

Quarterly Securities Report

For the three months ended June 30, 2009

(TRANSLATION)

Sony Corporation

CONTENTS

| | Page |
|---|-----------|
| Note for readers of this English translation | 3 |
| Cautionary Statement | 3 |
| I Corporate Information | 4 |
| (1) Selected Consolidated Financial Data | 4 |
| (2) Business Overview | 4 |
| (3) Changes in Subsidiaries and Affiliated Companies | 5 |
| (4) Number of Employees | 5 |
| II State of Business | 5 |
| (1) Manufacturing, Orders Received and Sales | 5 |
| (2) Risk Factors | 5 |
| (3) Material Contracts | 7 |
| (4) Management's Discussion and Analysis of Financial Condition, Results of Operations and Status of Cash Flows | 7 |
| III Property, Plant and Equipment | 10 |
| (1) Major Property, Plant and Equipment | 10 |
| (2) Plans for the Purchase and Retirement of Major Property, Plant and Equipment | 10 |
| IV Company Information | 11 |
| (1) Information on the Company's Shares | 11 |
| (2) Stock Price Range | 15 |
| (3) Directors and Corporate Executive Officers | 15 |
| V Financial Statements | 16 |
| (1) Consolidated Financial Statements | 17 |
| (2) Other Information | 35 |

Note for readers of this English translation

On August 12, 2009, Sony Corporation (the “Company”) filed its Japanese-language Quarterly Securities Report (Shihanki Houkokusho) for the three months ended June 30, 2009 with the Kanto Financial Bureau in Japan (the “Report”) pursuant to the Financial Instruments and Exchange Act of Japan. This document is an English translation of the Report in its entirety, except for (i) information which had been previously filed with or submitted to the U.S. Securities and Exchange Commission (the “SEC”) in a Form 20-F, Form 6-K and any other forms and (ii) a description of differences between generally accepted accounting principles in the U.S. (“U.S. GAAP”) and generally accepted accounting principles in Japan (“J-GAAP”), which are required to be described in the Quarterly Securities Report under the Financial Instruments and Exchange Act of Japan if the Company prepares its financial statements in conformity with accounting principles other than J-GAAP.

Cautionary Statement

Statements made in this translation with respect to Sony’s (as defined below) 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,” “may,” “might,” “could” or “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 platforms within the game business, which are offered in highly competitive markets characterized by continual new product introductions, rapid development in technology and subjective and changing consumer preferences. (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 and to develop and implement successful sales and distribution strategies 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; (viii) Sony’s ability to maintain product quality; (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.

I Corporate Information

(1) Selected Consolidated Financial Data

| | Yen in millions, Yen per share amounts | | |
|--|--|--|-------------------------------------|
| | Three Months Ended June 30, 2008 | Three Months Ended June 30, 2009 | Fiscal Year Ended March 31, 2009 |
| Sales and operating revenue | 1,979,044 | 1,599,853 | 7,729,993 |
| Operating income (loss) | 73,439 | (25,700) | (227,783) |
| Income (loss) before income taxes | 62,922 | (32,944) | (174,955) |
| Net income (loss) attributable to Sony Corporation's stockholders | 34,977 | (37,093) | (98,938) |
| Total equity | 3,863,320 | 3,244,539 | 3,216,602 |
| Total assets | 12,792,767 | 12,366,462 | 12,013,511 |
| Stockholders' equity per share of common stock (yen) | 3,577.00 | 2,958.91 | 2,954.25 |
| Net income (loss) attributable to Sony Corporation's stockholders per share of common stock, basic (yen) | 34.86 | (36.96) | (98.59) |
| Net income (loss) attributable to Sony Corporation's stockholders per share of common stock, diluted (yen) | 33.28 | (36.96) | (98.59) |
| Ratio of stockholders' equity to total assets (%) | 28.1 | 24.0 | 24.7 |
| Net cash provided by (used in) operating activities | (216,937) | 56,918 | 407,153 |
| Net cash provided by (used in) investing activities | (214,262) | (172,858) | (1,081,342) |
| Net cash provided by financing activities | 113,659 | 265,254 | 267,458 |
| Cash and cash equivalents at end of the period | 787,764 | 807,931 | 660,789 |
| Number of employees | 181,300 | 170,800 | 171,300 |

