

SONY CORP
Form 6-K
February 01, 2019

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 FEBRUARY 2019
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/ Hiroki Totoki
(Signature)
Hiroki Totoki
Senior Executive Vice President and
Chief Financial Officer

Date: February 1, 2019

List of materials

Documents attached hereto:

i) Press release: _____

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Quarterly Financial Statements
for the Third Quarter Ended December 31, 2018
And
Outlook for the Fiscal Year Ending March 31, 2019

February 1, 2019
Sony Corporation

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All amounts are presented on the basis of Generally Accepted Accounting Principles in the U.S. ("U.S. GAAP").

Sony Corporation and its consolidated subsidiaries are together referred to as "Sony".

(Unaudited)

Consolidated Financial StatementsConsolidated Balance Sheets

	(Millions of yen)		
	March 31	December 31	Change from
	2018	2018	March 31, 2018
ASSETS			
Current assets:			
Cash and cash equivalents	¥1,586,329	¥1,480,816	¥-105,513
Marketable securities	1,176,601	1,199,327	+22,726
Notes and accounts receivable, trade and contract assets	1,061,442	1,390,671	+329,229
Allowance for doubtful accounts	(48,663)	(24,597)	+24,066
Inventories	692,937	676,051	-16,886
Other receivables	190,706	240,516	+49,810
Prepaid expenses and other current assets	516,744	518,748	+2,004
Total current assets	5,176,096	5,481,532	+305,436
Film costs	327,645	414,428	+86,783
Investments and advances:			
Affiliated companies	157,389	161,630	+4,241
Securities investments and other	10,598,669	11,290,479	+691,810
	10,756,058	11,452,109	+696,051
Property, plant and equipment:			
Land	84,358	84,382	+24
Buildings	655,434	686,003	+30,569
Machinery and equipment	1,798,722	1,859,793	+61,071
Construction in progress	38,295	29,640	-8,655
	2,576,809	2,659,818	+83,009
Less-Accumulated depreciation	1,837,339	1,902,028	+64,689
	739,470	757,790	+18,320
Other assets:			
Intangibles, net	527,168	924,399	+397,231
Goodwill	530,492	762,408	+231,916
Deferred insurance acquisition costs	586,670	594,940	+8,270
Deferred income taxes	96,772	201,326	+104,554
Other	325,167	333,208	+8,041
	2,066,269	2,816,281	+750,012
Total assets	¥19,065,538	¥20,922,140	¥+1,856,602
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term borrowings	¥496,093	¥674,962	¥+178,869
Current portion of long-term debt	225,522	167,326	-58,196
Notes and accounts payable, trade	468,550	597,499	+128,949
Accounts payable, other and accrued expenses	1,514,433	1,752,074	+237,641
Accrued income and other taxes	145,905	208,652	+62,747
Deposits from customers in the banking business	2,159,246	2,280,654	+121,408
Other	610,792	660,819	+50,027
Total current liabilities	5,620,541	6,341,986	+721,445
Long-term debt	623,451	549,045	-74,406

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Accrued pension and severance costs	394,504	385,540	-8,964
Deferred income taxes	449,863	484,334	+34,471
Future insurance policy benefits and other	5,221,772	5,520,203	+298,431
Policyholders' account in the life insurance business	2,820,702	2,902,319	+81,617
Other	278,338	283,095	+4,757
Total liabilities	15,409,171	16,466,522	+1,057,351
Redeemable noncontrolling interest	9,210	8,490	-720
Equity:			
Sony Corporation's stockholders' equity:			
Common stock	865,678	873,283	+7,605
Additional paid-in capital	1,282,577	1,267,200	-15,377
Retained earnings	1,440,387	2,257,739	+817,352
Accumulated other comprehensive income	(616,746)	(612,749)	+3,997
Treasury stock, at cost	(4,530)	(4,670)	-140
	2,967,366	3,780,803	+813,437
Noncontrolling interests	679,791	666,325	-13,466
Total equity	3,647,157	4,447,128	+799,971
Total liabilities and equity	¥19,065,538	¥20,922,140	¥+1,856,602

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Consolidated Statements of Income

(Millions of yen, per share amounts)

Three months ended December 31

2017 2018 Change

Sales and operating revenue:

