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Sony and Toshiba both hit by economic downturn

But Panasonic riding high

by Katie Scott published on 30 July 2008

It seems that the electronics industry could take a bit of a beating if economic woes continue.

Sony, Toshiba and Panasonic have all published their quarterly results and two of the three are reporting losses.

Sony posted a bigger-than-expected 47% fall in quarterly profits and also cut its outlook.

Net profit at Sony came to 35 billion yen in April-June, down from 66.5 billion yen a year earlier and below the average estimate of 52.5 billion yen.

It is its mobile phone venture with Ericsson that has been hardest hit, but sales seem to have slowed for all divisions.

"On digital cameras and camcorders, growth in developed markets such as Europe and the United States slowed and competition intensified, resulting in smaller profits", Sony senior vice president Naofumi Hara told a news conference.

And Toshiba is suffering too, admitting its first quarterly loss in three years as memory chip prices fell and sales of chips used by none other than Sony slowed.

But it is still confident it will reach its full year targets.

But Panasonic has bucked the trend and kept its outlook above market expectations.

It reported a 86% rise in quarterly net profit to a record 73 billion yen, reflecting a boom in demand for Viera flat TVs.

