

SONY CORP
Form 6-K
July 28, 2011

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 2011
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 X

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 X

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/ Masaru Kato
(Signature)
Masaru Kato
Executive Vice President and
Chief Financial Officer

Date: July 28, 2011

List of materials

Documents attached hereto:

- i) Press release announcing Consolidated Financial Results for the First Quarter Ended June 30, 2011
-

1-7-1 Konan, Minato-ku
Tokyo 108-0075 Japan

News & Information

No. 11-083E
3:00 P.M. JST, July 28, 2011

Consolidated Financial Results
for the First Quarter Ended June 30, 2011

Tokyo, July 28, 2011 -- Sony Corporation today announced its consolidated results for the first quarter ended June 30, 2011 (April 1, 2011 to June 30, 2011).

Consolidated operating income of 27.5 billion yen (340 million U.S. dollars) was recorded in the current quarter, despite year-on-year declines in sales and operating income due mainly to the negative impact of the Great East Japan Earthquake as well as the deterioration of the electronics business environment.

Business operations that had been negatively affected by the Earthquake are recovering faster than anticipated in the May forecast.

Despite lower projected annual LCD television unit sales compared to the May forecast and further unfavorable foreign exchange rates anticipated for the remainder of the fiscal year contributing to a lower consolidated sales forecast, the consolidated operating income forecast for the current fiscal year remains unchanged because the performance of most businesses is anticipated to exceed the May forecast.

(Billions of yen, millions of U.S. dollars, except per share amounts)

	2010		2011		Change in yen		First quarter ended June 30		
						%	2011	*	
Sales and operating revenue	¥	1,661.0	¥	1,494.9	-10.0		\$	18,456	
Operating income		67.0		27.5	-59.0			340	
Income before income taxes		78.9		23.1	-70.7			285	
Net income (loss) attributable to Sony Corporation's stockholders		25.7		(15.5)	-			(191)	
Net income (loss) attributable to Sony Corporation's stockholders per share of common stock:									
- Basic	¥	25.65	¥	(15.45)	-		\$	(0.19)	
- Diluted		25.61		(15.45)	-			(0.19)	

Unless otherwise specified, all amounts are presented on the basis of Generally Accepted Accounting Principles in the U.S. ("U.S. GAAP").

Supplemental Information

In addition to operating income, Sony's management also evaluates Sony's performance using non-U.S. GAAP adjusted operating income. Operating income, as adjusted, which excludes equity in net income (loss) of affiliated companies and restructuring charges, net, is not a presentation in accordance with U.S. GAAP, and is presented to enhance investors' understanding of Sony's operating income by providing an alternative measure that may be useful to

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understand Sony's historical and prospective operating performance.

(Billions of yen, millions of U.S. dollars)

First quarter ended June 30

	2010	2011	Change in yen	2011	*
Operating income	¥67.0	¥27.5	-59.0	% \$340	
Less: Equity in net income (loss) of affiliated companies	6.7	(4.8)	-	(60)
Add: Restructuring charges, net, recorded within operating expenses**	7.2	1.8	-74.9	22	
Operating income, as adjusted	¥67.5	¥34.1	-49.4	% \$422	

Sony's management uses this measure to review operating trends, perform analytical comparisons and assess whether its structural transformation initiatives are achieving their objectives. This supplemental non-U.S. GAAP measure should be considered in addition to, not as a substitute for, Sony's operating income in accordance with U.S. GAAP.

* U.S. dollar amounts have been translated from yen, for convenience only, at the rate of 81 yen=1 U.S. dollar, the approximate Tokyo foreign exchange market rate as of June 30, 2011.

** Sony is undertaking structural transformation initiatives to enhance profitability through implementation of various cost reduction programs as well as adoption of horizontal platforms. Restructuring charges are recorded, depending on the nature of the individual items, in cost of sales, selling, general and administrative expenses as well as (gain) loss on sale, disposal or impairment of assets and other, net, in the consolidated statement of income.