Net sales	¥2,279,714	¥2,220,123	¥-59,591
Financial services revenue	371,498	161,630	-209,868
Other operating revenue	21,105	20,052	-1,053
	2,672,317	2,401,805	-270,512

Costs and expenses:

Cost of sales	1,607,962	1,581,376	-26,586
Selling, general and administrative	415,532	430,025	+14,493
Financial services expenses	315,404	123,756	-191,648
Other operating income, net	(13,119)	(112,809)	-99,690
	2,325,779	2,022,348	-303,431

Equity in net income (loss) of affiliated companies

4,299 (2,469) -6,768

Operating income

350,837 376,988 +26,151

Other income:

Interest and dividends	3,519	6,436	+2,917
Gain on sale of securities investments, net	833	—	-833
Foreign exchange gain, net	—	5,085	+5,085
Other	1,531	1,927	+396
	5,883	13,448	+7,565

Other expenses:

Interest	3,536	3,510	-26
Loss on devaluation of securities investments	1,324	—	-1,324
Loss on equity securities, net	—	44,777	+44,777
Foreign exchange loss, net	5,888	—	-5,888
Other	2,853	1,619	-1,234
	13,601	49,906	+36,305

Income before income taxes

343,119 340,530 -2,589

Income taxes

28,234 (100,723) -128,957

Net income

314,885 441,253 +126,368

Less - Net income attributable to noncontrolling interests

18,988 12,291 -6,697

Net income attributable to Sony Corporation's stockholders

¥295,897 ¥428,962 ¥+133,065

Per share data:

Net income attributable to Sony Corporation's stockholders

— Basic	¥234.08	¥337.97	¥+103.89
— Diluted	228.91	330.77	+101.86

Consolidated Statements of Comprehensive Income

	(Millions of yen)		
	Three months ended December		
	31		
	2017	2018	Change
Net income	¥314,885	¥441,253	¥+126,368
Other comprehensive income, net of tax –			
Unrealized gains on securities	11,688	24,986	+13,298
Unrealized gains (losses) on derivative instruments	(79)	326	+405
Pension liability adjustment	2,365	2,342	-23
Foreign currency translation adjustments	3,655	(36,160)	-39,815
Total comprehensive income	332,514	432,747	+100,233
Less - Comprehensive income attributable to noncontrolling interests	21,603	20,634	-969
Comprehensive income attributable to Sony Corporation's stockholders	¥310,911	¥412,113	¥+101,202

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Consolidated Statements of Income

(Millions of yen, except per share amounts)

Nine months ended December 31

2017 2018 Change

Sales and operating revenue:

Net sales	¥5,573,273	¥5,632,057	¥+58,784
Financial services revenue	950,292	846,363	-103,929
Other operating revenue	69,396	59,769	-9,627
	6,592,961	6,538,189	-54,772

Costs and expenses:

Cost of sales	3,957,700	3,916,607	-41,093
Selling, general and administrative	1,159,190	1,176,915	+17,725
Financial services expenses	810,967	728,246	-82,721
Other operating income, net	(40,131)	(99,751)	-59,620
	5,887,726	5,722,017	-165,709

Equity in net income (loss) of affiliated companies

7,441 (4,667) -12,108

Operating income

712,676 811,505 +98,829

Other income:

Interest and dividends	16,556	15,741	-815
Gain on sale of securities investments, net	1,479	—	-1,479
Gain on equity securities, net	—	79,937	+79,937
Foreign exchange gain, net	—	1,174	+1,174
Other	2,529	4,121	+1,592
	20,564	100,973	+80,409

Other expenses:

Interest expenses	10,782	10,704	-78
Loss on devaluation of securities investments	1,803	—	-1,803
Foreign exchange loss, net	25,154	—	-25,154
Other	4,923	2,760	-2,163
	42,662	13,464	-29,198

Income before income taxes

690,578 899,014 +208,436

Income taxes

138,481 33,767 -104,714

Net income

552,097 865,247 +313,150

Less - Net income attributable to noncontrolling interests

44,477 36,837 -7,640

Net income attributable to Sony Corporation's stockholders ¥507,620 ¥828,410 ¥+320,790

Per share data:

