

SONY CORP  
Form 6-K  
November 20, 2009

**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 November 2009

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-\_\_\_\_\_

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# **Quarterly Securities Report**

For the three months ended September 30, 2009

(TRANSLATION)

**Sony Corporation**

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**Note for readers of this English translation**

On November 13, 2009, Sony Corporation (the Company) filed its Japanese-language Quarterly Securities Report (Shihanki Houkokusho) for the three months ended September 30, 2009 with the Kanto Financial Bureau in Japan (the Report) pursuant to the Financial Instruments and Exchange Act of Japan. This document is an English translation of the Report in its entirety, except for (i) information which had been previously filed with or submitted to the U.S. Securities and Exchange Commission (the SEC) in a Form 20-F, Form 6-K and 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, 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 as well as the recent worldwide crisis in the financial markets and housing sectors; (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 platforms within the game business, which are offered in highly competitive markets characterized by continual new product 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 increasing production capacity; (v) Sony's ability to implement successfully business restructuring and transformation efforts; (vi) Sony's ability to implement successfully its hardware, software, and content integration strategy 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 correctly prioritize investments; (viii) Sony's ability to maintain product quality; (ix) Sony's ability to secure adequate funding to finance restructuring activities and capital investments given the current state of global capital markets; (x) the success of Sony's joint ventures and alliances; (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				
	Six Months Ended September 30, 2008	Six Months Ended September 30, 2009	Three Months Ended September 30, 2008	Three Months Ended September 30, 2009	Fiscal Year Ended March 31, 2009
Sales and operating revenue	4,051,349	3,261,063	2,072,305	1,661,210	7,729,993
Operating income (loss)	84,487	(58,292)	11,048	(32,592)	(227,783)
Income (loss) before income taxes	70,229	(49,970)	7,307	(17,026)	(174,955)
Net income (loss) attributable to Sony Corporation's stockholders	55,793	(63,401)	20,816	(26,308)	(98,938)
Total equity	—	—	3,694,546	3,168,378	3,216,602
Total assets	—	—	12,972,416	12,473,822	12,013,511
Stockholders' equity per share of common stock (yen)	—	—	3,419.98	2,872.48	2,954.25
Net income (loss) attributable to Sony Corporation's stockholders per share of common stock, basic (yen)	55.60	(63.18)	20.74	(26.22)	(98.59)
Net income (loss) attributable to Sony Corporation's stockholders per share of common stock, diluted (yen)	53.11	(63.18)	19.83	(26.22)	(98.59)
Ratio of stockholders' equity to total assets (%)	—	—	26.5	23.1	24.7
Net cash provided by (used in) operating activities	(144,078)	232,432	—	—	407,153
Net cash used in investing activities	(488,106)	(329,949)	—	—	(1,081,342)
Net cash provided by financing activities	236,585	298,895	—	—	267,458
Cash and cash equivalents at end of the period	—	—	700,923	838,485	660,789
Number of employees	—	—	185,800	172,000	171,300

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. The Company adopted the accounting guidance for noncontrolling interests in consolidated financial statements on April 1, 2009, via retrospective application of the presentation and disclosure requirements. Upon the adoption of this guidance, noncontrolling interests, which were previously referred to as minority interest and classified between total liabilities and stockholders' equity on the consolidated balance sheets, are now included as a separate component of total equity. In addition, the net income (loss) on the consolidated statements of income now includes the net income (loss) attributable to noncontrolling interests. Consistent with the retrospective application required by this guidance, the prior year amounts in the consolidated financial statements have been reclassified or adjusted to conform to the current presentation.
4. Consumption taxes are not included in sales and operating revenue.
5. Total equity is presented based on U.S. GAAP.
6. Stockholders' equity per share of common stock is calculated by using equity attributable to the shareholders of the Company.
7. The Company prepares its consolidated financial statements, and therefore parent-alone financial data is not prepared.

**(2) Business Overview**

There was no significant change in the business of Sony during the three months ended September 30, 2009.

Sony realigned its reportable segments effective from the first quarter of the fiscal year ending March 31, 2010 to reflect the Company's reorganization as of April 1, 2009. For further information on the realignment, please refer to V Financial Statements Notes to Consolidated Financial Statements 1. Summary of significant accounting policies and (2) Changes in accounting policies, procedures and presentation rules applied in the preparation of the interim consolidated financial statements: Business segment realignment.

As of September 30, 2009, the Company had 1,290 subsidiaries and 90 affiliated companies, of which 1,255 companies are consolidated subsidiaries (including variable interest entities) of the Company. The Company has applied the equity accounting method for 84 affiliated companies.