Sony realigned its reportable segments from the first quarter of the fiscal year ending March 31, 2012, to reflect modifications to the organizational structure as of April 1, 2011, primarily repositioning the operations of the previously reported Consumer, Professional & Devices ("CPD") and Networked Products & Services ("NPS") segments. In connection with this realignment, the operations of the former CPD and NPS segments are included in two newly established segments, namely the Consumer Products & Services ("CPS") segment and the Professional, Device & Solutions ("PDS") segment. The CPS segment includes televisions, home audio and video, digital imaging, personal and mobile products, and the game business. The equity results of S-LCD Corporation ("S-LCD") are also included within the CPS segment. The PDS segment includes professional solutions, semiconductors and components. For further details of new segments and categories, see page F-6.

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

In connection with this realignment, both the sales and operating revenue ("sales") and operating income (loss) of each segment in the first quarter ended June 30 of the previous fiscal year have been revised to conform to the current quarter's presentation.

Consolidated Results for the First Quarter Ended June 30, 2011

Sales were 1,494.9 billion yen (18,456 million U.S. dollars), a decrease of 10.0% compared to the same quarter of the previous fiscal year ("year-on-year") primarily due to decreases in sales in the CPS and PDS segments, which were mainly affected by the negative impact of the Great East Japan Earthquake (the "Earthquake") as well as the deterioration of the electronics business environment, and unfavorable exchange rates.

During the quarter ended June 30, 2011, the average rates of the yen were 80.7 yen against the U.S. dollar and 115.9 yen against the euro, which was 12.7% higher and 0.4% lower, respectively, than the previous fiscal year's first quarter. On a local currency basis, sales decreased 5% year-on-year. For references to sales on a local currency basis, see Note on page 8.

Operating income decreased 39.5 billion yen year-on-year to 27.5 billion yen (340 million U.S. dollars). This was mainly due to lower operating income in the CPS and PDS segments primarily resulting from a decrease in gross profit from lower sales and a deterioration in the cost of sales ratio.

Restructuring charges, net, decreased 5.4 billion yen year-on-year to 1.8 billion yen (22 million U.S. dollars). The CPS segment restructuring charges were 2.4 billion yen (30 million U.S. dollars) in the current quarter, compared with 1.6 billion yen recorded in the same quarter of the previous fiscal year. In the PDS segment, a credit to restructuring charges of 1.7 billion yen (21 million U.S. dollars) was recorded in the current quarter compared with the 2.6 billion yen restructuring charges recorded in the same quarter of the previous fiscal year. This was mainly due to a recording of a 2.5 billion yen (30 million U.S. dollars) gain on a sale of assets associated with the restructuring initiatives.

Excluding equity in net income (loss) of affiliated companies and restructuring charges, net, operating income on an as adjusted basis decreased by 33.4 billion yen year-on-year to 34.1 billion yen (422 million U.S. dollars).

Equity in net loss of affiliated companies, recorded within operating income, was 4.8 billion yen (60 million U.S. dollars) as compared to net income of 6.7 billion yen in the same quarter of the previous fiscal year. Sony recorded equity in net loss for Sony Ericsson of 3.1 billion yen (38 million U.S. dollars) compared to equity in net income of 0.6 billion yen in the same quarter of the previous fiscal year. Equity in net loss for S-LCD was 1.6 billion yen (20 million U.S. dollars) as compared to net income of 4.5 billion yen in the same quarter of the previous fiscal year.

During the current quarter, Sony incurred charges of approximately 5.3 billion yen (66 million U.S. dollars), consisting principally of incremental expenses, including restoration costs (e.g., repair, removal and cleaning costs) of certain fixed assets including buildings, machinery and equipment as well as inventories at manufacturing sites and warehouses damaged by the Earthquake, in addition to idle facility costs at manufacturing sites. Approximately 1.3 billion yen (16 million U.S. dollars) of these charges has been offset by insurance claims that are deemed probable. Most of the remaining charges of approximately 4.0 billion yen (50 million U.S. dollars) have been offset by a partial reversal of an incremental provision for insurance policy reserves previously recorded due to the Earthquake in the Financial Services segment. As a result, Sony recorded net charges of approximately 0.7 billion yen (8 million U.S. dollars) in the current quarter.