Notes:

1. The Company's consolidated financial statements are prepared in conformity with U.S. GAAP.
2. The Company reports equity in net income (loss) of affiliated companies as a component of operating income (loss).
3. The Company adopted Statement of Financial Accounting Standards ("FAS") No. 160, "Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51" on April 1, 2009, via retrospective application of the presentation and disclosure requirements. Upon the adoption of FAS No. 160, noncontrolling interests, which were previously referred to as minority interest and classified between total liabilities and stockholders' equity on the consolidated balance sheets, are now included as a separate component of total equity. In addition, the net income (loss) on the consolidated statements of income now includes the net income attributable to noncontrolling interests. These financial statement presentation requirements have been adopted retrospectively and prior year amounts in the consolidated financial statements have been reclassified or adjusted to conform to FAS No. 160.
4. Consumption taxes are not included in sales and operating revenue.
5. Total equity is presented based on U.S. GAAP.
6. Stockholders' equity per share of common stock is calculated by using the Company's stockholders' equity.
7. The Company prepares its consolidated financial statements, and therefore parent-alone financial data is not prepared.

(2) Business Overview

There was no significant change in the business of the Company and its consolidated subsidiaries (collectively "Sony") during the three months ended June 30, 2009.

Sony realigned its reportable segments effective from the first quarter of the fiscal year ending March 31, 2010 to reflect the

Company's reorganization as of April 1, 2009. For further information of the realignment, please refer to "V Financial Statements 1. Summary of significant accounting policies (2) Changes in accounting policies, procedures and presentation rules applied in the preparation of the interim consolidated financial statements: Business segment realignment."

As of June 30, 2009, the Company had 1,278 subsidiaries and 91 affiliated companies, of which 1,242 companies are consolidated subsidiaries (including variable interest entities) of the Company. The Company has applied the equity accounting method for 85 affiliated companies.

(3) Changes in Subsidiaries and Affiliated Companies

There was no significant change in subsidiaries and affiliated companies during the three months ended June 30, 2009.

Note: Sony Music Manufacturing Inc. changed its corporate name to Sony DADC Japan Inc. as of April 1, 2009.

(4) Number of Employees

The following table shows the number of employees as of June 30, 2009.

| | |
|--------------|----------|
| Consolidated | 170,800* |
| Parent-alone | 17,267 |

* Figures less than one hundred are rounded to the nearest unit.

II State of Business

(1) Manufacturing, Orders Received and Sales

The products that Sony manufactures and sells are extremely diverse. Due to the nature of electronics devices, home game consoles, game software, and music and video software, Sony generally manufactures products based on forecasts. Because Sony maintains a relatively stable and necessary level of product inventory in order to carry out the manufacturing of electronic devices, its level of production is similar to its level of sales. For further information please refer to "(4) Management's Discussion and Analysis of Financial Condition, Results of Operations and Status of Cash Flows" below.

(2) Risk Factors

Note for readers of this English translation:

Aside from the description of the joint venture agreement with Sharp Corporation ("Sharp") and the judicial review on Sony's music business by the European Court discussed in the risk factors below, there are no significant changes from the information presented in the Risk Factors section of the Annual Report on Form 20-F filed with the SEC on June 23, 2009. The descriptions below are based on management's assumptions and beliefs in light of the information currently available to it.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

Sony's utilization of joint ventures and alliances within strategic business areas may not be successful.

During the last several years Sony has moved toward the establishment of joint ventures and strategic alliances in order to supplement or replace functions that were previously performed by divisions of Sony Corporation or wholly-owned subsidiaries.

Sony currently has investments in several joint ventures, including Sony Ericsson Mobile Communications AB and S-LCD Corporation. If Sony and its partners from existing alliances, joint ventures and strategic investments are unable to reach their common financial objectives successfully, Sony's financial performance may be adversely affected. Sony's financial performance may also be adversely affected temporarily or in the short- and medium-term during the period of alliances, joint ventures and strategic investments even if Sony and its partners remain on course to achieve their common objectives. On July 30, 2009, Sony entered into an agreement to establish a joint venture company with Sharp to produce and sell large-sized LCD panels and modules.