**(3) Changes in Subsidiaries and Affiliated Companies**

There was no significant change in subsidiaries and affiliated companies during the three months ended September 30, 2009.

**(4) Number of Employees**

The following table shows the number of employees as of September 30, 2009.

Consolidated	172,000*
Parent-alone	16,546

\* 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 electronics devices, home game consoles, game software, and music and video software, Sony generally manufactures products based on forecasts. Because Sony maintains a relatively stable and necessary level of product inventory in order to carry out the manufacturing of electronic devices, its level of production is generally similar to its level of sales. For further information regarding the level of sales, please refer to (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 description of the joint venture agreement with Sharp Corporation ( Sharp ) and the judicial review on Sony s music business by the European Court discussed in the risk factors below, there are no significant changes from the information presented in the Risk Factors section of the Annual Report on Form 20-F filed with the SEC on June 23, 2009. The descriptions below are based on management s assumptions and beliefs in light of the information currently available.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

*Sony s utilization of joint ventures and alliances within strategic business areas may not be successful.*

During the last several years Sony has moved toward the establishment of joint ventures and strategic alliances in order to supplement or replace functions that were previously performed by divisions of Sony Corporation or its wholly-owned subsidiaries.

Sony currently has investments in several joint ventures, including Sony Ericsson Mobile Communications AB and S-LCD Corporation. If Sony and its partners from existing alliances, joint ventures and strategic investments are unable to reach their common financial objectives successfully, Sony s financial performance may be adversely affected. Sony s financial performance may also be adversely affected temporarily or in the short- and medium-term during the period of alliances, joint ventures and strategic investments even if Sony and its partners remain on course to achieve their common objectives. On July 30, 2009, Sony entered into an agreement to establish a joint venture company with Sharp to produce and sell large-sized LCD panels and modules.

Sony may not adequately manage the growing number of joint ventures and strategic alliances, and, in particular, may not deal effectively with the legal and cultural differences that can arise in such relationships, with changes in the relationships, or with changes in the financial status of its partners. In addition, by participating in joint ventures or strategic alliances, Sony may encounter conflicts of interest, may not maintain sufficient control over the joint venture or strategic alliance, including over cash flow, and may be faced with an increased risk of the loss of proprietary technology or know-how. Sony s reputation could be harmed by the actions or activities of a joint venture that uses the Sony brand.

*Sony s music business may be subject to renewed judicial review by the European Court.*

In August 2004, Sony combined its recorded music business outside of Japan with the recorded music business of Bertelsmann AG ( Bertelsmann ), forming SONY BMG MUSIC ENTERTAINMENT ( SONY BMG ), after receiving antitrust approval from, among others, the European Commission. On December 3, 2004, Impala, an international association of 2,500 independent recorded music companies, appealed the European Commission s clearance decision to the EU Court of First Instance ( CFI ).





On July 13, 2006, the CFI annulled the Commission's decision to allow the merger to go forward, requiring the Commission to re-examine the transaction. In October 2006, Sony Corporation of America ( SCA ) and Bertelsmann filed an appeal of the CFI's judgment to the Court of Justice of the European Communities ( ECJ ). On October 3, 2007, following its re-examination of the merger, the Commission rendered a second clearance decision reaffirming the conclusion reached in 2004 that the transaction raised no competition concerns. On June 16, 2008, Impala announced it had filed an appeal of that second clearance decision to the CFI. On July 10, 2008, the ECJ rendered judgment on the 2006 appeal of SCA and Bertelsmann, setting aside the CFI's annulment of the Commission's original clearance decision and referring the case back to the CFI for further consideration. On September 26, 2008, the CFI stayed Impala's 2008 appeal of the Commission's second clearance decision pending a final ruling by the CFI on the original clearance decision. As of October 1, 2008, SONY BMG became a wholly-owned subsidiary of Sony and was renamed Sony Music Entertainment as of January 1, 2009. On June 30, 2009, the CFI determined that Impala's 2004 appeal of the Commission's original clearance decision was devoid of purpose and that there was therefore no longer any need to adjudicate on that appeal. Accordingly, the 2004 clearance decision has become final. On September 30, 2009, the CFI further determined that Impala's appeal of the second clearance decision was devoid of purpose and that there was therefore no longer any need to adjudicate on that appeal. If the CFI's determination is not appealed, the 2007 clearance decision will also become final and the judicial proceedings relating to the formation of Sony BMG will be concluded.