Sales and operating income of both the CPS and PDS segments for the current quarter were negatively affected by the Earthquake, resulting from issues in certain product categories such as constraints in the supply chain and lower production capacity due to damaged manufacturing equipment. However, an improvement in status of such issues is progressing faster than the expectation that was included in the forecast for consolidated results for the fiscal year ending March 31, 2012, which was announced on May 26, 2011.

Due to the cyber attacks on Sony's network services for PlayStation®Network, Qriocity™ and Sony Online Entertainment, the network services were temporarily shut down and related expenses such as security enhancement measures were recorded in the current quarter. The network services that were shut down in April 2011 were restored in phases beginning in May, culminating in a full restoration on July 6 in all countries and regions where Sony provides the network services. Most recently, user logins to PlayStation®Network in North America have returned to a similar level as before the cyber attacks.

The net effect of other income and expenses was an expense of 4.4 billion yen (54 million U.S. dollars), compared to income of 11.9 billion yen in the same quarter of the previous fiscal year, primarily due to the recording of a net foreign exchange loss as compared to a net foreign exchange gain in the previous fiscal year.

Income before income taxes decreased 55.8 billion yen year-on-year to 23.1 billion yen (285 million U.S. dollars).

Income taxes: During the current quarter, Sony recorded 27.5 billion yen (340 million U.S. dollars) of income tax expense resulting in an effective tax rate of 119.1%. The effective tax rate for the current quarter was higher than the Japanese statutory tax rate primarily due to the recording of a valuation allowance on deferred tax assets resulting principally from losses incurred during the current quarter at Sony Corporation and its national tax filing group in Japan. As a result, no tax benefits associated with the losses were recognized.

Net loss attributable to Sony Corporation's stockholders, which excludes net income attributable to noncontrolling interests, was 15.5 billion yen (191 million U.S. dollars) as compared to net income of 25.7 billion yen in the same quarter of the previous fiscal year.

Operating Performance Highlights by Business Segment

“Sales and operating revenue” in each business segment represents sales and operating revenue recorded before intersegment transactions are eliminated. “Operating income (loss)” in each business segment represents operating income (loss) reported before intersegment transactions are eliminated and excludes unallocated corporate expenses.

Consumer Products & Services

	(Billions of yen, millions of U.S. dollars)			
	First quarter ended June 30			
	2010	2011	Change in yen	2011
Sales and operating revenue	¥891.6	¥732.3	-17.9	% \$9,040
Operating income	28.5	1.7	-94.1	21

Unless otherwise specified, all amounts are on a U.S. GAAP basis.

Sales decreased 17.9% year-on-year (a 13% decrease on a local currency basis) to 732.3 billion yen (9,040 million U.S. dollars). Sales to outside customers decreased 18.1% year-on-year. This was primarily due to a decrease in LCD television revenue reflecting price declines resulting mainly from a deterioration in market conditions in the U.S. and Europe, and lower PC revenue reflecting price competition. LCD television sales in Japan increased primarily due to enhanced demand resulting from the transition from analog to digital television broadcasting in Japan which was implemented in July 2011.

Operating income decreased 26.9 billion yen year-on-year to 1.7 billion yen (21 million U.S. dollars). This was driven primarily by a decrease in gross profit due to lower sales and deterioration in the cost of sales ratio. These factors were partially offset by a decrease in selling, general and administrative expenses. Categories contributing to the deterioration in operating results (excluding restructuring charges) include LCD television, reflecting the price declines mentioned above, and video cameras, reflecting a decrease in unit sales due to market contraction.

