

Sony decides not to sell battery unit

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Japan's Sony Corp has decided not to sell its lithium-ion battery unit, media reported yesterday, in a gamble that it can turn the business around with a weak yen and growing demand for smartphone batteries.

In addition to a weak yen, which can boost overseas earnings, the battery unit is also seeing increased demand for some of its new products, the Nikkei business daily reported.

For the past two years Sony had been planning to offload the unit, which was a pioneer in making lithium-ion batteries for computers and mobile devices but has struggled recently against cheaper South Korean rivals.

A government turnaround fund tried to arrange a sale of the battery business to a joint venture of Nissan Motor Co Ltd and NEC Corp earlier this year.

However, discussions have broken down and Sony has now informed the turnaround fund that it will hold on to the battery unit and develop it as a core business, the Nikkei reported, citing unidentified sources.

SOURCE Shanghai Daily