

SONY CORP
Form 6-K
April 16, 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 April 2010
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: April 16, 2010

List of materials

Documents attached hereto:

- i) Press release entitled Sony Ericsson reports first quarter 2010 results.
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April 16th, 2010

PRESS RELEASE

Sony Ericsson reports first quarter 2010 results

Q1 Highlights:

- Company returns to profitability in Q1 2010
- ASP rises to Euro 134 as Xperia™ X10 and Vivaz™ start shipping
- Improved cost structure generates better margins

The consolidated financial summary for Sony Ericsson Mobile Communications AB (Sony Ericsson) for the first quarter ended March 31, 2010 is as follows:

| | Q1 2009 | Q4 2009 | Q1 2010 |
|--|---------|---------|---------|
| Number of units shipped (million) | 14.5 | 14.6 | 10.5 |
| Sales (Euro m.) | 1,736 | 1,750 | 1,405 |
| Gross margin (%) | 8 | % 23 | % 31 |
| Operating income (Euro m.) | -369 | -181 | 20 |
| Operating margin (%) | -21 | % -10 | % 1 |
| Restructuring charges (Euro m.) | 12 | 150 | 3 |
| Operating income excl. restructuring charges (Euro m.) | -357 | -32 | 23 |
| Operating margin excl. restructuring charges (%) | -21 | % -2 | % 2 |
| Income before taxes (IBT) (Euro m.) | -370 | -190 | 18 |
| IBT excl. restructuring charges (Euro m.) | -358 | -40 | 21 |
| Net income (Euro m.) | -293 | -167 | 21 |
| Average selling price (Euro) | 120 | 120 | 134 |

Bert Nordberg, President, Sony Ericsson commented "We are pleased to see the positive impact of both the launch of new products and the business transformation programme improving the company's results. The Xperia™ X10, our first android-based Communication Entertainment device featuring signature Sony Ericsson applications Timescape and Mediascape™, and Vivaz™, a beautifully designed, touch-screen Symbian phone started shipping towards the end of the quarter. Both models have been well received by global customers." He added, "Increases in both gross and operating margins show that we are on the right track to build the correct cost structure for our business organization and strategy. We will continue to work through the transformation programme to ensure that we are competitive."

Units shipped in the quarter were 10.5 million, a decrease of 28% compared to the same period last year, reflecting the streamlining of the portfolio over the past 12 months to focus on higher-end phones. Sales for the quarter were Euro 1,405 million, a decrease of 19% year on year. Average selling price (ASP) increased 12% both sequentially and year-on-year to Euro 134 during the quarter due to good sell through of existing models, new flagship phones starting to ship at the end of the quarter and a positive currency effect.

Gross margin rose both sequentially and year-on-year, reflecting a more favourable product mix and the benefit of cost of sales improvements in the past year, including the resolution of certain royalty matters during the quarter.

Income before taxes for the quarter excluding restructuring was a profit of Euro 21 million, illustrating the positive impact of the cost reduction programme.

The transformation programme, which started in mid-2008, with the aim of reducing annual operating expenses by Euro 880 million is continuing with the full benefit expected during the second half of 2010. Since the start of the programme, Sony Ericsson has reduced its global workforce by approximately 3,150 people to reach a total of 8,450 by March 31, 2010. The total restructuring charges taken to date are Euro 342 million.

As of March 31, 2010, Sony Ericsson retained a net cash position of Euro 563 million.

During the first quarter of 2010, Sony Ericsson obtained additional external funding of Euro 150 million. The funding was guaranteed by the parent companies on a 50/50 basis.

Market share in unit base for the quarter decreased by one percentage point sequentially and is now estimated to be around 4%.

Sony Ericsson maintains a forecast of slight growth in units in the global handset market in 2010.

END

The liquid identity is a registered trademark of Sony Ericsson Mobile Communications AB.

Vivaz™, Mediascape™ and XPERIA™ are trademarks or registered trademarks of Sony Ericsson Mobile Communications AB.

