

SONY CORP
Form 6-K
August 11, 2010

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of June 2010

Commission File Number: 001-06439

SONY CORPORATION

(Translation of registrant's name into English)

7-1, KONAN 1-CHOME, MINATO-KU, TOKYO 108-0075, JAPAN

(Address of principal executive offices)

The registrant files annual reports under cover of Form 20-F.

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F,
Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934,
Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with
Rule 12g3-2(b):82-

Quarterly Securities Report
For the three months ended June 30, 2010

(TRANSLATION)

Sony Corporation

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Note for readers of this English translation

On August 11, 2010, Sony Corporation (the “Company”) filed its Japanese-language Quarterly Securities Report (Shihanki Houkokusho) for the three months ended June 30, 2010 with the Kanto Local Finance Bureau in Japan pursuant to the Financial Instruments and Exchange Act of Japan. This document is an English translation of the Quarterly Securities Report in its entirety, except for (i) information that had been filed previously with or submitted to the U.S. Securities and Exchange Commission (the “SEC”) in a Form 20-F, Form 6-K or any other forms and (ii) a description of differences between generally accepted accounting principles in the U.S. (“U.S. GAAP”) and generally accepted accounting principles in Japan (“J-GAAP”), which are required to be described in the Quarterly Securities Report under the Financial Instruments and Exchange Act of Japan if the Company prepares its financial statements in conformity with accounting principles other than J-GAAP.

Cautionary Statement

Statements made in this translation with respect to the current plans, estimates, strategies and beliefs and other statements of the Company and its consolidated subsidiaries (collectively “Sony”) 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,” “intend,” “seek,” “may,” “might,” “could” or “should,” 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 and 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 and incurs production costs, 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 LCD televisions and game platforms, which are offered in highly competitive markets characterized by continual new product and service introductions, rapid development in technology and subjective and changing consumer preferences; (iv) Sony’s ability and timing to recoup large-scale investments required for technology development and production capacity; (v) Sony’s ability to implement successful business restructuring and transformation efforts under changing market conditions; (vi) Sony’s ability to implement successful hardware, software, and content integration strategies for all segments excluding the Financial Services segment, and to develop and implement successful sales and distribution strategies 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 prioritize investments correctly (particularly in the Consumer, Professional & Devices segment); (viii) Sony’s ability to maintain product quality; (ix) the success of Sony’s acquisitions, joint ventures and other strategic investments; (x) Sony’s ability to forecast demands, manage timely procurement and control inventories; (xi) the outcome of pending legal and/or regulatory proceedings; (xii) 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 (xiii) the impact of unfavorable conditions or developments (including market

fluctuations or volatility) in the Japanese equity markets on the revenue and operating income of the Financial Services segment. Risks and uncertainties also include the impact of any future events with material adverse impacts.

I Corporate Information

(1) Selected Consolidated Financial Data

	Yen in millions, Yen per share amounts		
	Three Months Ended June 30, 2009	Three Months Ended June 30, 2010	Fiscal Year Ended March 31, 2010
Sales and operating revenue	1,599,853	1,661,049	7,213,998
Operating income (loss)	(25,700))	67,016	31,772
Income (loss) before income taxes	(32,944))	78,911	26,912
Net income (loss) attributable to Sony Corporation's stockholders	(37,093))	25,737	(40,802))
Total equity	3,244,539	3,204,956	3,285,555
Total assets	12,366,462	12,741,481	12,866,114
Stockholders' equity per share of common stock (yen)	2,958.91	2,866.98	2,955.47
Net income (loss) attributable to Sony Corporation's stockholders per share of common stock, basic (yen)	(36.96))	25.65	(40.66))
Net income (loss) attributable to Sony Corporation's stockholders per share of common stock, diluted (yen)	(36.96))	25.61	(40.66))
Ratio of stockholders' equity to total assets (%)	24.0	22.6	23.1
Net cash provided by (used in) operating activities	56,918	(6,848))	912,907
Net cash used in investing activities	(172,858))	(181,791))	(746,004))
Net cash provided by financing activities	265,254	26,200	365,014
Cash and cash equivalents at end of the period	807,931	994,627	1,191,608
Number of employees	170,800	171,900	167,900

Notes:

1. The Company's consolidated financial statements are prepared in conformity with U.S. GAAP.
2. The Company reports equity in net income (loss) of affiliated companies as a component of operating income (loss).
 3. Consumption taxes are not included in sales and operating revenue.
 4. Total equity is presented based on U.S. GAAP.
5. Stockholders' equity per share of common stock and Ratio of stockholders' equity to total assets are calculated by using total equity attributable to the stockholders of the Company.
6. The Company prepares consolidated financial statements. Therefore parent-only selected financial data is not presented.

(2) Business Overview

There was no significant change in the business of Sony during the three months ended June 30, 2010. Sony realigned its reportable segments effective from the first quarter of the fiscal year ending March 31, 2011. For further information on the realignment, please refer to "V Financial Statements – Notes to Consolidated Financial Statements – 7. Business segment information".

As of June 30, 2010, the Company had 1,304 subsidiaries and 87 affiliated companies, of which 1,273 companies are consolidated subsidiaries (including variable interest entities) of the Company. The Company has applied the equity accounting method for 80 affiliated companies.