### (3) Material Contracts

There was no execution of material contracts during the three months ended September 30, 2009.

**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 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.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 September 30, 2009, since it is the same as described in the press release previously submitted to the SEC. Please refer to Consolidated Financial Results for the Second Quarter Ended September 30, 2009 submitted to the SEC on Form 6-K on October 30, 2009.

URL: The press release titled Consolidated Financial Results for the Second Quarter Ended September 30, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000115752309007466/a6085267.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 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

Status of Cash Flows

The following analysis refers to the status of cash flow during the second quarter ended September 30, 2009.

**Operating Activities:** During the second quarter ended September 30, 2009, there was a net cash inflow of 175.5 billion yen from operating activities, an increase of 102.7 billion yen, or 140.9% year-on-year. For all segments excluding the Financial Services segment, there was a net cash inflow of 85.2 billion yen, an increase of 80.3 billion yen year-on-year. The Financial Services segment had a net cash inflow of 90.2 billion yen, an increase of 22.3 billion yen, or 32.8% year-on-year.

During the current quarter, with respect to all segments excluding the Financial Services segment, the major cash inflow factors included an increase in notes and accounts payable, trade, and a cash contribution from net income (loss), after taking into account depreciation and amortization. This exceeded cash outflows, which included increases in film costs, inventories, and notes and accounts receivable, trade. The Financial Services segment increased its net cash inflow mainly from an increase in revenue from insurance premiums reflecting a steady increase in policy amounts in force at Sony Life.

Compared with the same quarter of the previous fiscal year, within all segments excluding the Financial Services segment, net cash generated during the current quarter significantly increased mainly as a result of a lower increase in inventories, receipt of tax refunds, and a lower increase in notes and accounts receivable, trade. This increase in net cash generated was partially offset by a lower increase in notes and accounts payable, trade. Within the Financial Services segment, net cash generated increased year-on-year mainly due to the increase in revenue from insurance premiums reflecting a steady increase in policy amounts in force at Sony Life noted above.

**Investing Activities:** During the current quarter, Sony used 157.1 billion yen of net cash in investing activities, a decrease of 116.8 billion yen, or 42.6% year-on-year. For all segments excluding the Financial Services segment, 85.2 billion yen of net cash was used, a decrease of 42.8 billion yen, or 33.5% year-on-year. The Financial Services segment used 71.9 billion yen of net cash, a decrease of 77.1 billion yen, or 51.8% year-on-year.

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During the current quarter, with respect to all segments excluding the Financial Services segment, there were no significant asset sales, and net cash was used mainly for the purchases of manufacturing equipment. Within the Financial Services

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segment, payments for investments and advances, carried out primarily at Sony Life and Sony Bank, exceeded proceeds from the maturities of marketable securities, sales of securities investments and collections of advances.

Compared with the same quarter of the previous fiscal year, net cash used during the current quarter decreased significantly within all segments excluding the Financial Services segment, primarily due to a decrease in purchases of manufacturing equipment. Net cash used within the Financial Services segment decreased significantly year-on-year primarily due to a decrease in investments at Sony Bank.

In all segments excluding the Financial Services segment, net cash used in operating and investing activities combined for the current quarter was 0.02 billion yen, an improvement of 123.1 billion yen compared with the same quarter of the previous fiscal year.

**Financing Activities:** During the current quarter, 33.6 billion yen of net cash was provided by financing activities, a decrease of 89.3 billion yen, or 72.6% year-on-year. For all segments excluding the Financial Services segment, there was 22.3 billion yen of net cash generated from financing activities, an increase of 17.4 billion yen year-on-year. This was primarily due to issuances of long-term borrowings from banks in the current quarter, which were partially offset by net repayments of short-term borrowings including commercial paper. Sony executed a 1.0 billion U.S. dollar long-term bank loan (3 year term) in July 2009. In the Financial Services segment, financing activities generated 11.5 billion yen of net cash, a decrease of 109.8 billion yen, or 90.5% year-on-year, mainly due to a lower increase in deposits from customers at Sony Bank compared to the same quarter of the previous fiscal year.