Sony may not adequately manage the growing number of joint ventures and strategic alliances, and, in particular, may not deal effectively with the legal and cultural differences that can arise in such relationships, with changes in the relationships, or with changes in the financial status of its partners. In addition, by participating in joint ventures or strategic alliances, Sony may encounter conflicts of interest, may not maintain sufficient control over the joint venture or strategic alliance, including over cash flow, and may be faced with an increased risk of the loss of proprietary technology or know-how. Sony's reputation could be harmed by the actions or activities of a joint venture that uses the Sony brand.

Sony's music business may be subject to renewed judicial review by the European Court.

In August 2004, Sony combined its recorded music business outside of Japan with the recorded music business of Bertelsmann AG ("Bertelsmann"), forming SONY BMG MUSIC ENTERTAINMENT ("SONY BMG"), after receiving antitrust approval from, among others, the European Commission. On December 3, 2004, Impala, an international association of 2,500 independent recorded music companies, appealed the European Commission's clearance decision to the EU Court of First Instance ("CFI"). On July 13, 2006, the CFI annulled the Commission's decision to allow the merger to go forward, requiring the Commission to re-examine the transaction. In October 2006, Sony Corporation of America ("SCA") and Bertelsmann filed an appeal of the CFI's judgment to the Court of Justice of the European Communities ("ECJ"). On October 3, 2007, following its re-examination of the merger, the Commission rendered a second clearance decision reaffirming the conclusion reached in 2004 that the transaction raised no competition concerns. On June 16, 2008, Impala announced it had filed an appeal of that second clearance decision to the CFI. On July 10, 2008, the ECJ rendered judgment on the 2006 appeal of SCA and Bertelsmann, setting aside the CFI's annulment of the Commission's original clearance decision and referring the case back to the CFI for further consideration. On September 26, 2008, the CFI stayed Impala's 2008 appeal of the Commission's second clearance decision pending a final ruling by the CFI on the original clearance decision. As of October 1, 2008, SONY BMG became a wholly-owned subsidiary of Sony and was renamed Sony Music Entertainment as of January 1, 2009. On June 30, 2009, the CFI determined that Impala's 2004 appeal of the Commission's original clearance decision was devoid of purpose and that there was therefore no longer any need to

adjudicate on that appeal. Accordingly, the 2004 clearance decision has become final. The CFI is presently considering the implications of its order of June 30, 2009, for Impala's appeal of the second clearance decision.

(3) Material Contracts

There was no execution of material contracts during the three months ended June 30, 2009.

Note for readers of this English translation:

The above means that there is no update from the description in the Company's Annual Report on Form 20-F ("Patents and Licenses" in item 4) filed with the SEC on June 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

(4) Management's Discussion and Analysis of Financial Condition, Results of Operations and Status of Cash Flows

i) Results of Operations and Status of Cash Flows

Note for readers of this English translation:

Except for information specifically included in this English translation, this document omits certain information set out in the Japanese-language Quarterly Securities Report, since it is the same as described in the press release previously submitted to the SEC. Please refer to "Consolidated Financial Results for the First Quarter Ended June 30, 2009" submitted to the SEC on Form 6-K on July 30, 2009.

URL: The press release titled "Consolidated Financial Results for the First Quarter Ended June 30, 2009"

<http://www.sec.gov/Archives/edgar/data/313838/000115752309005329/a6016681.htm>

Foreign Exchange Fluctuations and Risk Hedging

Note for readers of this English translation:

Even though foreign exchange rates fluctuated, there was no significant change in risk hedging policy from the description in the Annual Report on Form 20-F filed with the SEC on June 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

ii) Issues Facing Sony and Management's Response to those Issues

Note for readers of this English translation:

Excluding that below, Issues Facing Sony and Management's Response to those Issues are the same as those found in the Trend Information section of the Annual Report on Form 20-F filed with the SEC on June 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

On July 30, 2009 Sony entered into an agreement to establish a joint venture company with Sharp to produce and sell large-sized LCD panels and modules (the "Joint Venture Agreement").