(3) Changes in Subsidiaries and Affiliated Companies

Changes in subsidiaries and affiliated companies for the three months ended June 30, 2010 include the following

Name	Address	Common stock in millions of yen	Main business	Percentage of voting rights held (%)	Business relationship
(C o n s o l i d a t e d Subsidiary)					The subsidiary is renting buildings from the Company for office use.
Sony Business Solutions Corporation	Minato-ku Tokyo Japan	1,111	Consumer, Professional & Devices	(100.0) 100.0	There is concurrent assignment of directors/officers between the Company and this subsidiary.

Notes:

1. The description of Main business shows the name of applicable operating segment.
2. The number inside the parenthesis of Percentage of voting rights held presents the percentage of voting rights indirectly owned by the Company.

(4) Number of Employees

The following table shows the number of employees as of June 30, 2010.

Consolidated	171,900*
Parent-only	16,805

* Figures less than one hundred are rounded to the nearest unit.

II State of Business

(1) Manufacturing, Orders Received and Sales

The products that Sony manufactures and sells are extremely diverse. Due to the cyclical nature of electronic devices, home game consoles, game software, and music and video software, Sony generally manufactures products based on forecasts. Because Sony carries out the manufacturing of its products such that it maintains a relatively stable and necessary level of product inventory, its level of production in the Consumer, Professional & Devices (“CPD”) and Networked Products & Services (“NPS”) segments is generally similar to the level of sales in these segments. Accordingly the status of production and sales in the CPD and NPS segments is discussed in connection with the operating results of these segments in “(4) Management’s Discussion and Analysis of Financial Condition, Results of Operations and Status of Cash Flows” below.

(2) Risk Factors

Note for readers of this English translation:

Aside from the amount of the revised estimate of the restructuring charges for the fiscal year ending March 31, 2011 in the risk factor below, there was no significant change from the information presented in the Risk Factors section of the Annual Report on Form 20-F filed with the SEC on June 28, 2010. Any forward-looking statement included in the descriptions below is based on the current judgment of management.

URL: The Annual Report on Form 20-F filed with the SEC on June 28, 2010

<http://www.sec.gov/Archives/edgar/data/313838/000095012310061435/k02298e20vf.htm>

Sony’s business restructuring and transformation efforts are costly and may not attain their objectives.

Sony continued to implement restructuring initiatives in the fiscal year ended March 31, 2010 that focused on a review of the Sony Group’s investment plan, the realignment of its manufacturing sites, the reallocation of its workforce and headcount reductions. As a result of these restructuring initiatives, a total of 124.3 billion yen in restructuring charges, including 7.9 billion yen of non-cash charges related to depreciation associated with restructured assets, has been recorded in the fiscal year ended March 31, 2010. Sony expects to record approximately 75 billion yen of restructuring charges for the fiscal year ending March 31, 2011. Restructuring charges are recorded in cost of sales, selling, general and administrative expenses and loss (gain) on sale, disposal or impairment of assets and other, net and thus initially deteriorate Sony’s operating income (loss) and net income (loss) attributable to Sony’s stockholders. Sony expects to continue rationalizing its manufacturing operations, shifting and aggregating manufacturing to lower-cost countries and increasing the utilization of third-party original equipment and design manufacturers (OEMs and ODMs). In addition, as a part of its transformation efforts, since April 1, 2009 Sony has established three horizontal platforms for (1) manufacturing, logistics, procurement and customer services, (2) R&D and common software development and (3) global sales and marketing functions, and has been undertaking business process optimization to enhance profitability. Furthermore Sony started developing a common procurement platform as well as consolidating its suppliers during the fiscal year ended March 31, 2010. In January 2010, Sony announced that it would outsource a part of the human resources and accounting operation services of Sony and certain of its subsidiaries in Japan starting in April 2010. Sony has and will become more reliant upon outsourcing services provided by external business partners.

Due to internal or external factors, projected growth, efficiencies and cost savings from the above-noted restructuring and transformation initiatives may not be realized as scheduled and, even if those benefits are realized, Sony may not be able to achieve the level of profitability expected due to the worsening of market conditions beyond expectations. Such possible internal factors may include, for example, changes in restructuring and transformation plans, an inability to implement the initiatives effectively with available resources, or delays in implementing the new business processes or strategies. Possible external factors may include, for example, increased burdens from regional labor regulations, labor union agreements and Japanese customary labor practices that may prevent Sony from executing its restructuring initiatives as planned. The inability to fully and successfully implement restructuring and transformation programs may adversely affect Sony's operating results and financial condition. Additionally, operating cash flows may be reduced as a result of the payment for restructuring charges.

(3) Material Contracts

There were no material contracts executed during the three months ended June 30, 2010.

Note for readers of this English translation:

The above means that there is no update from the description in the Annual Report on Form 20-F ("Patents and Licenses" in item 4) filed with the SEC on June 28, 2010.