**Total Cash and Cash Equivalents:** Accounting for the above factors and the effect of fluctuations in exchange rates, the total outstanding balance of cash and cash equivalents as of September 30, 2009 was 838.5 billion yen, an increase of 30.6 billion yen, or 3.8% compared with the balance as of June 30, 2009. Compared with the balance as of September 30, 2008, cash and cash equivalents increased 137.6 billion yen, or 19.6%. The outstanding balance of cash and cash equivalents of all segments excluding the Financial Services segment, was 665.7 billion yen, an increase of 0.7 billion yen, or 0.1%, compared with the balance as of June 30, 2009. Compared with the balance as of September 30, 2008, cash and cash equivalents increased 132.0 billion yen, or 24.7%. Sony believes it maintains sufficient liquidity through access to approximately 780 billion yen of unused committed lines of credit in addition to the cash and cash equivalents balance as of September 30, 2009. Within the Financial Services segment, the outstanding balance of cash and cash equivalents was 172.8 billion yen, an increase of 29.8 billion yen, or 20.9%, compared with the balance as of June 30, 2009. Compared with the balance as of September 30, 2008, cash and cash equivalents increased 5.6 billion yen, or 3.3%.

**Information on Cash Flow Separating Out the Financial Services Segment (Unaudited)**

The following charts show Sony's unaudited cash flow information for all segments (consolidated), all segments excluding the Financial Services segment and for the Financial Services segment alone. These separate condensed presentations are not required under U.S. GAAP, which Sony uses in its consolidated financial statements. However, because the Financial Services segment is different in nature from Sony's other segments, Sony utilizes this information to analyze the results without Financial Services segment and believes that these presentations may be useful in understanding and analyzing Sony's consolidated financial statements. Transactions between the Financial Services segment and all segments excluding the Financial Services segment are eliminated in the consolidated figures shown below.

**Condensed Statements of Cash Flows (Unaudited)**

<b>Financial Services</b>	<b>Yen in millions</b> <b>Three months ended September 30</b> <b>2009</b>
Net cash provided by operating activities	¥ 90,224
Net cash used in investing activities	(71,877)
Net cash provided by financing activities	11,483
Net increase in cash and cash equivalents	29,830
Cash and cash equivalents at beginning of the period	142,991
Cash and cash equivalents at the end of the period	¥ 172,821
<b>Sony without Financial Services</b>	<b>Yen in millions</b> <b>Three months ended September 30</b> <b>2009</b>
Net cash provided by operating activities	¥ 85,170
Net cash used in investing activities	(85,188)
Net cash provided by financing activities	22,252
Effect of exchange rate changes on cash and cash equivalents	(21,510)
Net increase in cash and cash equivalents	724
Cash and cash equivalents at beginning of the period	664,940
Cash and cash equivalents at the end of the period	¥ 665,664
<b>Consolidated</b>	<b>Yen in millions</b> <b>Three months ended September 30</b> <b>2009</b>
Net cash provided by operating activities	¥ 175,514
Net cash used in investing activities	(157,091)
Net cash provided by financing activities	33,641
Effect of exchange rate changes on cash and cash equivalents	(21,510)
Net increase in cash and cash equivalents	30,554
Cash and cash equivalents at beginning of the period	807,931
Cash and cash equivalents at the end of the period	¥ 838,485





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

**Note for readers of this English translation:**

Excluding that below, Issues Facing Sony and Management's Response to those Issues are the same as those found in the Trend Information section of the Annual Report on Form 20-F filed with the SEC on June 23, 2009. The descriptions below are based on the information currently available to the management.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

In addition, the Company submitted the press release titled "Sony Accelerates Transformation to Drive Innovation and Growth" to the SEC on Form 6-K on November 19, 2009. For the contents of this press release, which were not incorporated in the Quarterly Securities Report for the three months ended September 30, 2009, please refer to the URL below, as supplemental information relating to the Issues Facing Sony and Management's Response to those Issues.

URL: The press release titled "Sony Accelerates Transformation to Drive Innovation and Growth" submitted to the SEC on November 19, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000115752309008172/a6104199.htm>

On July 30, 2009 Sony entered into an agreement to establish a joint venture company with Sharp to produce and sell large-sized LCD panels and modules (the "Joint Venture Agreement"). On July 1, 2009, Sharp split out its new LCD panel plant located in Sakai City, which was under construction, and transferred it to Sharp Display Products Corporation ("SDP"), its wholly-owned subsidiary. SDP commenced operations in October 2009. On December 29, 2009, as the first step toward the final investment ratio (66% by Sharp and 34% by Sony), Sony intends to invest 10 billion yen into SDP in exchange for new shares to be issued by SDP to Sony as third-party allotment. The Joint Venture Agreement further provides that, subject to its conditions, Sony will make a number of additional capital injections to SDP, resulting in a maximum 34% ownership by Sony of SDP by the end of April 2011. SDP will produce and sell large-sized LCD panels and modules, utilizing the new LCD panel production plant using the world's first 10th generation glass substrate. LCD panel production capacity is planned at 72,000 substrates of mother glass per month (initially 36,000 substrates per month).