Sony is a registered trademark of Sony Corporation. Ericsson is a registered trademark of Telefonaktiebolaget LM Ericsson.

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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 50:50 joint venture by Sony and Ericsson established in October 2001, with global corporate functions located in London and operations in all major markets. Sony Ericsson vision is to become the industry leader in Communication Entertainment; where new styles of communicating through the internet and social media, become entertainment. Sony Ericsson offers exciting consumer experiences through phones, accessories, content and applications. For more information please visit, www.sonyericsson.com.

This press release contains forward-looking statements that involve inherent risks and uncertainties. Sony Ericsson has 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.

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Sony Ericsson
CONSOLIDATED INCOME STATEMENT

| EUR million | Jan-Mar | | 2009 | | Change | |
|-------------------------------------|---------|---|--------|---|--------|---|
| | 2010 | | | | | |
| Net sales | 1,405 | | 1,736 | | -19 | % |
| Cost of sales | -975 | | -1,591 | | -39 | % |
| Gross profit | 429 | | 145 | | 196 | % |
| Gross margin % | 30.6 | % | 8.4 | % | 22 | % |
| Research and development expenses | -216 | | -303 | | -29 | % |
| Selling and administrative expenses | -207 | | -225 | | -8 | % |
| Operating expenses | -423 | | -528 | | -20 | % |
| Other operating income, net | 14 | | 13 | | 9 | % |
| Operating income | 20 | | -369 | | - | |
| Operating margin % | 1.4 | % | -21.3 | % | - | |
| Financial income | 7 | | 9 | | -26 | % |
| Financial expenses | -9 | | -10 | | -9 | % |
| Income after financial items | 18 | | -370 | | - | |
| Taxes | 6 | | 84 | | -93 | % |
| Minority interest | -3 | | -6 | | -51 | % |
| Net income | 21 | | -293 | | - | |
| Number of units shipped (million) | 10.5 | | 14.5 | | -28 | % |
| ASP (EUR) | 134 | | 120 | | 12 | % |

| EUR Million | Jan-Mar | Jan-Mar |
|-----------------------------------|---------|---------|
| Restructuring charges | 2010 | 2009 |
| Cost of sales | -2 | 7 |
| Research and development expenses | 2 | 2 |
| Sales and administrative expenses | 3 | 3 |
| Other operating income, net | 0 | 0 |
| Total | 3 | 12 |

Sony Ericsson

CONSOLIDATED INCOME STATEMENT - ISOLATED QUARTERS

| EUR million | 2010 Q1 | 2009 Q4 | Q3 | Q2 | Q1 |
|-------------------------------------|------------|------------|---------|---------|---------|
| Net sales | 1,405 | 1,750 | 1,619 | 1,684 | 1,736 |
| Cost of sales | -975 | -1,341 | -1,367 | -1,483 | -1,591 |
| Gross profit | 429 | 409 | 252 | 200 | 145 |
| Gross margin % | 30.6 % | 23.4 % | 15.5 % | 11.9 % | 8.4 % |
| Research and development expenses | -216 | -299 | -260 | -245 | -303 |
| Selling and administrative expenses | -207 | -299 | -205 | -235 | -225 |
| Operating expenses | -423 | -599 | -465 | -480 | -528 |
| Other operating income, net | 14 | 8 | 21 | 6 | 13 |
| Operating income | 20 | -181 | -193 | -274 | -369 |
| Operating margin % | 1.4 % | -10.4 % | -11.9 % | -16.3 % | -21.3 % |
| Financial income | 7 | 4 | 3 | 6 | 9 |
| Financial expenses | -9 | -12 | -9 | -15 | -10 |
| Income after financial items | 18 | -190 | -199 | -283 | -370 |
| Taxes | 6 | 36 | 42 | 74 | 84 |
| Minority interest | -3 | -12 | -6 | -4 | -6 |
| Net income | 21 | -167 | -164 | -213 | -293 |
| Number of units shipped (million) | 10.5 | 14.6 | 14.1 | 13.8 | 14.5 |
| ASP (EUR) | 134 | 120 | 114 | 122 | 120 |