URL: The Annual Report on Form 20-F filed with the SEC on June 28, 2010

<http://www.sec.gov/Archives/edgar/data/313838/000095012310061435/k02298e20vf.htm>

(4) Management's Discussion and Analysis of Financial Condition, Results of Operations and Status of Cash Flows

i) Results of Operations

Note for readers of this English translation:

Except for information specifically included in this English translation, this document omits certain information set out in the Japanese-language Quarterly Securities Report for the three month period ended June 30, 2010, since it is the same as described in the press release previously submitted to the SEC. Please refer to "Consolidated Financial Results for the First Quarter Ended June 30, 2010" submitted to the SEC on Form 6-K on July 29, 2010.

URL: The press release titled "Consolidated Financial Results for the First Quarter Ended June 30, 2010"

<http://www.sec.gov/Archives/edgar/data/313838/000115752310004424/a6374264.htm>

Foreign Exchange Fluctuations and Risk Hedging

Note for readers of this English translation:

Even though foreign exchange rates fluctuated, there was no significant change in risk hedging policy from the description in the Annual Report on Form 20-F filed with the SEC on June 28, 2010.

URL: The Annual Report on Form 20-F filed with the SEC on June 28, 2010

<http://www.sec.gov/Archives/edgar/data/313838/000095012310061435/k02298e20vf.htm>

Status of Cash Flow

Note for readers of this English translation:

Except for information specifically included in this English translation, this document omits certain information set out in the Japanese-language Quarterly Securities Report for the three month period ended June 30, 2010, since it is the same as described in the press release previously submitted to the SEC. Please refer to “Consolidated Financial Results for the First Quarter Ended June 30, 2010” submitted to the SEC on Form 6-K on July 29, 2010.

URL: The press release titled “Consolidated Financial Results for the First Quarter Ended June 30, 2010”

<http://www.sec.gov/Archives/edgar/data/313838/000115752310004424/a6374264.htm>

ii) Issues Facing Sony and Management’s Response to those Issues

Note for readers of this English translation:

Excluding the below, there was no significant change from the information presented as Issues Facing Sony and Management’s Response to those Issues in the Trend Information section of the Annual Report on Form 20-F filed with the SEC on June 28, 2010. Any forward-looking statement included in the descriptions below is based on the current judgment of management.

URL: The Annual Report on Form 20-F filed with the SEC on June 28, 2010

<http://www.sec.gov/Archives/edgar/data/313838/000095012310061435/k02298e20vf.htm>

Sony expects to record restructuring charges of approximately 75 billion yen in the fiscal year ending March 31, 2011, compared with the 124.3 billion yen, including 7.9 billion yen of non-cash charges related to depreciation associated with restructured assets, recorded in the fiscal year ended March 31, 2010.

Sony realigned its reportable segments from the first quarter of the fiscal year ending March 31, 2011, to reflect modifications to the organizational structure as of April 1, 2010, primarily repositioning the operations of the previously reported B2B & Disc Manufacturing segment. In connection with this realignment, the Consumer Products & Devices segment was renamed the Consumer, Professional & Devices (“CPD”) segment. The CPD segment includes televisions, digital imaging, audio and video, semiconductors and components as well as professional solutions (the B2B business

which was previously included in the B2B & Disc Manufacturing segment). The equity results of S-LCD Corporation, a joint venture with Samsung Electronics Co., Ltd., are also included within the CPD segment. The disc manufacturing business previously included in the B2B & Disc Manufacturing segment is now included in All Other.

The NPS, Pictures, Music and Financial Services segments remain unchanged. The equity earnings from Sony Ericsson Mobile Communications AB continue to be presented as a separate segment.

Despite the realignment of Sony's reportable segments mentioned above, there has been no change in either the issues management believes each business continues to face or how each business is addressing those issues.

iii) Research and Development

Note for readers of this English translation:

Excluding the below, Research and Development is the same as that found in the Research and Development section of the Annual Report on Form 20-F filed with the SEC on June 28, 2010.

URL: The Annual Report on Form 20-F filed with the SEC on June 28, 2010

<http://www.sec.gov/Archives/edgar/data/313838/000095012310061435/k02298e20vf.htm>

Research and development costs for the three months ended June 30, 2010 decreased 0.7 billion yen, or 0.7%, to 99.1 billion yen, compared with the same quarter of the previous fiscal year. The ratio of research and development costs to sales (which excludes financial services segment revenue) decreased from 7.3% to 6.6% due to the sales increase. Expenses in the CPD segment decreased 0.5 billion yen, or 0.7%, to 66.7 billion yen and expenses in the NPS segment decreased 1.4 billion yen, or 6.2%, to 21.0 billion yen. In the CPD segment, approximately 72% of expenses were for the development of new product prototypes while the remaining 28% was spent on the development of mid- to long-term new technologies in areas such as next-generation displays, semiconductors, new materials and software.

(iv) Liquidity and Capital Resources

Note for readers of this English translation:

Aside from the description of a translated amount into yen of the total amount of committed lines of credit below, there was no significant change from the information presented in the Annual Report on Form 20-F filed with the SEC on June 28, 2010. Any forward-looking statement included in the descriptions below is based on the current judgment of management.