iii) Research and Development

**Note for readers of this English translation:**

Excluding that below and the description in the Quarterly Securities Report for the three months ended June 30, 2009 submitted to the SEC on Form 6-K on August 20, 2009, 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 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

URL: The press release titled Quarterly Securities Report for the three months ended June 30, 2009

[http://www.sec.gov/Archives/edgar/data/313838/000090342309000742/sony6-k\\_0820.htm](http://www.sec.gov/Archives/edgar/data/313838/000090342309000742/sony6-k_0820.htm)

Research and development costs for the three months ended September 30, 2009 decreased 23.2 billion yen, or 17.5%, to 109.2 billion yen, compared with the same quarter of the previous fiscal year due to reorganization in R&D focused domains. The ratio of research and development costs to sales (which excludes revenue from the Financial Services segment) increased from 6.7% to 7.5% due to sales decrease. Expenses in the Consumer Products & Devices segment decreased 18.6 billion yen, or 22.2%, to 65.3 billion yen and expenses in the Networked Products & Services segment decreased 0.3 billion yen, or 1.2%, to 25.0 billion yen. In the Consumer Products & Devices segment, approximately 73% of expenses was spent on the development of new product prototypes while the remaining 27% was spent on the development of mid- to long-term new technologies in such areas as next-generation displays, semiconductors, new materials and software.

(iv) Liquidity and Capital Resources

**Note for readers of this English translation:**

Excluding that below, there are no significant changes from the information presented in the Annual Report on Form 20-F filed with the SEC on June 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

Sony executed syndicated loans totaling 162.5 billion yen in June 2009 (3 year, 5 year and 7 year terms respectively). The proceeds of these loans were partially used for the redemption of an 80 billion yen syndicated loan (executed in June 2006), which matured in June 2009, and the rest of the proceeds have been used for funding general business activities, including working capital. In addition, Sony executed a 1.0 billion U.S. dollar long-term bank loan (3 year term) in July 2009. The proceeds of this loan have been used as general corporate funds for overseas operations, in regions including North America and Europe.



**III Property, Plant and Equipment**

**(1) Major Property, Plant and Equipment**

There was no significant change during the three months ended September 30, 2009.

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

During the three months ended September 30, 2009, there was no significant change in the purchase and retirement of property, plant and equipment from the plan at June 30, 2009. During the three months ended September 30, 2009, there was no significant new firm plan for the purchase and retirement 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		Securities Exchanges where the shares are listed or registered/authorized Financial Instruments Firms Association	Description
	As of the end of the second quarterly period (September 30, 2009)	As of the filing date of the Quarterly Securities Report (November 13, 2009)		
Common stock	1,004,535,364	1,004,535,364	Tokyo Stock Exchange Osaka Securities Exchange New York Stock Exchange	The number of shares constituting one full unit is one hundred (100).
Total	1,004,535,364	1,004,535,364	London Stock Exchange	
Notes:				

1. 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.
2. 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 previous Commercial Code in Japan) during November 2009, the month in which the 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.

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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>

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Stock acquisition rights (outstanding as of September 30, 2009)

Name (Date of shareholders' resolution)	Total outstanding number of SARs issued	Number of outstanding 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)	9,332	933,200
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)	10,717	1,071,700
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)	16,767	1,676,700

Convertible bonds (outstanding as of September 30, 2009)



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Name (Date of issuance)	Outstanding balance
	(Thousands of U.S. dollars)
U.S. Dollar convertible bonds (April 17, 2000)	45,427
U.S. Dollar convertible bonds (April 16, 2001)	45,210
U.S. Dollar convertible bonds (April 15, 2002)	32,490

iii) Status of Rights Plan

Not applicable.

iv) Changes in the Total Number of Shares Issued and the Amount of Common Stock

Period	Change in the total number of shares issued	Balance of the total number of shares issued	Change in the amount of common stock	Balance of the amount of common stock	Change in the capital reserve	Balance of the capital reserve
	(Thousands)	(Thousands)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
From July 1 to						
September 30, 2009		1,004,535		630,765		837,453

Note: The total number of shares, the amount of common stock and the capital reserve did not change during the period from October 1 to October 31, 2009.