Net income attributable to Sony Corporation's stockholders

— Basic	¥401.76	¥653.09	¥+251.33
— Diluted	393.05	638.89	+245.84

Consolidated Statements of Comprehensive Income

	(Millions of yen)		
	Nine months ended December		
	31		
	2017	2018	Change
Net income	¥552,097	¥865,247	¥+313,150
Other comprehensive income, net of tax –			
Unrealized gains on securities	7,030	3,920	-3,110
Unrealized gains on derivative instruments	150	1,241	+1,091
Pension liability adjustment	7,009	7,085	+76
Foreign currency translation adjustments	33,742	4,305	-29,437
Total comprehensive income	600,028	881,798	+281,770
Less - Comprehensive income attributable to noncontrolling interests	48,959	33,865	-15,094
Comprehensive income attributable to Sony Corporation's stockholders	¥551,069	¥847,933	¥+296,864

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Consolidated Statements of Cash Flows

	(Millions of yen)	
	Nine months ended	
	December 31	
	2017	2018
Cash flows from operating activities:		
Net income	¥552,097	¥865,247
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization, including amortization of deferred insurance acquisition costs and contract costs	258,187	278,405
Amortization of film costs	259,709	232,138
Accrual for pension and severance costs, less payments	3,948	(5,601)
Other operating income, net	(40,131)	(99,751)
(Gain) loss on securities investments, net (other than financial services business)	324	(80,130)
(Gain) loss on marketable securities and securities investments held in the financial services business, net	(109,675)	43,780
Deferred income taxes	(4,551)	(150,648)
Equity in net (income) loss of affiliated companies, net of dividends	(2,125)	7,628
Changes in assets and liabilities:		
Increase in notes, accounts receivable, trade and contract assets	(488,285)	(290,046)
(Increase) decrease in inventories	(88,954)	7,252
Increase in film costs	(279,082)	(296,276)
Increase in notes and accounts payable, trade	90,484	124,026
Increase in accrued income and other taxes	70,983	67,644
Increase in future insurance policy benefits and other	424,084	290,626
Increase in deferred insurance acquisition costs	(65,248)	(68,092)
Increase in marketable securities held in the life insurance business	(64,727)	(68,579)
Increase in other current assets	(25,633)	(25,948)
Increase in other current liabilities	189,524	167,892
Other	(21,572)	(98,203)
Net cash provided by operating activities	659,357	901,364
Cash flows from investing activities:		
Payments for purchases of fixed assets	(189,780)	(230,008)
Proceeds from sales of fixed assets	15,095	13,463
Payments for investments and advances by financial services business	(671,982)	(808,017)
Payments for investments and advances (other than financial services business)	(16,526)	(40,930)
Proceeds from sales or return of investments and collections of advances by financial services business	256,652	216,013
Proceeds from sales or return of investments and collections of advances (other than financial services business)	5,404	2,705
Payment for EMI Music Publishing acquisition, net of cash acquired	-	(244,197)
Proceeds from sales of businesses	44,624	-
Proceeds related to sales of Spotify Technology S.A. Shares	-	82,467
Other	(10,767)	(26,497)
Net cash used in investing activities	(567,280)	(1,035,001)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	92,833	70,958
Payments of long-term debt	(20,570)	(378,047)
Increase in short-term borrowings, net	72,913	180,467

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Increase in deposits from customers in the financial services business, net	154,374	205,990
Dividends paid	(27,750)	(38,081)
Payment for purchase of Nile Acquisition LLC shares from noncontrolling interests	–	(32,041)
Other	(6,612)	(33,420)
Net cash provided by (used in) financing activities	265,188	(24,174)
Effect of exchange rate changes on cash and cash equivalents, including restricted	10,179	49,499
Net increase (decrease) in cash and cash equivalents, including restricted	367,444	(108,312)
Cash and cash equivalents, including restricted, at beginning of the fiscal year	968,624	1,592,938
Cash and cash equivalents, including restricted, at end of the period	1,336,068	1,484,626
Less - restricted cash and cash equivalents, included in other current assets and other assets	7,143	3,810
Cash and cash equivalents at end of the period	¥1,328,925	¥1,480,816

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Notes to Consolidated Financial Statements

Business Segment Information

(Business Segments)

