

SONY CORP
Form 6-K
July 16, 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 July 2009
Commission File Number: 001-06439

SONY CORPORATION
(Translation of registrant's name into English)

1-7-1 KONAN, 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-_____

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to
be signed on its behalf by the undersigned, thereunto duly authorized.

SONY CORPORATION
(Registrant)

By: /s/ Nobuyuki Oneda
(Signature)
Nobuyuki Oneda
Executive Deputy President and
Chief Financial Officer

Date: July 16, 2009

List of materials

Documents attached hereto:

- i) Press release entitled "Sony Ericsson reports second quarter results"
-

PRESS RELEASE

July 16, 2009

Sony Ericsson reports second quarter results

Q2 highlights:

- Continued challenging market conditions
 - Transformation program on track
- New Communication Entertainment portfolio announced - shipping Q4 2009

The consolidated financial summary for Sony Ericsson Mobile Communications AB (Sony Ericsson) for the second quarter ended June 30, 2009 is as follows:

| | Q2 2008 | Q1 2009 | Q2 2009 |
|--|---------|---------|---------|
| Number of units shipped (million) | 24.4 | 14.5 | 13.8 |
| Sales (Euro m.) | 2,820 | 1,736 | 1,684 |
| Gross margin (%) | 23% | 8% | 12% |
| Operating income (Euro m.) | -2 | -369 | -274 |
| Operating margin (%) | -0% | -21% | -16% |
| Restructuring charges (Euro m.) | 11 | 12 | 1 |
| Operating income excl. restructuring charges (Euro m.) | 8 | -357 | -274 |
| Operating margin excl. restructuring charges (%) | 0% | -21% | -16% |
| Income before taxes (IBT) (Euro m.) | 8 | -370 | -283 |
| IBT excl. restructuring charges (Euro m.) | 19 | -358 | -283 |
| Net income (Euro m.) | 6 | -293 | -213 |
| Average selling price (Euro) | 116 | 120 | 122 |

Units shipped in the quarter were 13.8 million, a decrease of 43% year-on-year and a sequential decrease of 5%. Sales for the quarter were Euro 1,684 million, a year-on-year decrease of 40%. This was due to continued challenging market conditions in all regions, particularly in Latin American markets.

Gross margin improved sequentially, despite lower volumes and sales, driven by a more favourable product mix and less material write-off costs than the previous quarter.

Income before taxes for the quarter, excluding restructuring charges, was a loss of Euro 283 million compared to a loss of Euro 370 million from the previous quarter. This was due to the better gross margin, as well as reduced operating expenses that are a result of the ongoing cost savings program.

“As expected, the second quarter was challenging and we still believe the remainder of the year will be difficult for Sony Ericsson. Our focus remains on bringing the company back to profitability and growth as quickly as possible, and our performance is starting to improve due to our cost reduction activities. The new product portfolio that integrates communications, entertainment and social media applications should contribute to healthier topline development when shipments start later this year,” said Dick Komiyama, President, Sony Ericsson. “We remain confident that the actions we are taking will further improve our financial situation and strengthen Sony Ericsson’s competitiveness.”

As of June 30, 2009, Sony Ericsson retained a good net cash position of Euro 965 million.

Programs started mid 2008 to reduce operating expenses by Euro 880 million are on track, with the full benefit expected during the second half of 2010. The total restructuring charges for these programs are estimated to be well within the previously announced Euro 500 million. Since the beginning of the cost reduction programs, the total global workforce has been reduced by 2,350 people.

During the quarter Sony Ericsson expanded on its strategy of transforming into the Communication Entertainment brand with the announcement of three new mobile phones; Aino, Satio and Yari. These phones integrate communications features with entertainment content and social media applications. In addition, Sony Ericsson announced the expansion of its content delivery platform, PlayNow™ arena, to include an application store and downloadable movies via PC.

Sony Ericsson maintains its forecast that the global handset market for 2009 will continue to contract by at least 10% from around 1,190 million units in 2008. Sony Ericsson estimates that its market share was over 5% in the second quarter.