On July 1, 2009, Sharp split out its new LCD panel plant located in Sakai City, which was under construction, and transferred it to Sharp Display Products Corporation ("SDP"), its wholly-owned subsidiary. SDP is scheduled to commence operations in October 2009. On December 29, 2009, as the first step toward the final investment ratio (66% by Sharp and 34% by Sony), Sony will invest 10 billion yen into SDP in exchange for new shares to be issued by SDP to Sony as third-party allocation. The Joint Venture Agreement further provides that, subject to its conditions, Sony will make a number of additional capital injections to SDP, resulting in a maximum 34% ownership by Sony of SDP by the end of April 2011. SDP will produce and sell large-sized LCD panels and modules, utilizing the new LCD panel production plant using the world's first 10th generation glass substrate. LCD panel production capacity is planned at 72,000 substrates of mother glass per month (initially 36,000 substrates per month).

iii) Research and Development

Note for readers of this English translation:

Excluding that below, Research and Development is the same as that found in the Research and Development section of the Annual Report on Form 20-F filed with the SEC on June 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

In order to enhance the efficiency of R&D, the "R&D, Common Software Platform" was established in June 2009 as an organization under the direct control of Sony Headquarters. At the same time, Sony reorganized its Corporate R&D Laboratories with some parts of Advanced Materials Laboratories and all of Display Device Development Group being transferred to Core Device Development Group.

Furthermore, in order to enhance preinstalled common software development efficiency, control of the Software Design Technology Center, established in April 2009 under the direct control of Sony Headquarters, was transferred to the “R&D, Common Software Platform” as well as other Corporate R&D Laboratories. The Common Software Center was also established under control of the “R&D, Common Software Platform.”

Research and development costs for the three months ended June 30, 2009 decreased 24.4 billion yen, or 19.7 percent, to 99.8 billion yen, compared with the same quarter of the previous fiscal year due to reorganization in R&D focused domains. The ratio of research and development costs to sales (which excludes the financial service revenue) increased from 6.9 percent to 7.3 percent due to sales decrease.

The bulk of research and development costs were incurred in the Consumer Products & Devices segment, and the Networked Products & Services segment. Expenses in the Consumer Products & Devices segment decreased 19.2 billion yen, or 24.1 percent, to 60.5 billion yen and expenses in the Networked Products & Services segment increased 0.9 billion yen, or 4.2 percent, to 22.3 billion yen. In the Consumer Products & Devices segment, approximately 75 percent of expenses was spent on the development of new product prototypes while the remaining 25 percent was spent on the development of mid- to long-term new technologies in such areas as next-generation displays, semiconductors, new materials and software.

(iv) Liquidity and Capital Resources

Note for readers of this English translation:

Excluding that below, there are no significant changes from the information presented in the Annual Report on Form 20-F filed with the SEC on June 23, 2009.

URL: The Annual Report on Form 20-F filed with the SEC on June 23, 2009

<http://www.sec.gov/Archives/edgar/data/313838/000095012309016105/k02095e20vf.htm>

Sony executed syndicated loans totaling 162.5 billion yen in June 2009 (3 year, 5 year and 7 year terms). The proceeds of these loans were partially used for the redemption of an 80 billion yen syndicated loan (executed in June 2006), which matured in June 2009, and the rest of the proceeds were used for funding general business activities, including working capital. In addition, Sony executed a 1 billion U.S. dollar long-term bank loan (3 year term) in July 2009. The proceeds of this loan have been used as general corporate funds for overseas operations, in regions including North America and Europe.

III Property, Plant and Equipment

(1) Major Property, Plant and Equipment

There was no significant change during the three months ended June 30, 2009.

(2) Plans for the Purchase and Retirement of Major Property, Plant and Equipment

During the three months ended June 30, 2009, there was no significant change in the purchase and retirement of property, plant and equipment from the plan at March 31, 2009. During the three months ended June 30, 2009, there was no significant new firm plan for the purchase and retirement of major property, plant and equipment.