	(Millions of yen)		
	Three months ended December 31		
	2017	2018	Change
Sales and operating revenue			
Game & Network Services			
Customers	¥681,649	¥759,109	¥+77,460
Intersegment	36,317	31,504	-4,813
Total	717,966	790,613	+72,647
Music			
Customers	214,267	205,287	-8,980
Intersegment	4,162	4,063	-99
Total	218,429	209,350	-9,079
Pictures			
Customers	260,050	276,340	+16,290
Intersegment	267	397	+130
Total	260,317	276,737	+16,420
Home Entertainment & Sound			
Customers	429,604	388,705	-40,899
Intersegment	243	119	-124
Total	429,847	388,824	-41,023
Imaging Products & Solutions			
Customers	179,112	185,636	+6,524
Intersegment	1,990	2,357	+367
Total	181,102	187,993	+6,891
Mobile Communications			
Customers	215,141	134,978	-80,163
Intersegment	2,402	2,243	-159
Total	217,543	137,221	-80,322
Semiconductors			
Customers	218,303	201,469	-16,834
Intersegment	32,627	28,858	-3,769
Total	250,930	230,327	-20,603
Financial Services			
Customers	371,498	161,630	-209,868
Intersegment	1,773	1,956	+183
Total	373,271	163,586	-209,685
All Other			
Customers	96,611	86,466	-10,145
Intersegment	11,971	14,885	+2,914
Total	108,582	101,351	-7,231
Corporate and elimination	(85,670)	(84,197)	+1,473
Consolidated total	¥2,672,317	¥2,401,805	¥-270,512

Game & Network Services (“G&NS”) intersegment amounts primarily consist of transactions with All Other. Semiconductors intersegment amounts primarily consist of transactions with the G&NS segment, the Imaging Products & Solutions (“IP&S”) segment and the Mobile Communications (“MC”) segment.

All Other intersegment amounts primarily consist of transactions with the G&NS segment, the Music segment and the Pictures segment.

Corporate and elimination includes certain brand and patent royalty income.

	(Millions of yen)		
	Three months ended December 31		
Operating income (loss)	2017	2018	Change
Game & Network Services	¥85,364	¥73,082	¥-12,282
Music	39,342	147,096	+107,754
Pictures	10,489	11,588	+1,099
Home Entertainment & Sound	46,213	47,474	+1,261
Imaging Products & Solutions	25,982	34,241	+8,259
Mobile Communications	15,801	(15,502)	-31,303
Semiconductors	60,558	46,510	-14,048
Financial Services	56,287	37,894	-18,393
All Other	2,255	6,104	+3,849
Total	342,291	388,487	+46,196
Corporate and elimination	8,546	(11,499)	-20,045
Consolidated total	¥350,837	¥376,988	¥+26,151

Operating income (loss) is sales and operating revenue less costs and expenses, and includes equity in net income (loss) of affiliated companies.

Corporate and elimination includes headquarters restructuring costs and certain other corporate expenses, including the amortization of certain intellectual property assets such as the cross-licensing of intangible assets acquired from Ericsson at the time of the Sony Mobile Communications acquisition, which are not allocated to segments.

Beginning from the first quarter of the fiscal year ending March 31, 2019, a change has been made to the calculation method used for allocating indirect expenses incurred by sales companies to the segments every quarter. As a result of this change, a year-on-year decrease in expenses, composed primarily of 6.1 billion yen in the Home Entertainment & Sound (“HE&S”) segment, is included for the three months ended December 31, 2018. However, because an increase in expenses totaling the same amount is included in Corporate and elimination, this change has no impact on consolidated operating income for the three months ended December 31, 2018. Additionally, because increases and decreases in expenses per quarter for each segment resulting from this change in the calculation method will be offset by the increases and decreases in expenses in other quarters for that segment throughout the current year, this change will also have no impact on operating income (loss) for each segment, or for Corporate and elimination, for the fiscal year ending March 31, 2019.