URL: The Annual Report on Form 20-F filed with the SEC on June 28, 2010

<http://www.sec.gov/Archives/edgar/data/313838/000095012310061435/k02298e20vf.htm>

Sony typically raises funds through straight bonds, CP programs and bank loans (including syndicated loans); however, in the event Sony cannot access liquidity from these sources, Sony could also draw on committed lines of credit from various financial institutions. Sony has a total, translated into yen, of 773.1 billion yen in committed lines of credit, none of which had been used as of June 30, 2010. Details of those committed lines of credit are: a 475 billion yen committed line of credit contracted with a syndicate of Japanese banks, effective until November 2012, a 1.5 billion U.S. dollar multi-currency committed line of credit also with a syndicate of Japanese banks, effective until December 2013, and a 1.87 billion U.S. dollar multi-currency committed line of credit contracted with a syndicate of global banks, effective until April 2012, in all of which Sony Corporation and Sony Global Treasury Services Plc, a consolidated subsidiary of Sony Corporation, are defined as the borrowers. These contracts are aimed at securing sufficient liquidity in the event of financial and capital markets turmoil like that seen in the period following September 2008.

III Property, Plant and Equipment

(1) Major Property, Plant and Equipment

There was no significant change during the three months ended June 30, 2010.

(2) Plans for the Purchase and Retirement of Major Property, Plant and Equipment

During the three months ended June 30, 2010, primarily as a result of the increase of the planned capital expenditures in the Semiconductor business, Sony's planned capital expenditures for the fiscal year ending March 31, 2011 are 230 billion yen, an increase of 10 billion yen from the plan at the end of March 31, 2010. During the three months ended June 30, 2010, there was no significant new firm plan for the purchase, retirement and other measures of major property, plant and equipment.

IV Company Information

(1) Information on the Company's Shares

i) Total Number of Shares

1) Total Number of Shares

Class	Total number of shares authorized to be issued
Common stock	3,600,000,000
Total	3,600,000,000

2) Number of Shares Issued

Class	Number of shares issued		Name of Securities Exchanges where the shares are listed or authorized Financial Instruments Firms Association where the shares are registered	Description
	As of the end of the first quarterly period (June 30, 2010)	As of the filing date of the Quarterly Securities Report (August 11, 2010)		
Common stock	1,004,583,564	1,004,583,564	Tokyo Stock Exchange Osaka Securities Exchange New York Stock Exchange London Stock Exchange	The number of shares constituting one full unit is one hundred (100).
Total	1,004,583,564	1,004,583,564	—	—

Notes:

- The Company's shares of common stock are listed on the First Sections of the Tokyo Stock Exchange and the Osaka Securities Exchange in Japan.
- The number of shares issued as of the filing date of the Quarterly Securities Report does not include shares issued upon the exercise of stock acquisition rights ("SARs") (including the conversion of convertible bonds issued under the former Commercial Code in Japan) during August 2010, the month in which this Quarterly Securities Report (Shihanki Houkokusho) was filed.

ii) Stock Acquisition Rights

Note for readers of this English translation:

The Japanese-language Quarterly Securities Report includes a summary of the main terms and conditions of the SARs and convertible bonds listed below. A summary of such terms and conditions has previously been filed with or submitted to the SEC under Form 20-F, Form 6-K and Form S-8. There has been no change to such terms and conditions since the applicable date of such filings or submissions, except a revision of the total outstanding number of SARs issued and number of outstanding shares to be issued or transferred and outstanding balance of convertible bonds, as provided in the schedule below.

URL: The list of documents previously submitted by the Company

<http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000313838&owner=include&count=40>

Stock acquisition rights (Outstanding as of June 30, 2010)

Name (Date of shareholders' resolution)	Total outstanding number of SARs issued	Number of shares of common stock to be issued or transferred
The first series of Common Stock Acquisition Rights (June 20, 2002)	9,878	987,800
The third series of Common Stock Acquisition Rights (June 20, 2002)	9,282	928,200
The fourth series of Common Stock Acquisition Rights (June 20, 2003)	8,145	814,500
The sixth series of Common Stock Acquisition Rights (June 20, 2003)	8,941	894,100
The seventh series of Common Stock Acquisition Rights (June 22, 2004)	9,540	954,000
The ninth series of Common Stock Acquisition Rights (June 22, 2004)	8,085	808,500
The tenth series of Common Stock Acquisition Rights (June 22, 2005)	10,093	1,009,300
The eleventh series of Common Stock Acquisition Rights (June 22, 2005)	10,437	1,043,700
The twelfth series of Common Stock Acquisition Rights (June 22, 2006)	10,579	1,057,900
The thirteenth series of Common Stock Acquisition Rights (June 22, 2006)	13,734	1,373,400
The fourteenth series of Common Stock Acquisition Rights (June 21, 2007)	7,962	796,200
The fifteenth series of Common Stock Acquisition Rights (June 21, 2007)	15,844	1,584,400
The sixteenth series of Common Stock Acquisition Rights (June 20, 2008)	8,318	831,800
The seventeenth series of Common Stock Acquisition Rights (June 20, 2008)	16,615	1,661,500
The eighteenth series of Common Stock Acquisition Rights (June 19, 2009)	7,905	790,500
The nineteenth series of Common Stock Acquisition Rights (June 19, 2009)	15,283	1,528,300

Convertible bonds (Outstanding as of June 30, 2010)

Name (Date of issuance)	Outstanding balance (Thousands of U.S. dollars)
2011 due U.S. Dollar denominated convertible bonds (April 16, 2001)	44,968
2012 due U.S. Dollar denominated convertible bonds (April 15, 2002)	32,239

iii) Status of the Exercise of Moving Strike Convertible Bonds

Not applicable.

iv) Description of Rights Plan

Not applicable.

v) Changes in the Total Number of Shares Issued and the Amount of Common Stock, etc.