| EUR Million | 2009 Q1 | 2009 Q4 | Q3 | Q2 | Q1 |
|-----------------------------------|------------|------------|----|----|----|
| Restructuring charges | -2 | 41 | 0 | -9 | 7 |
| Cost of sales | | | | | |
| Research and development expenses | 2 | 72 | 1 | 9 | 2 |
| Sales and administrative expenses | 3 | 37 | 1 | 1 | 3 |
| Other operating income, net | 0 | 0 | 0 | 0 | 0 |
| Total | 3 | 150 | 2 | 1 | 12 |

Sony Ericsson
CONSOLIDATED BALANCE SHEET

| EUR million | Mar 31 2010 | Dec 31 2009 | Mar 31 2009 |
|---|----------------|----------------|----------------|
| ASSETS | | | |
| Total fixed and financial assets | 791 | 779 | 658 |
| Current assets | | | |
| Inventories | 384 | 358 | 477 |
| Accounts receivable | 849 | 832 | 1,193 |
| Other assets | 369 | 415 | 463 |
| Other short-term cash investments | 537 | 489 | 574 |
| Cash and bank | 443 | 389 | 542 |
| Total current assets | 2,582 | 2,483 | 3,249 |
| Total assets | 3,373 | 3,262 | 3,908 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 438 | 381 | 930 |
| Minority interest | 54 | 47 | 65 |
| Total equity | 492 | 428 | 995 |
| Borrowing, Non Current | 100 | 0 | 0 |
| Other long-term liabilities | 37 | 32 | 30 |
| Total long-term liabilities | 137 | 32 | 30 |
| Accounts payable | 829 | 852 | 965 |
| Borrowing, Current | 316 | 258 | 0 |
| Other current liabilities | 1,599 | 1,692 | 1,918 |
| Total current liabilities | 2,744 | 2,802 | 2,882 |
| Total shareholders' equity and liabilities | 3,373 | 3,262 | 3,908 |
| Net cash* | 563 | 620 | 1,116 |

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

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CONSOLIDATED STATEMENT OF CASH FLOWS

| EUR million | Jan-Mar 2010 | 2009 |
|---|-----------------|-------|
| OPERATIONS | | |
| Net income | 21 | -293 |
| Adjustments to reconcile net income to cash | -44 | 29 |
| | -23 | -263 |
| Changes in operating net assets | -72 | 321 |
| Cash flow from operating activities | -94 | 58 |
| INVESTMENTS | | |
| Investing activities | 27 | -19 |
| Cash flow from investing activities | 27 | -19 |
| FINANCING | | |
| Financing activities | 150 | -53 |
| Cash flow from financing activities | 150 | -53 |
| Net change in cash | 83 | -14 |
| Cash, beginning of period | 878 | 1,125 |
| Translation difference in Cash | 19 | 5 |
| Cash, end of period | 980 | 1,116 |

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CONSOLIDATED STATEMENT OF CASH FLOWS - ISOLATED QUARTERS

| EUR million | 2010 Q1 | 2009 Q4 | Q3 | Q2 | Q1 |
|---|------------|------------|------|-------|-------|
| OPERATIONS | | | | | |
| Net income | 21 | -167 | -164 | -213 | -293 |
| Adjustments to reconcile net income to cash | -44 | 48 | 20 | 37 | 29 |
| | -23 | -119 | -143 | -176 | -263 |
| Changes in operating net assets | -72 | -97 | 49 | 60 | 321 |
| Cash flow from operating activities | -94 | -216 | -94 | -115 | 58 |
| INVESTMENTS | | | | | |
| Investing activities | 27 | -10 | -42 | -13 | -19 |
| Cash flow from investing activities | 27 | -10 | -42 | -13 | -19 |
| FINANCING | | | | | |
| Financing activities | 150 | 100 | 159 | 0 | -53 |
| Cash flow from financing activities | 150 | 100 | 159 | 0 | -53 |
| Net change in cash | 83 | -126 | 22 | -128 | -14 |
| Cash, beginning of period | 878 | 996 | 965 | 1,116 | 1,125 |
| Translation difference in Cash | 19 | 8 | 9 | -23 | 5 |
| Cash, end of period | 980 | 878 | 996 | 965 | 1,116 |