The liquid identity and PlayNow are trademarks or registered trademarks of Sony Ericsson Mobile Communications. Sony is a trademark or registered trademark of Sony Corporation. Ericsson is the trademark or registered trademark of Telefonaktiebolaget LM Ericsson.

Other product and company names mentioned herein may be the trademarks of their respective owners. Any rights not expressly granted herein are reserved. Subject to change without prior notice.

- ENDS -

EDITOR'S NOTES:

Financial statements and additional information:

Financial statements:

Consolidated income statement
Consolidated income statement – isolated quarters
Consolidated balance sheet
Consolidated statement of cash flows
Consolidated statement of cash flows – isolated quarters

Additional information:

Net sales by market area by quarter

- ENDS -

Sony Ericsson is a top, global industry player with sales of around 97 million phones in 2008. Diversity is one of the core strengths of the company, with operations in over 80 countries including manufacturing in China and R&D sites in China, Europe, India, Japan and North America. Sony Ericsson was established as a 50:50 joint venture by Sony and Ericsson in October 2001, with global corporate functions located in London. For more information about Sony Ericsson please visit www.sonyericsson.com

CONTACTS:

Investors / Analysts
Ericsson investor relations
Gary Pinkham (Stockholm) +46 10 719 0858
Susanne Andersson (Stockholm) +46 10 719 4631
Andreas Hedemyr (Stockholm) +46 10 404 3748

Sony investor relations
Shinji Tomita (London) +44 20 7426 8696
Gen Tsuchikawa (Tokyo) +81 3 6748 2180

Press / Media
Sony Ericsson global communications and PR
Aldo Liguori (London) +44 20 8762 5860
Merran Wrigley (London) +44 20 8762 5862

This press release contains forward-looking statements that involve inherent risks and uncertainties. We have identified certain important factors that may cause actual results to differ materially from those contained in such forward-looking statements. For a detailed description of risk factors see Sony's and Ericsson's filings with the US Securities and Exchange Commission, particularly each company's latest published Annual Report on Form 20-F.

Sony Ericsson
CONSOLIDATED INCOME STATEMENT

| EUR million | 2009 | Apr-Jun 2008 | Change |
|-------------------------------------|--------|-----------------|--------|
| Net sales | 1,684 | 2,820 | -40% |
| Cost of sales | -1,483 | -2,168 | -32% |
| Gross profit | 200 | 653 | -69% |
| Gross margin % | 11.9% | 23.1% | -11% |
| Research and development expenses | -245 | -344 | -29% |
| Selling and administrative expenses | -235 | -310 | -24% |
| Operating expenses | -480 | -653 | -26% |
| Other operating income, net | 6 | -2 | 491% |
| Operating income | -274 | -2 | - |
| Operating margin % | -16.3% | -0.1% | -16% |
| Financial income | 6 | 25 | -76% |
| Financial expenses | -15 | -14 | 4% |
| Income after financial items | -283 | 8 | - |
| Taxes | 74 | 0 | - |
| Minority interest | -4 | -3 | 49% |
| Net income | -213 | 6 | - |
| Number of units shipped (million) | 13.8 | 24.4 | -43% |
| ASP (EUR) | 122 | 116 | 5% |

| EUR Million | Apr-Jun 2009 | Apr-Jun 2008 |
|-----------------------------------|-----------------|-----------------|
| Restructuring charges | | |
| Cost of sales | -9 | 8 |
| Research and development expenses | 9 | 2 |
| Sales and administrative expenses | 1 | 1 |
| Other operating income, net | 0 | 0 |
| Total | 1 | 11 |