Period	Change in the total number of shares issued (Thousands)	Balance of the total number of shares issued (Thousands)	Change in the amount of common stock (Millions of yen)	Balance of the amount of common stock (Millions of yen)	Change in the amount of additional paid-in capital (Millions of yen)	Balance of the additional paid-in capital (Millions of yen)
From April 1 to June 30, 2010	12	1,004,584	19	630,841	19	837,529

Note:

1 The increase is due to the exercise of SARs.

2 The total number of shares issued, the amount of common stock and the additional paid-in capital did not change during the period from July 1 to July 31, 2010.

vi) Status of Major Shareholders

Name	Address	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Moxley and Company *1 (Local Custodian: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	New York, U.S.A. (2-7-1, Marunouchi, Chiyoda-ku, Tokyo)	92,288	9.19
Japan Trustee Services Bank, Ltd. (Trust account) *2	1-8-11, Harumi, Chuo-ku, Tokyo	56,915	5.67
The Master Trust Bank of Japan, Ltd. (Trust account) *2	2-11-3, Hamamatsu-cho, Minato-ku, Tokyo	41,187	4.10
State Street Bank and Trust Company *3 (Local Custodian: The Hongkong and Shanghai Banking Corporation Limited)	Boston, U.S.A. (3-11-1, Nihonbashi, Chuo-ku, Tokyo)	20,694	2.06
JPMorgan Chase Bank 380055 *3 (Local Custodian: Mizuho Corporate Bank, Ltd.)	New York, U.S.A. (4-16-13, Tsukishima, Chuo-ku, Tokyo)	16,726	1.66
SSBT OD05 Omnibus China Treaty 808150 *3 (Local Custodian: The Hongkong and Shanghai Banking Corporation Limited)	Sydney, Australia (3-11-1, Nihonbashi, Chuo-ku, Tokyo)	13,657	1.36
Japan Trustee Services Bank, Ltd. (Trust account 9) *2	1-8-11, Harumi, Chuo-ku, Tokyo	13,300	1.32
State Street Bank and Trust Company 505225 *3 (Local Custodian: Mizuho Corporate Bank, Ltd.)	Boston, U.S.A. (4-16-13, Tsukishima, Chuo-ku, Tokyo)	10,841	1.08
Mellon Bank, N.A. as Agent for its Client Mellon Omnibus US Pension *3	Boston, U.S.A. (4-16-13, Tsukishima, Chuo-ku, Tokyo)	9,719	0.97

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(Local Custodian: Mizuho Corporate Bank, Ltd.)			
The Chase Manhattan Bank, N.A. London	London, U.K.		
Secs Lending Omnibus Account *3	(4-16-13, Tsukishima, Chuo-ku,	8,558	0.85
(Local Custodian: Mizuho Corporate Bank, Ltd.)	Tokyo)		
	Total	283,884	28.26

Notes:

*1. Moxley and Company is the nominee of JPMorgan Chase Bank, N.A., which is the Depository for holders of the Company's American Depositary Receipts ("ADRs").

*2. The shares held by each shareholder are held in trust for investors, including shares in securities investment trusts.

*3. Each shareholder provides depository services for shares owned by institutional investors, mainly in Europe and North America. They are also the nominees for these investors.

Dodge & Cox sent a copy of the “Amendment to the Bulk Shareholding Report” (which was filed with the Kanto Local Finance Bureau in Japan) to the Company as of August 6, 2009 and reported that they held shares of the Company (including ADRs) as of July 31, 2009 as provided in the below table. The Company has not been able to confirm any entry of Dodge & Cox in the register of shareholders as of June 30, 2010.

Name	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Dodge & Cox	51,320	5.11

vii) Status of Voting Rights

1) Shares Issued

Classification	Number of shares of common stock	Number of voting rights (Units)	(As of June 30, 2010)
			Description
Shares without voting rights	—	—	—
Shares with restricted voting rights (Treasury stock, etc.)	—	—	—
Shares with restricted voting rights (Others)	—	—	—
Shares with full voting rights (Treasury stock, etc.)	1,047,100	—	—
Shares with full voting rights (Others)	1,000,868,900	10,008,689	—
Fractional unit shares	2,667,564	—	Shares less than one full unit of stock (100 shares)
Total number of shares issued	1,004,583,564	—	—
Total voting rights held by all shareholders	—	10,008,689	—

Note: Included in “Shares with full voting rights (Others)” under “Number of shares of common stock” are 19,700 shares of common stock held under the name of Japan Securities Depository Center, Inc. Also included in “Shares with full voting rights (Others)” under “Number of voting rights (Units)” are 197 units of voting rights relating to the shares of common stock with full voting rights held under the name of Japan Securities Depository Center, Inc.

2) Treasury Stock, Etc.