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(Business Segments)

(Millions of yen)

Nine months ended December 31

Sales and operating revenue	2017	2018	Change
Game & Network Services			
Customers	¥1,418,955	¥1,744,843	¥+325,888
Intersegment	80,277	67,936	-12,341
Total	1,499,232	1,812,779	+313,547
Music			
Customers	582,180	583,289	+1,109
Intersegment	11,387	11,388	+1
Total	593,567	594,677	+1,110
Pictures			
Customers	709,458	691,588	-17,870
Intersegment	673	1,101	+428
Total	710,131	692,689	-17,442
Home Entertainment & Sound			
Customers	986,839	935,158	-51,681
Intersegment	808	691	-117
Total	987,647	935,849	-51,798
Imaging Products & Solutions			
Customers	488,399	509,742	+21,343
Intersegment	5,058	6,344	+1,286
Total	493,457	516,086	+22,629
Mobile Communications			
Customers	564,025	380,218	-183,807
Intersegment	6,746	7,331	+585
Total	570,771	387,549	-183,222
Semiconductors			
Customers	584,389	601,066	+16,677
Intersegment	99,165	85,946	-13,219
Total	683,554	687,012	+3,458
Financial Services			
Customers	950,292	846,363	-103,929
Intersegment	5,363	5,881	+518
Total	955,655	852,244	-103,411
All Other			
Customers	286,307	238,139	-48,168
Intersegment	44,335	35,254	-9,081
Total	330,642	273,393	-57,249
Corporate and elimination	(231,695)	(214,089)	+17,606
Consolidated total	¥6,592,961	¥6,538,189	¥-54,772

G&NS intersegment amounts primarily consist of transactions with All Other.

Semiconductors intersegment amounts primarily consist of transactions with the G&NS segment, the IP&S segment and the MC segment.

All Other intersegment amounts primarily consist of transactions with the G&NS segment, the Music segment and the Pictures segment.

Corporate and elimination includes certain brand and patent royalty income.

(Millions of yen)

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	Nine months ended December 31		
	2017	2018	Change
Operating income (loss)			
Game & Network Services	¥157,847	¥247,154	¥+89,307
Music	96,878	210,701	+113,823
Pictures	8,688	27,522	+18,834
Home Entertainment & Sound	93,183	89,322	-3,861
Imaging Products & Solutions	68,056	82,131	+14,075
Mobile Communications	16,964	(56,074)	-73,038
Semiconductors	165,370	123,575	-41,795
Financial Services	139,109	117,635	-21,474
All Other	(6,004)	11,440	+17,444
Total	740,091	853,406	+113,315
Corporate and elimination	(27,415)	(41,901)	-14,486
Consolidated total	¥712,676	¥811,505	¥+98,829

Operating income (loss) is sales and operating revenue less costs and expenses, and includes equity in net income (loss) of affiliated companies.

Corporate and elimination includes headquarters restructuring costs and certain other corporate expenses, including the amortization of certain intellectual property assets such as the cross-licensing of intangible assets acquired from Ericsson at the time of the Sony Mobile Communications acquisition, which are not allocated to segments.

Beginning from the first quarter of the fiscal year ending March 31, 2019, a change has been made to the calculation method used for allocating indirect expenses incurred by sales companies to the segments every quarter. As a result of this change, a year-on-year decrease in expenses, composed primarily of 3.1 billion yen in the HE&S segment, is included for the nine months ended December 31, 2018. However, because an increase in expenses totaling the same amount is included in Corporate and elimination, this change has no impact on consolidated operating income for the nine months ended December 31, 2018. Additionally, because increases and decreases in expenses per quarter for each segment resulting from this change in the calculation method will be offset by the increases and decreases in expenses in other quarters for that segment throughout the current year, this change will also have no impact on operating income (loss) for each segment, or for Corporate and elimination, for the fiscal year ending March 31, 2019.

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(Sales to Customers by Product Category)

The following tables include a breakdown of sales and operating revenue to external customers for certain segments shown in the Business Segment Information on page F-5 and F-6. Sony management views each segment as a single operating segment. However, Sony believes that the breakdown of sales and operating revenue to external customers for the segments in these tables is useful to investors in understanding sales by product category.