IV Company Information

(1) Information on the Company's Shares

i) Total Number of Shares

1) Total Number of Shares

| Class | Total number of shares authorized to be issued |
|--------------|--|
| Common stock | 3,600,000,000 |
| Total | 3,600,000,000 |

2) Number of Shares Issued

| Class | Number of shares issued | | Securities Exchanges where the shares are listed or registered/authorized Financial Instruments Firms Association | Description |
|--------------|---|--|--|---|
| | As of the end of the first quarterly period (June 30, 2009) | As of the filing date of the Quarterly Securities Report (August 12, 2009) | | |
| Common stock | 1,004,535,364 | 1,004,535,364 | Tokyo Stock Exchange Osaka Securities Exchange New York Stock Exchange London Stock Exchange | The number of shares constituting one full unit is one hundred (100). |
| Total | 1,004,535,364 | 1,004,535,364 | — | — |

Notes:

1. The Company's shares of common stock are listed on the First Sections of the Tokyo Stock Exchange and the Osaka Securities Exchange in Japan.
2. The number of shares issued as of the filing date of the Quarterly Securities Report does not include shares issued upon the exercise of stock acquisition rights ("SARs") (including the conversion of convertible bonds issued under the previous Commercial Code in Japan) during August 2009, the month in which the Quarterly Securities Report (Shihanki Houkokusho) was filed.

ii) Stock Acquisition Rights

Note for readers of this English translation:

The Japanese-language Quarterly Securities Report includes a summary of the main terms and conditions of the SARs and convertible bonds listed below. A summary of such terms and conditions has previously been filed with or submitted to the SEC under Form 20-F, Form 6-K and Form S-8. There has been no change to such terms and conditions since the applicable date of such filings or submissions, except a revision of the total outstanding number of SARs issued and number of outstanding shares to be issued or transferred and outstanding balance of convertible bonds, as provided in the schedule below.

URL: The list of documents previously submitted by the Company

<http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000313838&owner=include&count=40>

Stock acquisition rights (outstanding as of June 30, 2009)

| Name (Date of shareholders' resolution) | Total outstanding number of SARs issued | Number of outstanding shares of common stock to be issued or transferred |
|--|---|--|
| The first series of Common Stock Acquisition Rights (June 20, 2002) | 9,878 | 987,800 |
| The third series of Common Stock Acquisition Rights (June 20, 2002) | 9,332 | 933,200 |
| The fourth series of Common Stock Acquisition Rights (June 20, 2003) | 8,145 | 814,500 |
| The sixth series of Common Stock Acquisition Rights (June 20, 2003) | 8,941 | 894,100 |
| The seventh series of Common Stock Acquisition Rights (June 22, 2004) | 9,540 | 954,000 |
| The ninth series of Common Stock Acquisition Rights (June 22, 2004) | 8,085 | 808,500 |
| The tenth series of Common Stock Acquisition Rights (June 22, 2005) | 10,093 | 1,009,300 |
| The eleventh series of Common Stock Acquisition Rights (June 22, 2005) | 10,717 | 1,071,700 |
| The twelfth series of Common Stock Acquisition Rights (June 22, 2006) | 10,579 | 1,057,900 |
| The thirteenth series of Common Stock Acquisition Rights (June 22, 2006) | 13,734 | 1,373,400 |
| The fourteenth series of Common Stock Acquisition Rights (June 21, 2007) | 7,962 | 796,200 |
| The fifteenth series of Common Stock Acquisition Rights (June 21, 2007) | 15,844 | 1,584,400 |
| The sixteenth series of Common Stock Acquisition Rights (June 20, 2008) | 8,318 | 831,800 |
| The seventeenth series of Common Stock Acquisition Rights (June 20, 2008) | 16,767 | 1,676,700 |

Convertible bonds (outstanding as of June 30, 2009)

| Name (Date of issuance) | Outstanding balance |
|--|------------------------|
| U.S. Dollar convertible bonds (April 17, 2000) | U.S. \$45,427 thousand |
| U.S. Dollar convertible bonds (April 16, 2001) | U.S. \$45,324 thousand |
| U.S. Dollar convertible bonds (April 15, 2002) | U.S. \$32,626 thousand |

iii) Status of Rights Plan

Not applicable.