(As of June 30, 2010)

Name of shareholder	Address of shareholder	Number of shares held under own name	Number of shares held under the names of others	Total number of shares held	Total of shares held to total shares issued (%)
Sony Corporation (Treasury stock)	1-7-1, Konan, Minato-ku, Tokyo	1,047,100	—	1,047,100	0.10
Total	—	1,047,100	—	1,047,100	0.10

Note: In addition to the 1,047,100 shares listed here, there are 300 shares of common stock held by the name of the Company in the register of shareholders that the Company does not beneficially own. These shares are included in “Shares with full voting rights (Others)” in table 1 “Shares Issued” above.

(2) Stock Price Range

Highest and lowest prices during the three months ended June 30, 2010

Month of 2010	April	May	June
Highest (Yen)	3,620	3,225	2,810
Lowest (Yen)	3,230	2,691	2,350

Note: As quoted on the First Section of the Tokyo Stock Exchange.

(3) Directors and Corporate Executive Officers

There was no change in directors and corporate executive officers between the filing date of the Securities Report (Yukashoken Houkokusho) for the fiscal year ended March 31, 2010 and the filing date of this Quarterly Securities Report (Shihanki Houkokusho).

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(1) Consolidated Financial Statements

(i) Consolidated Balance Sheets (Unaudited)

Sony Corporation and Consolidated Subsidiaries

	Yen in millions	
	At June 30, 2010	At March 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	994,627	1,191,608
Marketable securities	592,751	579,493
Notes and accounts receivable, trade	918,613	996,100
Allowance for doubtful accounts and sales returns	(83,978))	(104,475))
Inventories	748,586	645,455
Deferred income taxes	171,697	197,598
Prepaid expenses and other current assets	687,198	627,093
Total current assets	4,029,494	4,132,872
Film costs	295,415	310,065
Investments and advances:		
Affiliated companies	216,908	229,051
Securities investments and other	5,180,369	5,070,342
	5,397,277	5,299,393
Property, plant and equipment:		
Land	149,643	153,067
Buildings	855,320	897,054
Machinery and equipment	2,108,254	2,235,032
Construction in progress	75,987	71,242
	3,189,204	3,356,395
Less – Accumulated depreciation	2,225,988	2,348,444
	963,216	1,007,951
Other assets:		
Intangibles, net	361,220	378,917
Goodwill	424,883	438,869
Deferred insurance acquisition costs	416,449	418,525
Deferred income taxes	392,958	403,537
Other	460,569	475,985
	2,056,079	2,115,833
Total assets	12,741,481	12,866,114
(Continued on following page.)		

Consolidated Balance Sheets (Unaudited)

	Yen in millions	
	At June 30, 2010	At March 31, 2010
LIABILITIES		
Current liabilities:		
Short-term borrowings	67,421	48,785
Current portion of long-term debt	241,937	235,822
Notes and accounts payable, trade	846,826	817,118
Accounts payable, other and accrued expenses	892,196	1,003,197
Accrued income and other taxes	55,906	69,175
Deposits from customers in the banking business	1,515,917	1,509,488
Other	376,262	376,340
Total current liabilities	3,996,465	4,059,925
Long-term debt	898,893	924,207
Accrued pension and severance costs	286,861	295,526
Deferred income taxes	240,747	236,521
Future insurance policy benefits and other	3,931,079	3,876,292
Other	182,480	188,088
Total liabilities	9,536,525	9,580,559
Commitments and contingent liabilities		
EQUITY		
Sony Corporation's stockholders' equity:		
Common stock, no par value –		
At June 30, 2010–Shares authorized: 3,600,000,000, shares issued: 1,004,583,564	630,841	630,822
At March 31, 2010– Shares authorized: 3,600,000,000, shares issued: 1,004,571,464		
Additional paid-in capital	1,158,282	1,157,812
Retained earnings	1,876,741	1,851,004
Accumulated other comprehensive income –		
Unrealized gains on securities, net	60,432	62,337
Unrealized gains (losses) on derivative instruments, net	70	(36)
Pension liability adjustment	(146,805)	(148,989)
Foreign currency translation adjustments	(697,746)	(582,370)
	(784,049)	(669,058)
Treasury stock, at cost		
Common stock		
At June 30, 2010–1,047,156 shares	(4,697)	
At March 31, 2010–1,039,656 shares		(4,675)
	2,877,118	2,965,905
Noncontrolling interests	327,838	319,650
Total equity	3,204,956	3,285,555

Total liabilities and equity	12,741,481	12,866,114
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The accompanying notes are an integral part of these statements.