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v) Status of Major Shareholders  
(As of September 30, 2009)

Name	Address	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Moxley and Company *1	New York, U.S.A.	103,108	10.26
(Local Custodian: The Bank of Tokyo-Mitsubishi UFJ, Ltd.) Japan Trustee Services Bank, Ltd.	(2-7-1, Marunouchi, Chiyoda-ku, Tokyo)		
(Trust account) *2	1-8-11, Harumi, Chuo-ku, Tokyo	62,783	6.25
The Master Trust Bank of Japan, Ltd. (Trust account) *2	2-11-3, Hamamatsu-cho, Minato-ku, Tokyo	45,136	4.49
State Street Bank and Trust Company *3	Boston, U.S.A.	15,937	1.59
(Local Custodian: The Hongkong and Shanghai Banking Corporation Limited)	(3-11-1, Nihonbashi, Chuo-ku, Tokyo)		
Japan Trustee Services Bank, Ltd.	1-8-11, Harumi, Chuo-ku, Tokyo	13,763	1.37
(Trust account 9) *2			
The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account *3	London, U.K.	12,286	1.22
(Local Custodian: Mizuho Corporate Bank, Ltd.) State Street Bank and Trust Company 505225 *3	(4-16-13, Tsukishima, Chuo-ku, Tokyo) Boston, U.S.A.	11,623	1.16
(Local Custodian: Mizuho Corporate Bank, Ltd.) SSBT OD05 Omnibus China Treaty 808150 *3	(4-16-13, Tsukishima, Chuo-ku, Tokyo) Sydney, Australia	10,868	1.08
(Local Custodian: The Hongkong and Shanghai Banking Corporation Limited)	(3-11-1, Nihonbashi, Chuo-ku, Tokyo)		
Mellon Bank, N.A. as Agent for its Client Mellon Omnibus US Pension *3	Boston, U.S.A.	10,589	1.05
(Local Custodian: Mizuho Corporate Bank, Ltd.) Trust & Custody Services Bank, Ltd.	(4-16-13, Tsukishima, Chuo-ku, Tokyo)		
(Securities Investment Trust account)	1-8-12, Harumi, Chuo-ku, Tokyo	8,667	0.86
Total		294,760	29.34

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 corporation 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.
- \*4. The number of shares held is rounded to the nearest thousand.
- 5.

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Dodge & Cox sent a copy of the Amendment to the Bulk Shareholding Report (which was filed with the Kanto Financial 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 notified of any change in such shareholding. The Company has not been able to confirm any entry of Dodge & Cox in the register of shareholders as of September 30, 2009.

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

vi) Status of Voting Rights

1) Shares Issued

(As of September 30, 2009)

Classification	Number of shares of common stock	Number of voting rights (Units)	Description
Shares without voting rights			
Shares with restricted voting rights  (Treasury stock, etc.) Shares with restricted voting rights			
(Others) Shares with full voting rights	1,028,200		
(Treasury stock, etc.) Shares with full voting rights	1,000,911,200	10,009,111	
(Others)			Shares less than
Fractional unit shares	2,595,964		one full unit of stock (100 shares)
Total number of shares issued	1,004,535,364		
Total voting rights held by all shareholders		10,009,111	

Note: Included in Shares with full voting rights (Others) under Number of shares of common stock are 20,800 shares of common stock (including 100 shares accounted for by the Registration of Lost Share Certificates) 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 207 units of voting rights (excluding 1 unit accounted for by the Registration of Lost Share Certificates) relating to the shares of common stock related to such shares with full voting rights held under the name of Japan Securities Depository Center, Inc.

2) Treasury Stock

(As of September 30, 2009)

Name of shareholder	Address of shareholder	Number of shares of common stock held under own name	Number of shares of common stock held under the	Total number of shares of common stock held	Total of shares held to total shares issued
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			names of others		(%)
Sony Corporation					
	1-7-1, Konan, Minato-ku, Tokyo	1,014,000		1,014,000	0.10
(Treasury stock)* <sup>1</sup>					
Kyoshin Technosonic Co., Ltd.	1-31-1, Nishi-Gotanda, Shinagawa-ku, Tokyo	12,600	1,600	14,200	0.00
(Cross-holding stock)* <sup>2 *3</sup>					
Total		1,026,600	1,600	1,028,200	0.10
Notes:					

\*1. In addition to the 1,014,000 shares listed here, there are 300 shares of common stock held by 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. Kyoshin Technosonic Co., Ltd. is a member of the stock ownership plan (The Sony Stock Ownership Plan, 1-7-1, Konan, Minato-ku, Tokyo), which is composed of the Company's business partners and other members. Kyoshin Technosonic Co., Ltd. holds 1,600 shares of the Company under the name thereof.
- \*3. Kyoshin Technosonic Co., Ltd. jointly with USC Corporation established their holding company, UKC Holdings Corporation as of October 1, 2009 by way of share transfers. As a result of this transaction, all shares of Kyoshin Technosonic Co., Ltd. then held by the Company were replaced with 916,020 shares (6.33% of total shares issued; furthermore, the Company has 15.45% of the votes of all shareholders, when including shares held by pension trusts whose voting rights are retained by the Company.) of UKC Holdings Corporation. Accordingly, shares of the Company held by Kyoshin Technosonic Co., Ltd. are not currently regarded as Cross-holding stock .