iv) Changes in the Total Number of Shares Issued and the Amount of Common Stock

| Period | Change in the total number of shares issued (Thousands) | Balance of the total number of shares issued (Thousands) | Change in the amount of common stock (Millions of yen) | Balance of the amount of common stock (Millions of yen) | Change in the capital reserve (Millions of yen) | Balance of the capital reserve (Millions of yen) |
|----------------------------------|--|---|---|--|---|--|
| From April 1 to June 30, 2009 | — | 1,004,535 | — | 630,765 | — | 837,453 |

Note: The total number of shares, the amount of common stock and the capital reserve did not increase during the period from July 1 to July 31, 2009.

v) Status of Major Shareholders

(As of June 30, 2009)

| Name | Address | Number of shares held (Thousands) | Number of shares held as a percentage of total shares issued (%) |
|---|--|-----------------------------------|--|
| Moxley and Company ^{*1} (Local Custodian: The Bank of Tokyo-Mitsubishi UFJ, Ltd.) | New York, U.S.A. (2-7-1, Marunouchi, Chiyoda-ku, Tokyo) | 117,006 | 11.65 |
| Japan Trustee Services Bank, Ltd. ^{*2} (Trust account) | 1-8-11, Harumi, Chuo-ku, Tokyo | 63,493 | 6.32 |
| Japan Trustee Services Bank, Ltd. ^{*2} (Trust account 4G) | 1-8-11, Harumi, Chuo-ku, Tokyo | 59,971 | 5.97 |
| The Master Trust Bank of Japan, Ltd. ^{*2} (Trust account) | 2-11-3, Hamamatsu-cho, Minato-ku, Tokyo | 46,830 | 4.66 |
| State Street Bank and Trust Company ^{*3} (Local Custodian: Mizuho Corporate Bank, Ltd.) | Boston, U.S.A. (6-7, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo) | 24,038 | 2.39 |
| The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account ^{*3} (Local Custodian: Mizuho Corporate Bank, Ltd.) | London, U.K. (6-7, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo) | 11,042 | 1.10 |
| SSBT OD05 Omnibus China Treaty 808150 ^{*3} (Local Custodian: Sumitomo Mitsui Banking Corporation) | Sydney, Australia (1-1-2, Yuraku-cho, Chiyoda-ku, Tokyo) | 10,546 | 1.05 |
| Mellon Bank, N.A. as Agent for its Client Mellon Omnibus US Pension ^{*3} (Local Custodian: Mizuho Corporate Bank, Ltd.) | Boston, U.S.A. (6-7, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo) | 10,222 | 1.02 |
| State Street Bank and Trust Company 505225 ^{*3} (Local Custodian: Mizuho Corporate Bank, Ltd.) | Boston, U.S.A. (6-7, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo) | 9,963 | 0.99 |
| Investors Bank and Trust Company (West) - Treaty ^{*3} (Local Custodian: Mizuho Corporate Bank, Ltd.) | Boston, U.S.A. (6-7, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo) | 9,047 | 0.90 |
| Total | | 362,158 | 36.05 |

Notes:

- *1. Moxley and Company is the nominee of JPMorgan Chase Bank, N.A., which is the Depository for holders of the Company's American Depositary Receipts ("ADRs").
- *2. The shares held by each corporation are held in trust for investors, including shares in securities investment trusts.
- *3. Each shareholder provides depository services for shares owned by institutional investors, mainly in Europe and North America. They are also the nominees for these investors.
- *4. Dodge & Cox sent a copy of the "Amendment to the Bulk Shareholding Report" (which was filed with the Kanto Financial Bureau in Japan) to the Company as of August 6, 2009, after the end of the first quarterly period ended June 30, 2009, and reported that they held shares of the Company (including ADRs) as of July 31, 2009 as provided in the below table.