(ii) Consolidated Statements of Income (Unaudited)

Sony Corporation and Consolidated Subsidiaries

	Yen in millions	
	Three Months Ended	
	June 30	
	2009	2010
Sales and operating revenue:		
Net sales	1,354,765	1,473,473
Financial services revenue	223,352	166,598
Other operating revenue	21,736	20,978
	1,599,853	1,661,049
Costs and expenses:		
Cost of sales	1,061,424	1,109,291
Selling, general and administrative	378,037	359,770
Financial services expenses	174,703	136,100
(Gain) loss on sale, disposal or impairment of assets and other, net	(3,669)	(4,464)
	1,610,495	1,600,697
Equity in net income (loss) of affiliated companies	(15,058)	6,664
Operating income (loss)	(25,700)	67,016
Other income:		
Interest and dividends	4,420	3,213
Foreign exchange gain, net	-	13,931
Other	3,979	2,914
	8,399	20,058
Other expenses:		
Interest	6,033	6,102
Foreign exchange loss, net	4,968	-
Other	4,642	2,061
	15,643	8,163
Income (loss) before income taxes	(32,944)	78,911
Income taxes	(12,188)	43,673
Net income (loss)	(20,756)	35,238
Less - Net income attributable to noncontrolling interests	16,337	9,501
Net income (loss) attributable to Sony Corporation's stockholders	(37,093)	25,737

	Yen	
	Three Months Ended	
	June 30	
	2009	2010
Per share data:		
Net income (loss) attributable to Sony Corporation's stockholders		
- Basic	(36.96)	25.65
- Diluted	(36.96)	25.61

The accompanying notes are an integral part of these statements.

(iii) Consolidated Statements of Cash Flows (Unaudited)

Sony Corporation and Consolidated Subsidiaries

	Yen in millions	
	Three Months Ended	
	June 30	
	2009	2010
Cash flows from operating activities:		
Net income (loss)	(20,756))	35,238
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities –		
Depreciation and amortization, including amortization of deferred insurance acquisition costs	87,240	86,824
Amortization of film costs	67,280	48,300
Stock-based compensation expense	586	980
Accrual for pension and severance costs, less payments	(8,280))	(2,574))
Gain on sale, disposal or impairment of assets and other, net	(3,669))	(4,464))
(Gain) loss on revaluation of marketable securities held in the financial service business for trading purpose, net	(8,683))	29,837
(Gain) loss on revaluation or impairment of securities investments held in the financial service business, net	(36,348))	1,841
Deferred income taxes	(2,127))	6,265
Equity in net (income) losses of affiliated companies, net of dividends	15,805	(6,656))
Changes in assets and liabilities:		
Decrease in notes and accounts receivable, trade	22,856	5,842
Increase in inventories	(11,911))	(158,549))
Increase in film costs	(65,392))	(48,863))
Increase in notes and accounts payable, trade	108,011	68,211
Decrease in accrued income and other taxes	(632))	(15,020))
Increase in future insurance policy benefits and other	81,652	36,175
Increase in deferred insurance acquisition costs	(17,352))	(16,345))
Increase in marketable securities held in the financial service business for trading purpose	(8,413))	(2,739))
Increase in other current assets	(55,599))	(100,319))
Decrease in other current liabilities	(79,151))	(44,207))
Other	(8,199))	73,375
Net cash provided by (used in) operating activities	56,918	(6,848))

(Continued on following page.)

Consolidated Statements of Cash Flows (Unaudited)

	Yen in millions	
	Three Months Ended	
	June 30	
	2009	2010
Cash flows from investing activities:		
Payments for purchases of fixed assets	(97,432))	(71,896))
Proceeds from sales of fixed assets	3,997	1,668
Payments for investments and advances by financial service business	(424,973))	(362,970))
Payments for investments and advances (other than financial service business)	(10,180))	(5,271))
Proceeds from maturities of marketable securities, sales of securities investments and collections of advances by financial service business	347,948	253,150
Proceeds from maturities of marketable securities, sales of securities investments and collections of advances (other than financial service business)	9,042	2,531
Other	(1,260))	997
Net cash used in investing activities	(172,858))	(181,791))
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	413,913	582
Payments of long-term debt	(84,458))	(5,744))
Increase (decrease) in short-term borrowings, net	(86,116))	19,187
Increase in deposits from customers in the financial service business, net	25,603	28,895
Dividends paid	(12,623))	(12,618))
Other	8,935	(4,102))
Net cash provided by financing activities	265,254	26,200
Effect of exchange rate changes on cash and cash equivalents	(2,172))	(34,542))
Net increase (decrease) in cash and cash equivalents	147,142	(196,981))
Cash and cash equivalents at beginning of the fiscal year	660,789	1,191,608
Cash and cash equivalents at end of the period	807,931	994,627

The accompanying notes are an integral part of these statements.

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Sony Corporation and Consolidated Subsidiaries

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Notes to Consolidated Financial Statements (Unaudited)
Sony Corporation and Consolidated Subsidiaries

1. Summary of significant accounting policies

Sony Corporation and its subsidiaries in Japan maintain their records and prepare their financial statements in accordance with accounting principles generally accepted in Japan while its foreign subsidiaries maintain their records and prepare their financial statements in conformity with accounting principles generally accepted in the countries of their domiciles. Certain adjustments and reclassifications have been incorporated in the accompanying consolidated financial statements to conform with accounting principles generally accepted in the United States of America (“U.S. GAAP”), except for certain disclosures which have been omitted.