Sony Ericsson
CONSOLIDATED INCOME STATEMENT

| EUR million | 2009 | Jan-Jun 2008 | Change |
|-------------------------------------|--------|-----------------|--------|
| Net sales | 3,419 | 5,522 | -38% |
| Cost of sales | -3,074 | -4,082 | -25% |
| Gross profit | 346 | 1,440 | -76% |
| Gross margin % | 10.1% | 26.1% | -16% |
| Research and development expenses | -548 | -683 | -20% |
| Selling and administrative expenses | -460 | -580 | -21% |
| Operating expenses | -1,008 | -1,263 | -20% |
| Other operating income, net | 19 | 5 | 310% |
| Operating income | -644 | 182 | -454% |
| Operating margin % | -18.8% | 3.3% | -22% |
| Financial income | 15 | 49 | -69% |
| Financial expenses | -25 | -29 | -16% |
| Income after financial items | -653 | 201 | -424% |
| Taxes | 158 | -57 | -379% |
| Minority interest | -10 | -6 | 71% |
| Net income | -505 | 139 | -464% |
| Number of units shipped (million) | 28.3 | 46.7 | -39% |
| ASP (EUR) | 121 | 118 | 2% |

| EUR Million | Jan-Jun 2009 | Jan-Jun 2008 |
|-----------------------------------|-----------------|-----------------|
| Restructuring charges | | |
| Cost of sales | -2 | 8 |
| Research and development expenses | 11 | 2 |
| Sales and administrative expenses | 4 | 1 |
| Other operating income, net | 0 | 0 |
| Total | 13 | 11 |

Sony Ericsson

CONSOLIDATED INCOME STATEMENT - ISOLATED QUARTERS

| EUR million | 2009 | | | 2008 | | |
|-------------------------------------|--------|--------|--------|--------|--------|--------|
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Net sales | 1,684 | 1,736 | 2,914 | 2,808 | 2,820 | 2,702 |
| Cost of sales | -1,483 | -1,591 | -2,476 | -2,192 | -2,168 | -1,914 |
| Gross profit | 200 | 145 | 438 | 616 | 653 | 788 |
| Gross margin % | 11.9% | 8.4% | 15.0% | 21.9% | 23.1% | 29.2% |
| Research and development expenses | -245 | -303 | -359 | -337 | -344 | -339 |
| Selling and administrative expenses | -235 | -225 | -366 | -303 | -310 | -270 |
| Operating expenses | -480 | -528 | -725 | -640 | -653 | -610 |
| Other operating income, net | 6 | 13 | 24 | -8 | -2 | 6 |
| Operating income | -274 | -369 | -262 | -33 | -2 | 184 |
| Operating margin % | -16.3% | -21.3% | -9.0% | -1.2% | -0.1% | 6.8% |
| Financial income | 6 | 9 | 28 | 25 | 25 | 24 |
| Financial expenses | -15 | -10 | -27 | -15 | -14 | -15 |
| Income after financial items | -283 | -370 | -261 | -23 | 8 | 193 |
| Taxes | 74 | 84 | 81 | 6 | 0 | -57 |
| Minority interest | -4 | -6 | -7 | -8 | -3 | -3 |
| Net income | -213 | -293 | -187 | -25 | 6 | 133 |
| Number of units shipped (million) | 13.8 | 14.5 | 24.2 | 25.7 | 24.4 | 22.3 |
| ASP (EUR) | 122 | 120 | 121 | 109 | 116 | 121 |

| EUR Million | 2009 | | | 2008 | |
|-----------------------------------|------|----|----|------|----|
| | Q2 | Q1 | Q4 | Q3 | Q2 |
| Restructuring charges | | | | | |
| Cost of sales | -9 | 7 | 67 | 0 | 8 |
| Research and development expenses | 9 | 2 | 35 | 26 | 2 |
| Sales and administrative expenses | 1 | 3 | 24 | 3 | 1 |
| Other operating income, net | 0 | 0 | 3 | 6 | 0 |

Edgar Filing: SONY CORP - Form 6-K

| | | | | | |
|-------|---|----|-----|----|----|
| Total | 1 | 12 | 129 | 35 | 11 |
|-------|---|----|-----|----|----|