| Name | Number of shares held (Thousands) | Number of shares held as a percentage of total shares issued (%) |
|-------------|-----------------------------------|--|
| Dodge & Cox | 51,320 | 5.11 |

vi) Status of Voting Rights

1) Shares Issued

(As of June 30, 2009)

| Classification | Number of shares of common stock | Number of voting rights (Units) | Description |
|---|----------------------------------|---------------------------------|--|
| Shares without voting rights | — | — | — |
| Shares with restricted voting rights (Treasury stock, etc.) | — | — | — |
| Shares with restricted voting rights (Others) | — | — | — |
| Shares with full voting rights (Treasury stock, etc.) | 1,022,900 | — | — |
| Shares with full voting rights (Others) | 1,000,906,900 | 10,009,068 | — |
| Fractional unit shares | 2,605,564 | — | Shares less than one full unit of stock (100 shares) |
| Total number of shares issued | 1,004,535,364 | — | — |
| Total voting rights held by all shareholders | — | 10,009,068 | — |

Note: Included in “Shares with full voting rights (Others)” under “Number of shares of common stock” are 22,100 shares of common stock (including 100 shares accounted for by the Registration of Lost Share Certificates) held under the name of Japan Securities Depository Center, Inc. Also included in “Shares with full voting rights (Others)” under “Number of voting rights (Units)” are 220 units of voting rights (excluding 1 unit accounted for by the Registration of Lost Share Certificates) relating to the shares of common stock related to such shares with full voting rights held under the name of Japan Securities Depository Center, Inc.

2) Treasury Stock

(As of June 30, 2009)

| Name of shareholder | Address of shareholder | Number of shares of common stock held under own name | Number of shares of common stock held under the names of others | Total number of shares of common stock held | Total of shares held to total shares issued (%) |
|---|--|--|---|---|---|
| Sony Corporation (Treasury stock) ^{*1} | 1-7-1, Konan, Minato-ku, Tokyo | 1,008,800 | — | 1,008,800 | 0.10 |
| Kyoshin Technosonic Co., Ltd. (Cross-holding stock) ^{*2} | 1-31-1, Nishi-Gotanda, Shinagawa-ku, Tokyo | 12,600 | 1,500 | 14,100 | 0.00 |
| Total | — | 1,021,400 | 1,500 | 1,022,900 | 0.10 |

Notes:

- *1. In addition to the 1,008,800 shares listed here, there are 300 shares of common stock held by the Company in the register of shareholders that the Company does not beneficially own. These shares are included in “Shares with full voting rights (Others)” in table 1 “Shares Issued” above.

- *2. Kyoshin Technosonic Co., Ltd. is a member of the stock ownership plan (The Sony Stock Ownership Plan, 1-7-1, Konan, Minato-ku, Tokyo), which is composed of the Company's business partners and other members. Kyoshin Technosonic Co., Ltd. holds 1,500 shares of the Company under the name thereof.

(2) Stock Price Range

Highest and lowest prices during the past three months

| Month of 2009 | April | May | June |
|----------------|-------|-------|-------|
| Highest (yen)* | 2,655 | 2,760 | 2,800 |
| Lowest (yen)* | 2,050 | 2,380 | 2,430 |

* As quoted on the First Section of the Tokyo Stock Exchange.

(3) Directors and Corporate Executive Officers

There were no changes in directors and corporate executive officers between the filing date of the Securities Report (Yukashoken Houkokusho) for the fiscal year ended March 31, 2009 and the filing date of this Quarterly Securities Report (Shihanki Houkokusho).

V Financial Statements

| | <u>Page</u> |
|---|-------------|
| (1) Consolidated Financial Statements | 17 |
| (i) Consolidated Balance Sheets | 17 |
| (ii) Consolidated Statements of Income | 19 |
| (iii) Consolidated Statements of Cash Flows | 20 |
| (2) Other Information | 35 |

(1) Consolidated Financial Statements

(i) Consolidated Balance Sheets (Unaudited)