(1) Recently adopted accounting pronouncements:

Multiple element arrangements and software deliverables -

In October 2009, the Financial Accounting Standards Board (“FASB”) issued new accounting guidance for arrangements with multiple deliverables. Specifically, the new standard requires an entity to allocate consideration at the inception of an arrangement to all of its deliverables based on their relative selling prices. In the absence of the vendor-specific objective evidence or third-party evidence of the selling prices, consideration must be allocated to the deliverables based on management’s best estimate of the selling prices. In addition, the guidance eliminates the use of the residual method of allocation. Also in October 2009, the FASB issued accounting guidance which changes revenue recognition for tangible products containing software and hardware elements. Specifically, tangible products containing software and hardware that function together to deliver the tangible products’ essential functionality are scoped out of the existing software revenue recognition guidance and will be accounted for under the revenue recognition guidance for multiple element arrangements. Sony adopted the new guidance on April 1, 2010. The adoption of the new guidance did not have a material impact on Sony’s results of operations and financial position.

Transfers of financial assets -

In June 2009, the FASB issued new accounting guidance on accounting for transfers of financial assets. This guidance amends previous guidance by including: the elimination of the qualifying special-purpose entity (“QSPE”) concept; a new participating interest definition that must be met for transfers of portions of financial assets to be eligible for sale accounting; clarifications and changes to the derecognition criteria for a transfer to be accounted for as a sale; and a change to the amount of recognized gain or loss on a transfer of financial assets accounted for as a sale when beneficial interests are received by the transferor. Additionally, the guidance requires new disclosures regarding an entity’s involvement in a transfer of financial assets. Finally, existing QSPEs must be evaluated for consolidation in accordance with the applicable consolidation guidance upon the elimination of this concept. This guidance is effective for Sony as of April 1, 2010. The adoption of this guidance did not have a material impact on Sony’s results of operations and financial position.

Variable interest entities -

In June 2009, the FASB issued new accounting guidance for determining whether to consolidate a variable interest entity (“VIE”). This guidance changes the approach for determining the primary beneficiary of a VIE from a quantitative risk and reward model to a qualitative model based on control, and requires an ongoing reassessment of whether an entity is the primary beneficiary. This guidance is effective for Sony as of April 1, 2010. The adoption of

this guidance did not have a material impact on Sony's results of operations and financial position.

(2) Accounting methods used specifically for interim consolidated financial statements:

Income Taxes -

Sony estimates the annual effective tax rate ("ETR") derived from a projected annual net income before taxes and calculates interim period income tax provision based on the year-to-date income tax provision computed by applying the ETR to the year-to-date net income before taxes at the end of each interim period. The income tax provision based on the ETR reflects anticipated income tax credits and net operating loss carryforwards; however, it excludes income tax provision related to significant unusual or extraordinary transactions. Such income tax provision will be separately reported from the provision based on the ETR in the interim period in which they occur.

(3) Reclassifications:

Certain reclassifications of the financial statements for the three months ended June 30, 2009 have been made to conform to the presentation for the interim period ended June 30, 2010.

2. Marketable securities and securities investments

Marketable securities and securities investments, mainly included in the Financial Services segment, are comprised of debt and equity securities of which the aggregate cost, gross unrealized gains and losses and fair value pertaining to available-for-sale securities and held-to-maturity securities are as follows:

	Yen in millions							
	June 30, 2010			March 31, 2010				
	Cost	Gross unrealized gains	Gross unrealized losses	Fair value	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
Available-for-sale:								
Debt securities:								
Japanese national government bonds	1,227,132	59,269	(2,213)	1,284,188	1,264,725	29,496	(3,397)	1,290,824
Japanese local government bonds	12,912	286	-	13,198	27,750	1,097	(5)	28,842
Japanese corporate bonds	330,583	2,781	(79)	333,285	360,554	3,773	(106)	364,221
Foreign corporate bonds	294,643	3,403	(9,966)	288,080	281,003	4,818	(6,492)	279,329
Other	8,045	104	(226)	7,923	11,141	83	(123)	11,101
	1,873,315	65,843	(12,484)	1,926,674	1,945,173	39,267	(10,123)	1,974,317
Equity securities	107,232	59,912	(8,828)	158,316	99,753	74,430	(3,437)	170,746
Held-to-maturity securities:								
Japanese national government bonds	2,455,548	145,125	-	2,600,673	2,248,230	3,318	(30,740)	2,220,808
Japanese local government bonds	23,406	429	-	23,835	23,617	346	-	23,963
Japanese corporate bonds	32,503	1,469	-	33,972	32,041	150	(321)	31,870
Foreign corporate bonds	48,801	15	(1)	48,815	50,831	18	(7)	50,842
	2,560,258	147,038	(1)	2,707,295	2,354,719	3,832	(31,068)	2,327,483
Total	4,540,805	272,793	(21,313)	4,792,285	4,399,645	117,529	(44,628)	4,472,546

3. Fair value measurements

The fair value of Sony's assets and liabilities that are measured at fair value on a recurring basis are as follows:

	Yen in millions			Total
	Level 1	Level 2	Level 3	
Assets:				
Trading securities	164,778	161,715	-	326,493
Available-for-sale securities				
Debt securities				
Japanese national government bonds	-	1,284,188	-	1,284,188
Japanese local government bonds	-	13,198	-	13,198
Japanese corporate bonds	-	331,663	1,622	333,285
Foreign corporate bonds	-	266,064	22,016	288,080
Other	-	7,923	-	7,923
Equity securities	148,610	5,779	3,927	158,316
Other investments	5,212	-	67,375	72,587
Derivative assets *				