Sony Ericsson

NET SALES BY MARKET AREA BY QUARTER

EUR million

| | 2010 | 2009 | | | |
|--------------------------------|-------|-------|-------|-------|-------|
| Isolated quarters | Q1 | Q4 | Q3 | Q2 | Q1 |
| Europe, Middle East & Africa * | 711 | 966 | 875 | 927 | 977 |
| Americas | 201 | 222 | 232 | 195 | 200 |
| Asia | 493 | 562 | 512 | 562 | 559 |
| Total | 1,405 | 1,750 | 1,619 | 1,684 | 1,736 |
| * of which Western Europe | 525 | 678 | 636 | 678 | 721 |

| | 2010 | | 2009 | | | | | | | |
|--------------------------------|------|---|------|---|----|---|----|---|-----|---|
| Sequential change (%) | Q1 | % | Q4 | % | Q3 | % | Q2 | % | Q1 | % |
| Europe, Middle East & Africa * | -26 | % | 10 | % | -6 | % | -5 | % | -40 | % |
| Americas | -10 | % | -4 | % | 19 | % | -3 | % | -69 | % |
| Asia | -12 | % | 10 | % | -9 | % | 1 | % | -12 | % |
| Total | -20 | % | 8 | % | -4 | % | -3 | % | -40 | % |
| * of which Western Europe | -23 | % | 7 | % | -6 | % | -6 | % | -35 | % |

| | 2010 | | 2009 | | | | | | | |
|--------------------------------|------|---|------|---|-----|---|-----|---|-----|---|
| Year over year change (%) | Q1 | % | Q4 | % | Q3 | % | Q2 | % | Q1 | % |
| Europe, Middle East & Africa * | -27 | % | -41 | % | -39 | % | -33 | % | -35 | % |
| Americas | 1 | % | -65 | % | -67 | % | -74 | % | -59 | % |
| Asia | -12 | % | -12 | % | -25 | % | -19 | % | -23 | % |
| Total | -19 | % | -40 | % | -42 | % | -40 | % | -36 | % |
| * of which Western Europe | -27 | % | -39 | % | -33 | % | -25 | % | -26 | % |

| | 2010 | 2009 | | | |
|--------------------------------|-------|-------|-------|-------|-------|
| Year to date | 1003 | 0912 | 0909 | 0906 | 0903 |
| Europe, Middle East & Africa * | 711 | 3,744 | 2,778 | 1,903 | 977 |
| Americas | 201 | 850 | 627 | 395 | 200 |
| Asia | 493 | 2,194 | 1,633 | 1,121 | 559 |
| Total | 1,405 | 6,788 | 5,038 | 3,419 | 1,736 |
| * of which Western Europe | 525 | 2,714 | 2,036 | 1,400 | 721 |

| | 2010 | | 2009 | | | | | | | |
|--------------------------------|------|---|------|---|------|---|------|---|------|---|
| YTD year over year change (%) | 1003 | % | 0912 | % | 0909 | % | 0906 | % | 0903 | % |
| Europe, Middle East & Africa * | -27 | % | -37 | % | -35 | % | -34 | % | -35 | % |
| Americas | 1 | % | -67 | % | -67 | % | -68 | % | -59 | % |
| Asia | -12 | % | -20 | % | -22 | % | -21 | % | -23 | % |
| Total | -19 | % | -40 | % | -40 | % | -38 | % | -36 | % |
| * of which Western Europe | -27 | % | -31 | % | -28 | % | -26 | % | -26 | % |