**(2) Stock Price Range**

Highest and lowest prices during the past six months

Month of 2009	April	May	June	July	August	September
Highest (yen)	2,655	2,760	2,800	2,680	2,810	2,690
Lowest (yen)	2,050	2,380	2,430	2,145	2,400	2,405

\* As quoted on the First Section of the Tokyo Stock Exchange.

**(3) Directors and Corporate Executive Officers**

There were no changes in directors and corporate executive officers between the filing date of the Securities Report (Yukashoken Houkokusho) for the fiscal year ended March 31, 2009 and the filing date of this Quarterly Securities Report (Shihanki Houkokusho).

**V Financial Statements**

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## (1) Consolidated Financial Statements

**(i) Consolidated Balance Sheets (Unaudited)**

Sony Corporation and Consolidated Subsidiaries

	Yen in millions	
	At September 30, 2009	At March 31, 2009
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	838,485	660,789
Call loan in the banking business	35,539	49,909
Marketable securities	520,146	466,912
Notes and accounts receivable, trade	961,352	963,837
Allowance for doubtful accounts and sales returns	(96,052)	(110,383)
Inventories	869,564	813,068
Deferred income taxes	213,486	189,703
Prepaid expenses and other current assets	644,017	586,800
Total current assets	3,986,537	3,620,635
Film costs	312,732	306,877
<b>Investments and advances:</b>		
Affiliated companies	232,409	236,779
Securities investments and other	4,750,320	4,561,651
	4,982,729	4,798,430
<b>Property, plant and equipment:</b>		
Land	156,506	155,665
Buildings	912,465	911,269
Machinery and equipment	2,321,331	2,343,839
Construction in progress	78,210	100,027
	3,468,512	3,510,800
Less Accumulated depreciation	2,352,537	2,334,937
	1,115,975	1,175,863
<b>Other assets:</b>		
Intangibles, net	387,335	396,348
Goodwill	433,214	443,958
Deferred insurance acquisition costs	409,349	400,412
Deferred income taxes	351,373	359,050
Other	494,578	511,938
	2,075,849	2,111,706
<b>Total assets:</b>	<b>12,473,822</b>	<b>12,013,511</b>

*(Continued on following page.)*





**Consolidated Balance Sheets (Unaudited)**

	Yen in millions	
	At September 30, 2009	At March 31, 2009
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Short-term borrowings	141,956	303,615
Current portion of long-term debt	200,987	147,540
Notes and accounts payable, trade	791,582	560,795
Accounts payable, other and accrued expenses	972,207	1,036,830
Accrued income and other taxes	55,845	46,683
Deposits from customers in the banking business	1,333,690	1,326,360
Other	339,627	389,077
<b>Total current liabilities</b>	<b>3,835,894</b>	<b>3,810,900</b>
Long-term debt	1,024,432	660,147
Accrued pension and severance costs	340,764	365,706
Deferred income taxes	191,139	188,359
Future insurance policy benefits and other	3,705,261	3,521,060
Other	207,954	250,737
<b>Total liabilities:</b>	<b>9,305,444</b>	<b>8,796,909</b>
<b>Commitments and contingent liabilities</b>		
<b>EQUITY</b>		
<b>Sony Corporation's stockholders' equity:</b>		
Common stock, no par value		
At September 30, 2009 Shares authorized: 3,600,000,000, shares issued: 1,004,535,364	630,765	
At March 31, 2009 Shares authorized: 3,600,000,000, shares issued: 1,004,535,364		630,765
Additional paid-in capital	1,156,411	1,155,034
Retained earnings	1,841,006	1,916,951
Accumulated other comprehensive income		
Unrealized gains on securities, net	51,858	30,070
Unrealized losses on derivative instruments, net	(1,016)	(1,584)
Pension liability adjustment	(171,447)	(172,709)
Foreign currency translation adjustments	(620,364)	(589,220)
	(740,969)	(733,443)
Treasury stock, at cost		
Common stock		
At September 30, 2009 1,014,033 shares	(4,613)	
At March 31, 2009 1,013,287 shares		(4,654)
	2,882,600	2,964,653
<b>Noncontrolling interests</b>	<b>285,778</b>	<b>251,949</b>
<b>Total equity:</b>	<b>3,168,378</b>	<b>3,216,602</b>
<b>Total liabilities and equity:</b>	<b>12,473,822</b>	<b>12,013,511</b>

