

# SONY

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# Sony Description

- Technology manufacturer
- Started in Tokyo, Japan
- One of the top innovators in the industry
- Some products consist of
  - Gaming
  - Appliances
  - Televisions
  - Entertainment



# Why did we choose Sony?

# SONY

- One of the top technology manufacturers in the world right now.
- International company.
- In a competitive industry so can compare with a lot of companies.
- Noticed opportunity for growth because of recent drop in share price.
- Ton of different sectors that Sony is in.

# Initial look at Sony (Sept. 18, 2023)

- Share price was at \$86.79
- Price target was at \$118.03
- Analysts recommended this as a strong buy
- A volatile stock with more chance to grow
- At quick glance looked to be promising buy with steady growth
- 52 week high of 100.94 and low of 74.81
- Beta >1





# Profitability Ratio Analysis

ROA 2023: 2.70%

Margin 2023: 8.69%

Stable

Operating Profit

Stable

ROE 2023: 12.80%

2023: 7.11%

Stable

Fluctuates from 7-12% in recent years

Net Profit Margin



# Liquidity Ratio Analysis

Quick Ratio 2023: .41

Harder to cover short term obligations

Current Ratio 2023: .66

Can have potential liquidity problems



## Debt Ratio Analysis

Debt-to-Equity 2023: .26

Sony likes to take on a lot of  
debt

# Time Series Analysis



## Investment activity

Showing Jun 1972 - Nov 2023



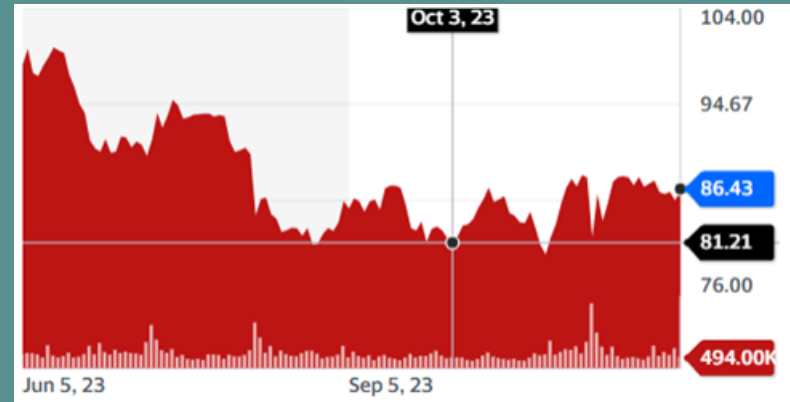
An initial investment of \$100,000 turned into 2.7 million as of November 2023.



# Multiple Sony Hacks & other news



- Data from Sony servers was stolen
- 2 different hacks noticed by employees
  - Exposed personal information
    - 1st end of September
    - 2nd beginning of October
- Made sony drop \$5 a share
- August Stock price drop
  - Impact from US movie strike
  - Entertainment reported 17% decrease in net profit.
- 7.9 Billion dollar lawsuit
  - Price gouging in sony store



# Stock Performance

- Sony is consistently hitting above earnings besides for this most recent quarter
- Sony hitting earnings has not really moved the stock since everything is already priced in
- Revenue is consistently upwards while profit has its ups and downs
- As of December 9 there has been a 2.93% in stock price increase from September 18th
- From Monday the 4th to Wednesday the 6th of this week there was a \$4 increase in stock price
  - Possible acquisition of bungie (Video game Developer)



# Sony compared to S&P 500



- Vaguely works hand and hand
- Over the past month S&P has drastically outperformed Sony
- Sony underperformed in November
  - Could still be caused by investors unwillingness to invest after hacks

# Would we Invest?



- Even though Sony is a well respected company there is so many factors going against it
  - Recent incompleteness of reaching profit goals
  - Profit slumps
  - Chip shortages on ps5 (gaming sector)
  - Yen losing its value
- Sony's profits are likely going to level out in the future. But as for now it is not something we would invest money into.