Sony Ericsson
CONSOLIDATED BALANCE SHEET

| EUR million | Jun 30 2009 | Mar 31 2009 | Dec 31 2008 | Jun 30 2008 |
|---|----------------|----------------|----------------|----------------|
| ASSETS | | | | |
| Total fixed and financial assets | 736 | 658 | 590 | 590 |
| Current assets | | | | |
| Inventories | 404 | 477 | 531 | 538 |
| Accounts receivables | 936 | 1,193 | 1,629 | 1,905 |
| Other assets | 379 | 463 | 585 | 511 |
| Other short-term cash investments | 456 | 574 | 707 | 966 |
| Cash and bank | 509 | 542 | 418 | 624 |
| Total current assets | 2,685 | 3,249 | 3,870 | 4,544 |
| Total assets | 3,421 | 3,908 | 4,460 | 5,134 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | |
| Shareholders' equity | 694 | 930 | 1,217 | 1,684 |
| Minority interest | 66 | 65 | 57 | 35 |
| Total equity | 760 | 995 | 1,274 | 1,719 |
| Total long-term liabilities | 30 | 30 | 30 | 25 |
| Accounts payable | 848 | 965 | 990 | 1,436 |
| Other current liabilities | 1,782 | 1,918 | 2,166 | 1,954 |
| Total current liabilities | 2,630 | 2,882 | 3,156 | 3,390 |
| Total shareholders' equity and liabilities | 3,421 | 3,908 | 4,460 | 5,134 |
| Net cash* | 965 | 1,116 | 1,072 | 1,591 |

* Net cash is defined as cash and bank plus short-term cash investments less interest bearing liabilities.

Sony Ericsson
CONSOLIDATED STATEMENT OF CASH FLOWS

| EUR million | Apr-Jun 2009 | 2008 |
|---|-----------------|-------|
| OPERATIONS | | |
| Net income | -213 | 6 |
| Adjustments to reconcile net income to cash | 37 | 40 |
| | -176 | 46 |
| Changes in operating net assets | 60 | -142 |
| Cash flow from operating activities | -115 | -96 |
| INVESTMENTS | | |
| Investing activities | -13 | -29 |
| Cash flow from investing activities | -13 | -29 |
| FINANCING | | |
| Financing activities | 0 | - 8 |
| Cash flow from financing activities | 0 | -8 |
| Net change in cash | -128 | -133 |
| Cash, beginning of period | 1,116 | 1,711 |
| Translation difference in Cash | -23 | 13 |
| Cash, end of period | 965 | 1,591 |

Sony Ericsson
CONSOLIDATED STATEMENT OF CASH FLOWS

| EUR million | Jan-Jun 2009 | 2008 |
|---|-----------------|-------|
| OPERATIONS | | |
| Net income | -505 | 139 |
| Adjustments to reconcile net income to cash | 66 | 69 |
| | -439 | 208 |
| Changes in operating net assets | 382 | -242 |
| Cash flow from operating activities | -57 | -34 |
| INVESTMENTS | | |
| Investing activities | -32 | -50 |
| Cash flow from investing activities | -32 | -50 |
| FINANCING | | |
| Financing activities | - 53 | -470 |
| Cash flow from financing activities | -53 | -470 |
| Net change in cash | -142 | -554 |
| Cash, beginning of period | 1,125 | 2,155 |
| Translation difference in Cash | -18 | -11 |
| Cash, end of period | 965 | 1,591 |