*The accompanying notes are an integral part of these statements.*



**(ii) Consolidated Statements of Income (Unaudited)**

Sony Corporation and Consolidated Subsidiaries

	Yen in millions	
	Six Months Ended September 30	
	2008	2009
<b>Sales and operating revenue:</b>		
Net sales	3,725,551	2,797,682
Financial services revenue	275,851	422,658
Other operating revenue	49,947	40,723
	4,051,349	3,261,063
<b>Costs and expenses:</b>		
Cost of sales	2,882,477	2,196,244
Selling, general and administrative	814,137	748,305
Financial services expenses	269,425	340,068
(Gain) loss on sale, disposal or impairment of assets, net	4,208	7,333
	3,970,247	3,291,950
<b>Equity in net income (loss) of affiliated companies</b>	3,385	(27,405)
<b>Operating income (loss)</b>	84,487	(58,292)
<b>Other income:</b>		
Interest and dividends	14,313	8,081
Gain on sale of securities investments, net	461	313
Foreign exchange gain, net	-	6,635
Other	12,127	12,569
	26,901	27,598
<b>Other expenses:</b>		
Interest	11,427	12,166
Loss on devaluation of securities investments	1,442	1,135
Foreign exchange loss, net	19,730	-
Other	8,560	5,975
	41,159	19,276
<b>Income (loss) before income taxes</b>	70,229	(49,970)
<b>Income taxes</b>	10,066	(13,887)
<b>Net income (loss)</b>	60,163	(36,083)
Less - Net income attributable to noncontrolling interests	4,370	27,318
<b>Net income (loss) attributable to Sony Corporation's stockholders</b>	55,793	(63,401)

	Yen	
	Six Months Ended September 30	
	2008	2009
<b>Per share data:</b>		
Net income (loss) attributable to Sony Corporation's stockholders		
Basic	55.60	(63.18)
Diluted	53.11	(63.18)

*The accompanying notes are an integral part of these statements.*

**Consolidated Statements of Income (Unaudited)**

Sony Corporation and Consolidated Subsidiaries

	Yen in millions	
	Three Months Ended September 30	
	2008	2009
<b>Sales and operating revenue:</b>		
Net sales	1,950,289	1,442,917
Financial services revenue	97,469	199,306
Other operating revenue	24,547	18,987
	2,072,305	1,661,210
<b>Costs and expenses:</b>		
Cost of sales	1,514,812	1,134,820
Selling, general and administrative	419,888	370,268
Financial services expenses	121,641	165,365
(Gain) loss on sale, disposal or impairment of assets, net	6,061	11,002
	2,062,402	1,681,455
<b>Equity in net income (loss) of affiliated companies</b>	1,145	(12,347)
<b>Operating income (loss)</b>	11,048	(32,592)
<b>Other income:</b>		
Interest and dividends	6,531	3,661
Gain on sale of securities investments, net	319	282
Foreign exchange gain, net	-	11,603
Other	6,956	8,621
	13,806	24,167
<b>Other expenses:</b>		
Interest	6,611	6,133
Loss on devaluation of securities investments	502	115
Foreign exchange loss, net	6,803	-
Other	3,631	2,353
	17,547	8,601
<b>Income (loss) before income taxes</b>	7,307	(17,026)
<b>Income taxes</b>	(8,935)	(1,699)
<b>Net income (loss)</b>	16,242	(15,327)
Less - Net income (loss) attributable to noncontrolling interests	(4,574)	10,981
<b>Net income (loss) attributable to Sony Corporation's stockholders</b>	20,816	(26,308)

	Yen	
	Three Months Ended September 30	
	2008	2009
<b>Per share data:</b>		
Net income (loss) attributable to Sony Corporation's stockholders		
Basic	20.74	(26.22)
Diluted	19.83	(26.22)

*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	
	Six Months Ended September 30	
	2008	2009
<b>Cash flows from operating activities:</b>		
Net income (loss)	60,163	(36,083)
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	195,026	181,026
Amortization of film costs	125,271	118,839
Stock-based compensation expense	1,967	1,154
Accrual for pension and severance costs, less payments	(11,1)	