	(Millions of yen)		
	Three months ended December 31		
Sales and operating revenue (to external customers)	2017	2018	Change
Game & Network Services			
Network	¥300,407	¥433,704	¥+133,297
Hardware and Others	381,242	325,405	-55,837
Total	681,649	759,109	+77,460
Music			
Recorded Music	128,239	117,350	-10,889
Music Publishing	18,334	30,374	+12,040
Visual Media and Platform	67,694	57,563	-10,131
Total	214,267	205,287	-8,980
Pictures			
Motion Pictures	106,931	140,319	+33,388
Television Productions	82,227	64,426	-17,801
Media Networks	70,892	71,595	+703
Total	260,050	276,340	+16,290
Home Entertainment & Sound			
Televisions	301,476	264,258	-37,218
Audio and Video	127,303	123,481	-3,822
Other	825	966	+141
Total	429,604	388,705	-40,899
Imaging Products & Solutions			
Still and Video Cameras	121,156	122,767	+1,611
Other	57,956	62,869	+4,913
Total	179,112	185,636	+6,524
Mobile Communications	215,141	134,978	-80,163
Semiconductors	218,303	201,469	-16,834
Financial Services	371,498	161,630	-209,868
All Other	96,611	86,466	-10,145
Corporate	6,082	2,185	-3,897
Consolidated total	¥2,672,317	¥2,401,805	¥-270,512

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(Sales to Customers by Product Category)

	(Millions of yen)		
	Nine months ended December 31		
Sales and operating revenue (to external customers)	2017	2018	Change
Game & Network Services			
Network	¥718,695	¥1,068,354	¥+349,659
Hardware and Others	700,260	676,489	-23,771
Total	1,418,955	1,744,843	+325,888
Music			
Recorded Music	337,238	322,552	-14,686
Music Publishing	54,693	71,274	+16,581
Visual Media and Platform	190,249	189,463	-786
Total	582,180	583,289	+1,109
Pictures			
Motion Pictures	302,005	318,221	+16,216
Television Productions	201,514	178,323	-23,191
Media Networks	205,939	195,044	-10,895
Total	709,458	691,588	-17,870
Home Entertainment & Sound			
Televisions	700,403	642,513	-57,890
Audio and Video	284,664	290,271	+5,607
Other	1,772	2,374	+602
Total	986,839	935,158	-51,681
Imaging Products & Solutions			
Still and Video Cameras	326,362	339,057	+12,695
Other	162,037	170,685	+8,648
Total	488,399	509,742	+21,343
Mobile Communications	564,025	380,218	-183,807
Semiconductors	584,389	601,066	+16,677
Financial Services	950,292	846,363	-103,929
All Other	286,307	238,139	-48,168
Corporate	22,117	7,783	-14,334
Consolidated total	¥6,592,961	¥6,538,189	¥-54,772

In the G&NS segment, Network includes network services relating to game, video and music content provided by Sony Interactive Entertainment; Hardware and Others includes home and portable game consoles, packaged software and peripheral devices. In the Music segment, Recorded Music includes the distribution of physical and digital recorded music and revenue derived from artists' live performances; Music Publishing includes the management and licensing of the words and music of songs; Visual Media and Platform includes the production and distribution of animation titles, including game applications based on the animation titles, and various service offerings for music and visual products. In the Pictures segment, Motion Pictures includes the worldwide production, acquisition and

distribution of motion pictures and direct-to-video content; Television Productions includes the production, acquisition and distribution of television programming; Media Networks includes the operation of television and digital networks worldwide. In the HE&S segment, Televisions includes LCD and OLED televisions; Audio and Video includes Blu-ray disc players and recorders, home audio, headphones and memory-based portable audio devices. In the IP&S segment, Still and Video Cameras includes interchangeable lens cameras, compact digital cameras, consumer video cameras and video cameras for broadcast; Other includes display products such as projectors and medical equipment.

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(Condensed Financial Services Financial Statements)

The following schedules show unaudited condensed financial statements for the Financial Services segment and all other segments excluding Financial Services. These presentations are not in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which is used by Sony to prepare its consolidated financial statements. However, because the Financial Services segment is different in nature from Sony’s other segments, Sony believes that a comparative presentation may be useful in understanding and analyzing Sony’s consolidated financial statements. Transactions between the Financial Services segment and Sony without the Financial Services segment, including noncontrolling interests, are included in those respective presentations, then eliminated in the consolidated figures shown below.

