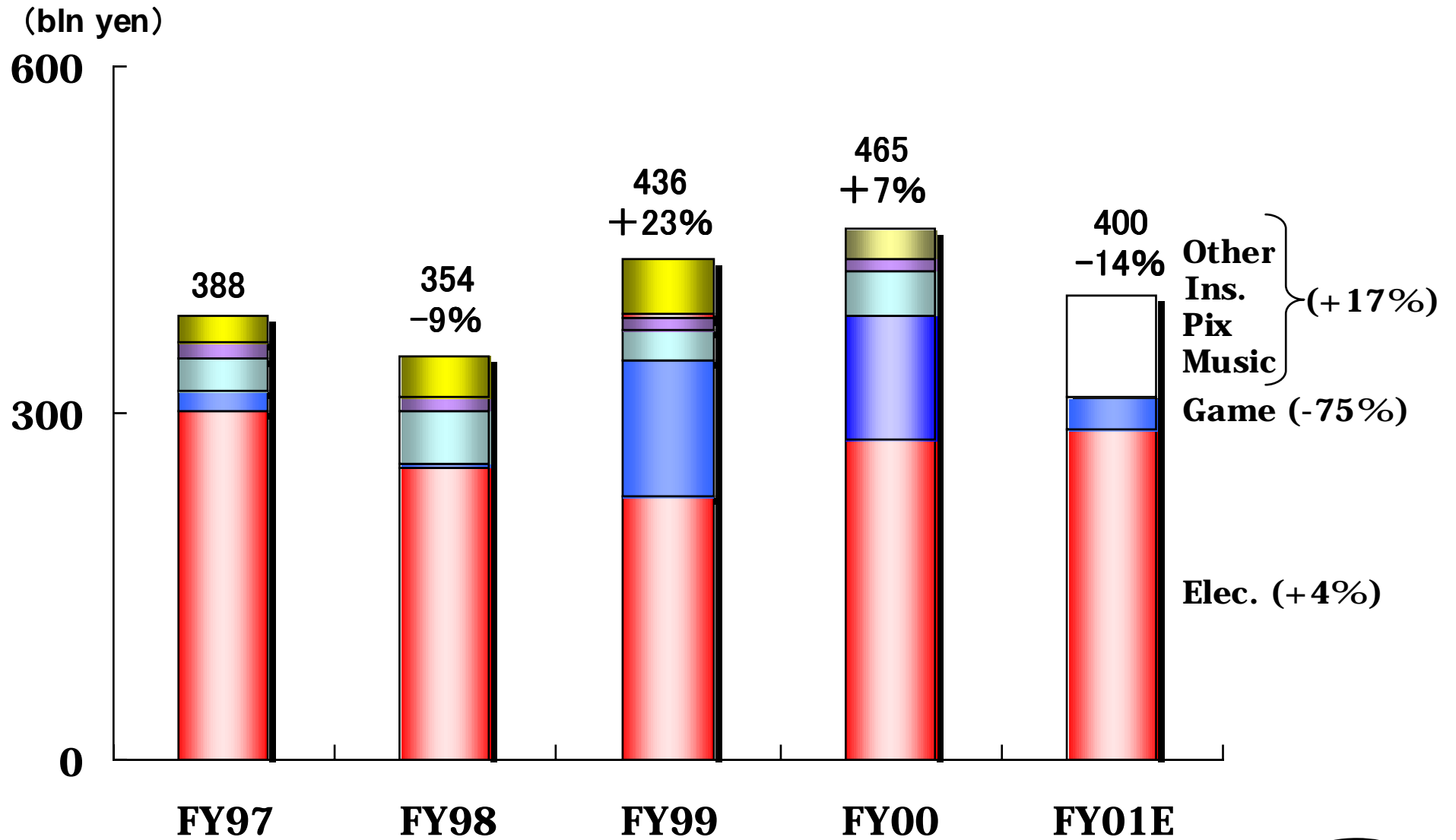
(from 12/94)

# PS, PS2 Software Shipments (by year)

(mln units)



# Capex Forecast



# Amortization & Depreciation Forecast

(bln yen)