Sony Ericsson

CONSOLIDATED STATEMENT OF CASH FLOWS - ISOLATED QUARTERS

| EUR million | 2009 | | | 2008 | | |
|---|---------|---------|---------|---------|---------|---------|
| | Apr-Jun | Jan-Mar | Oct-Dec | Jul-Sep | Apr-Jun | Jan-Mar |
| OPERATIONS | | | | | | |
| Net income | -213 | -293 | -187 | -25 | 6 | 133 |
| Adjustments to reconcile net income to cash | 37 | 29 | 37 | 39 | 40 | 31 |
| | -176 | -263 | -150 | 15 | 46 | 164 |
| Changes in operating net assets | 60 | 321 | -168 | 88 | -142 | -101 |
| Cash flow from operating activities | -115 | 58 | -318 | 102 | -96 | 64 |
| INVESTMENTS | | | | | | |
| Investing activities | -13 | -19 | 41 | -55 | -29 | -22 |
| Cash flow from investing activities | -13 | -19 | 41 | -55 | -29 | -22 |
| FINANCING | | | | | | |
| Financing activities | 0 | -53 | -46 | -238 | -8 | -462 |
| Cash flow from financing activities | 0 | -53 | -46 | -238 | -8 | -462 |
| Net change in cash | -128 | -14 | -323 | -191 | -133 | -421 |
| Cash, beginning of period | 1,116 | 1,125 | 1,473 | 1,591 | 1,711 | 2,155 |
| Translation difference in Cash | -23 | 5 | -25 | 74 | 13 | -24 |
| Cash, end of period | 965 | 1,116 | 1,125 | 1,473 | 1,591 | 1,711 |

Sony Ericsson
NET SALES BY MARKET AREA BY QUARTER

EUR million

| Isolated quarters | 2009 | | | 2008 | | |
|--------------------------------|-------|-------|-------|-------|-------|-------|
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | 927 | 977 | 1,642 | 1,427 | 1,386 | 1,494 |
| Americas | 195 | 200 | 636 | 703 | 740 | 486 |
| Asia | 562 | 559 | 636 | 678 | 694 | 722 |
| Total | 1,684 | 1,736 | 2,914 | 2,808 | 2,820 | 2,702 |
| * of which Western Europe | 678 | 721 | 1,117 | 947 | 900 | 979 |

| Sequential change (%) | 2009 | | | 2008 | | |
|--------------------------------|------|------|------|------|-----|------|
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | -5% | -40% | 15% | 3% | -7% | -34% |
| Americas | -3% | -69% | -10% | -5% | 52% | -24% |
| Asia | 1% | -12% | -6% | -2% | -4% | -18% |
| Total | -3% | -40% | 4% | 0% | 4% | -28% |
| * of which Western Europe | -6% | -35% | 18% | 5% | -8% | -38% |

| Year over year change (%) | 2009 | | | 2008 | | |
|--------------------------------|------|------|------|------|------|------|
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | -33% | -35% | -27% | -17% | -20% | -7% |
| Americas | -74% | -59% | 0% | 23% | 48% | 33% |
| Asia | -19% | -23% | -28% | -17% | -21% | -25% |
| Total | -40% | -36% | -23% | -10% | -9% | -8% |
| * of which Western Europe | -25% | -26% | -29% | -14% | -18% | -9% |

| Year to date | 2009 | | | 2008 | | |
|--------------------------------|-------|-------|--------|-------|-------|-------|
| | 0906 | 0903 | 0812 | 0809 | 0806 | 0803 |
| Europe, Middle East & Africa * | 1,903 | 977 | 5,947 | 4,306 | 2,879 | 1,494 |
| Americas | 395 | 200 | 2,566 | 1,930 | 1,226 | 486 |
| Asia | 1,121 | 559 | 2,731 | 2,094 | 1,416 | 722 |
| Total | 3,419 | 1,736 | 11,244 | 8,330 | 5,522 | 2,702 |
| * of which Western Europe | 1,400 | 721 | 3,943 | 2,826 | 1,879 | 979 |

Edgar Filing: SONY CORP - Form 6-K

| YTD year over year change (%) | 2009 | | | | 2008 | |
|-----------------------------------|------|------|------|------|------|------|
| | 0906 | 0903 | 0812 | 0809 | 0806 | 0803 |
| Europe, Middle East & Africa * | -34% | -35% | -18% | -15% | -13% | -7% |
| Americas | -68% | -59% | 24% | 34% | 42% | 33% |
| Asia | -21% | -23% | -23% | -21% | -23% | -25% |
| Total | -38% | -36% | -13% | -9% | -9% | -8% |
| * of which Western Europe | -26% | -26% | -19% | -14% | -14% | -9% |