Condensed Balance Sheets

	(Millions of yen)					
	Financial Services		Sony without Financial Services		Consolidated	
	March 31 2018	December 31 2018	March 31 2018	December 31 2018	March 31 2018	December 31 2018
ASSETS						
Current assets:						
Cash and cash equivalents	¥393,133	¥469,969	¥1,193,196	¥1,010,847	¥1,586,329	¥1,480,816
Marketable securities	1,176,601	1,199,327	–	–	1,176,601	1,199,327
Notes and accounts receivable, trade and contract assets	15,612	16,467	1,003,558	1,354,803	1,012,779	1,366,074
Inventories	–	–	692,937	676,051	692,937	676,051
Other receivables	60,819	66,106	130,393	174,559	190,706	240,516
Prepaid expenses and other current assets	137,539	153,188	379,893	366,248	516,744	518,748
Total current assets	1,783,704	1,905,057	3,399,977	3,582,508	5,176,096	5,481,532
Film costs	–	–	327,645	414,428	327,645	414,428
Investments and advances	10,560,933	11,182,422	272,545	325,576	10,756,058	11,452,109
Investments in Financial Services, at cost	–	–	133,514	153,968	–	–
Property, plant and equipment	22,424	23,101	715,760	733,403	739,470	757,790
Other assets:						
Intangibles, net	34,622	37,877	492,546	886,522	527,168	924,399
Goodwill	7,225	7,225	523,267	755,183	530,492	762,408
Deferred insurance acquisition costs	586,670	594,940	–	–	586,670	594,940
Deferred income taxes	1,684	3,491	95,088	197,835	96,772	201,326
Other	33,267	32,455	295,650	304,491	325,167	333,208
	663,468	675,988	1,406,551	2,144,031	2,066,269	2,816,281
Total assets	¥13,030,529	¥13,786,568	¥6,255,992	¥7,353,914	¥19,065,538	¥20,922,140
LIABILITIES AND EQUITY						
Current liabilities:						
Short-term borrowings	¥433,119	¥613,281	¥288,496	¥229,007	¥721,615	¥842,288
Notes and accounts payable, trade	–	–	468,550	597,499	468,550	597,499
	37,479	30,334	1,477,875	1,722,360	1,514,433	1,752,074

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Accounts payable, other and accrued expenses						
Accrued income and other taxes	19,401	22,258	126,504	186,394	145,905	208,652
Deposits from customers in the banking business	2,159,246	2,280,654	—	—	2,159,246	2,280,654
Other	181,467	187,562	435,996	478,671	610,792	660,819
Total current liabilities	2,830,712	3,134,089	2,797,421	3,213,931	5,620,541	6,341,986
Long-term debt	205,373	215,862	421,817	336,921	623,451	549,045
Accrued pension and severance costs	33,062	33,698	361,442	351,842	394,504	385,540
Deferred income taxes	342,405	328,669	107,458	155,665	449,863	484,334
Future insurance policy benefits and other	5,221,772	5,520,203	—	—	5,221,772	5,520,203
Policyholders' account in the life insurance business	2,820,702	2,902,319	—	—	2,820,702	2,902,319
Other	17,778	15,268	284,270	290,455	278,338	283,095
Total liabilities	11,471,804	12,150,108	3,972,408	4,348,814	15,409,171	16,466,522
Redeemable noncontrolling interest	—	—	9,210	8,490	9,210	8,490
Equity:						
Stockholders' equity of Financial Services	1,557,062	1,634,630	—	—	—	—
Stockholders' equity of Sony without Financial Services	—	—	2,173,128	2,903,914	—	—
Sony Corporation's stockholders' equity	—	—	—	—	2,967,366	3,780,803
Noncontrolling interests	1,663	1,830	101,246	92,696	679,791	666,325
Total equity	1,558,725	1,636,460	2,274,374	2,996,610	3,647,157	4,447,128
Total liabilities and equity	¥13,030,529	¥13,786,568	¥6,255,992	¥7,353,914	¥19,065,538	¥20,922,140

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Condensed Statements of Income

(Millions of yen)
Three months ended December 31

	Financial Services		Sony without Financial Services		Consolidated	
	2017	2018	2017	2018	2017	2018
Financial services revenue	¥373,271	¥163,586	¥-	¥-	¥371,498	¥161,630
Net sales and operating revenue	-	-	2,302,607	2,241,980	2,300,819	2,240,175
	373,271	163,586	2,302,607	2,241,980	2,672,317	2,401,805