

SONY CORP
Form 20-F
June 23, 2009

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 20-F

- o REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

or

- o ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 31, 2009

or

- o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from/to

or

- o SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report:

Commission file number 1-6439

Sony Kabushiki Kaisha
(Exact Name of Registrant as specified in its charter)

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

Japan

(Jurisdiction of incorporation or organization)

**7-1, KONAN 1-CHOME, MINATO-KU,
TOKYO 108-0075 JAPAN**

(Address of principal executive offices)

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Sony Corporation of America

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(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
American Depositary Shares*	New York Stock Exchange
Common Stock**	New York Stock Exchange

* American Depositary Shares evidenced by American Depositary Receipts.
Each American Depositary Share represents one share of Common Stock.

** No par value per share
Not for trading, but only in connection with the listing of American Depositary Shares pursuant to the requirements of the New York Stock Exchange.

Securities registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report:

Title of Class	Outstanding as of	
	March 31, 2009 (Tokyo Time)	March 31, 2009 (New York Time)
Common Stock	1,003,522,077	
American Depositary Shares		118,672,923

Indicate by check mark if the registrant is a well-seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

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Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

US GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board

Indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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Statements made in this annual report with respect to Sony's current plans, estimates, strategies and beliefs and other statements 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, should, and words of similar meaning in connection 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 newly introduced platforms within the Game segment, which are offered in highly competitive markets characterized by continual new product introductions, rapid development in technology and subjective and changing consumer preferences (particularly in the Electronics, Game and Pictures segments, and the music business); (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 for its Electronics, Game and Pictures segments, and All Other, including the music business, and to develop and implement successful sales and distribution strategies in its Pictures segment and the music business 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 (particularly in the Electronics segment); (viii) Sony's ability to maintain product quality (particularly in the Electronics and Game segments); (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.

Important information regarding risks and uncertainties is also set forth elsewhere in this annual report, including in Risk Factors included in Item 3. Key Information, Item 4. Information on the Company, Item 5. Operating and Financial Review and Prospects, Legal Proceedings included in Item 8. Financial Information, Sony's consolidated financial statements referenced in Item 8. Financial Information, and Item 11. Quantitative and Qualitative Disclosures about Market Risk.

In this document, Sony Corporation and its consolidated subsidiaries are together referred to as Sony. In addition, sales and operating revenue are referred to as sales in the narrative description except in the consolidated financial statements.

As of March 31, 2009, Sony Corporation had 1,242 consolidated subsidiaries (including variable interest entities). It has applied the equity accounting method with respect to its 85 affiliated companies.

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Not Applicable

Item 2. Offer Statistics and Expected Timetable

Not Applicable

Item 3. Key Information**Selected Financial Data**

	Fiscal Year Ended March 31				
	2005	2006	2007	2008	2009
	(Yen in millions, Yen per share amounts)				
Income Statement Data:					
Sales and operating revenue	7,191,325	7,510,597	8,295,695	8,871,414	7,729,993
Equity in net income (loss) of affiliated companies*	29,039	13,176	78,654	100,817	(25,109)
Operating income (loss)	174,667	239,592	150,404	475,299	(227,783)
Income (loss) before income taxes, cumulative effect of accounting changes and minority interest	186,246	299,506	180,691	567,134	(174,955)
Income taxes	16,044	176,515	53,888	203,478	(72,741)
Income (loss) before cumulative effect of accounting changes	168,551	123,616	126,328	369,435	(98,938)
Net income (loss)	163,838	123,616	126,328	369,435	(98,938)
Data per Share of Common Stock:					
Income (loss) before cumulative effect of accounting changes					
Basic	180.96	122.58	126.15	368.33	(98.59)
Diluted	162.59	116.88	120.29	351.10	(98.59)
Net income (loss)**					
Basic	175.90	122.58	126.15	368.33	(98.59)
Diluted	158.07	116.88	120.29	351.10	(98.59)
Cash dividends declared					
Interim	12.50	12.50	12.50	12.50	30.00
Fiscal year-end	(12.12 cents)	(10.36 cents)	(10.78 cents)	(11.26 cents)	(31.89 cents)
	12.50	12.50	12.50	12.50	12.50

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	(11.29 cents)	(11.04 cents)	(10.24 cents)	(11.92 cents)	(13.01 cents)
Depreciation and amortization***	372,865	381,843	400,009	428,010	405,443
Capital expenditures (additions to fixed assets)	356,818	384,347	414,138	335,726	332,068
Research and development costs	502,008	531,795	543,937	520,568	497,297
Balance Sheet Data:					
Net working capital (deficit)	746,803	569,296	994,871	986,296	(190,265)
Long-term debt	678,992	764,898	1,001,005	729,059	660,147
Stockholders equity	2,870,338	3,203,852	3,370,704	3,465,089	2,964,653
Total assets	9,499,100	10,607,753	11,716,362	12,552,739	12,013,511
Number of shares issued at fiscal year-end (thousands of shares of common stock)	997,211	1,001,680	1,002,897	1,004,443	1,004,535
Stockholders equity per share of common stock	2,872.21	3,200.85	3,363.77	3,453.25	2,954.25

* Effective from the fiscal year ended March 31, 2009, Sony revised the presentation of its financial information to ensure that it is consistent with the way management views its consolidated operations. Since Sony considers

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Sony Ericsson Mobile Communications AB (Sony Ericsson) and S-LCD Corporation (S-LCD) to be integral to Sony s operations, Sony determined that the most appropriate method to report equity in net income (loss) of all affiliated companies was as a component of operating income (loss). In connection with this reclassification, consolidated operating income (loss) and consolidated income (loss) before income taxes for all prior periods have been reclassified to conform with the current year presentation.

** Refer to Note 22 to the notes to the consolidated financial statements.

*** Depreciation and amortization includes amortization expenses for intangible assets and deferred insurance acquisition costs.

	Average*	High	Low (Yen)	Period-End
Yen Exchange Rates per U.S. Dollar:				
Fiscal year ended March 31				
2005	107.49	114.30	102.26	107.22
2006	113.15	120.93	104.41	117.78
2007	116.92	121.81	110.07	117.56
2008	114.31	124.09	96.88	99.85
2009	100.62	110.48	87.80	99.15
2009				
January		94.20	87.80	89.83
February		98.55	89.09	97.74
March		99.34	93.85	99.15
April		100.71	96.49	98.76
May		99.24	94.45	95.55
June (through June 19)		98.56	95.65	96.15

The noon buying rate for yen in New York City as certified for customs purposes by the Federal Reserve Bank of New York on June 19, 2009 was 96.15 yen = 1 U.S. dollar.

* The average yen exchange rates represent average noon buying rates of all the business days during the respective year.

Capitalization and Indebtedness

Not Applicable

Reasons for the Offer and Use of Proceeds

Not Applicable