Professional, Device & Solutions

	(Billions of yen, millions of U.S. dollars)			
	First quarter ended June 30			
	2010	2011	Change in yen	2011
Sales and operating revenue	¥370.7	¥309.7	-16.5	% \$3,823
Operating income	17.8	2.3	-86.8	29

Unless otherwise specified, all amounts are on a U.S. GAAP basis.

Sales decreased 16.5% year-on-year (an 11% decrease on a local currency basis) to 309.7 billion yen (3,823 million U.S. dollars). Sales to outside customers decreased 16.7% year-on-year. This was mainly due to a decrease in component sales, primarily of batteries resulting from lower production capacity in the current quarter due to damage to manufacturing equipment as a result of the Earthquake, and of storage media which was also affected by damaged manufacturing equipment as well as market contraction.

Operating income decreased 15.4 billion yen year-on-year to 2.3 billion yen (29 million U.S. dollars). This was primarily due to a decrease in gross profit associated with the lower sales and a deterioration in the cost of sales ratio, partially offset by a decrease in selling, general and administrative expenses. The category that most unfavorably impacted the change in segment operating results (excluding restructuring charges) was components, reflecting the above-mentioned decrease in sales.

* * * * *

Total inventory for the CPS and PDS segments, as of June 30, 2011, was 719.4 billion yen (8,881 million U.S. dollars), an increase of 62.2 billion yen, or 9.5% year-on-year. Inventory increased by 111.4 billion yen, or 18.3% compared with the level as of March 31, 2011.

Pictures

	(Billions of yen, millions of U.S. dollars)			
	First quarter ended June 30			
	2010	2011	Change in yen	2011
Sales and operating revenue	¥132.1	¥144.4	+9.3	% \$1,783
Operating income	2.9	4.3	+50.4	53

Unless otherwise specified, all amounts are reported on a U.S. GAAP basis. The results presented above are a yen-translation of the results of Sony Pictures Entertainment (“SPE”), a U.S.-based operation that aggregates the results of its worldwide subsidiaries on a U.S. dollar basis. Management analyzes the results of SPE in U.S. dollars, so discussion of certain portions of its results is specified as being on “a U.S. dollar basis.”

Sales increased 9.3% year-on-year (a 23% increase on a U.S. dollar basis) to 144.4 billion yen (1,783 million U.S. dollars). The current quarter benefitted from an increase in motion picture revenues primarily due to higher home entertainment revenues from the previous fiscal year’s film slate, including the home entertainment releases of *The Green Hornet*, *Battle: Los Angeles* and *Just Go With It*. Partially offsetting this increase was a decrease in theatrical revenues as the first quarter of the previous fiscal year benefitted from the strong theatrical release of *The Karate Kid*. The current quarter also benefitted from significantly higher advertising revenues from SPE’s television network in India and revenues recognized from the consolidation of the Game Show Network, LLC, which was accounted for under the equity method in the first quarter of the previous fiscal year.

Operating income increased by 1.4 billion yen year-on-year to 4.3 billion yen (53 million U.S. dollars). This increase was primarily due to the higher advertising revenues from SPE’s television network in India mentioned above, as well as the recognition of a 2.2 billion yen (27 million U.S. dollars) gain on the sale of SPE’s equity interest in a television production company based in the U.K. This increase was partially offset by higher marketing expenses incurred for upcoming theatrical releases due to the greater number of major theatrical releases in July of the current fiscal year as compared to the previous fiscal year.

Music

	(Billions of yen, millions of U.S. dollars)			
	First quarter ended June 30			
	2010	2011	Change in yen	2011
Sales and operating revenue	¥110.3	¥109.6	-0.6	% \$1,353
Operating income	7.5	12.1	+61.4	149

Unless otherwise specified, all amounts are reported on a U.S. GAAP basis. The results presented above include the yen-translated results of Sony Music Entertainment, a U.S.-based operation which aggregates the results of its worldwide subsidiaries on a U.S. dollar basis, the