Sony Corporation and Consolidated Subsidiaries

| | Yen in millions | |
|---|---------------------|----------------------|
| | At June 30, 2009 | At March 31, 2009 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | 807,931 | 660,789 |
| Call loan in the banking business | 34,786 | 49,909 |
| Marketable securities | 488,856 | 466,912 |
| Notes and accounts receivable, trade | 936,046 | 963,837 |
| Allowance for doubtful accounts and sales returns | (99,659) | (110,383) |
| Inventories | 834,128 | 813,068 |
| Deferred income taxes | 170,074 | 189,703 |
| Prepaid expenses and other current assets | 661,301 | 586,800 |
| Total current assets | 3,833,463 | 3,620,635 |
| Film costs | 298,060 | 306,877 |
| Investments and advances: | | |
| Affiliated companies | 233,957 | 236,779 |
| Securities investments and other | 4,679,625 | 4,561,651 |
| | 4,913,582 | 4,798,430 |
| Property, plant and equipment: | | |
| Land | 159,284 | 155,665 |
| Buildings | 918,826 | 911,269 |
| Machinery and equipment | 2,360,201 | 2,343,839 |
| Construction in progress | 95,782 | 100,027 |
| | 3,534,093 | 3,510,800 |
| Less – Accumulated depreciation | 2,365,071 | 2,334,937 |
| | 1,169,022 | 1,175,863 |
| Other assets: | | |
| Intangibles, net | 401,445 | 396,348 |
| Goodwill | 443,493 | 443,958 |
| Deferred insurance acquisition costs | 406,186 | 400,412 |
| Deferred income taxes | 386,357 | 359,050 |
| Other | 514,854 | 511,938 |
| | 2,152,335 | 2,111,706 |
| Total assets: | 12,366,462 | 12,013,511 |

(Continued on following page.)

Consolidated Balance Sheets (Unaudited)

| | Yen in millions | |
|---|---------------------|----------------------|
| | At June 30, 2009 | At March 31, 2009 |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Short-term borrowings | 229,189 | 303,615 |
| Current portion of long-term debt | 68,890 | 147,540 |
| Notes and accounts payable, trade | 668,169 | 560,795 |
| Accounts payable, other and accrued expenses | 949,395 | 1,036,830 |
| Accrued income and other taxes | 33,018 | 46,683 |
| Deposits from customers in the banking business | 1,329,784 | 1,326,360 |
| Other | 371,015 | 389,077 |
| Total current liabilities | 3,649,460 | 3,810,900 |
| Long-term debt | 1,067,052 | 660,147 |
| Accrued pension and severance costs | 357,265 | 365,706 |
| Deferred income taxes | 195,595 | 188,359 |
| Future insurance policy benefits and other | 3,618,878 | 3,521,060 |
| Other | 233,673 | 250,737 |
| Total liabilities: | 9,121,923 | 8,796,909 |
| Commitments and contingent liabilities | | |
| Equity: | | |
| Sony Corporation's stockholders' equity: | | |
| Common stock, no par value – | | |
| At June 30, 2009–Shares authorized: 3,600,000,000, shares issued: 1,004,535,364 | 630,765 | |
| At March 31, 2009– Shares authorized: 3,600,000,000, shares issued: 1,004,535,364 | | 630,765 |
| Additional paid-in capital | 1,155,613 | 1,155,034 |
| Retained earnings | 1,879,858 | 1,916,951 |
| Accumulated other comprehensive income – | | |
| Unrealized gains on securities, net | 49,331 | 30,070 |
| Unrealized losses on derivative instruments, net | (2,455) | (1,584) |
| Pension liability adjustment | (173,220) | (172,709) |
| Foreign currency translation adjustments | (565,937) | (589,220) |
| | (692,281) | (733,443) |
| Treasury stock, at cost | | |
| Common stock | | |
| At June 30, 2009–1,008,881 shares | (4,606) | |
| At March 31, 2009–1,013,287 shares | | (4,654) |
| | 2,969,349 | 2,964,653 |
| Noncontrolling interests | 275,190 | 251,949 |
| Total equity: | 3,244,539 | 3,216,602 |
| Total liabilities and equity: | 12,366,462 | 12,013,511 |

The accompanying notes are an integral part of these statements.

(ii) Consolidated Statements of Income (Unaudited)

Sony Corporation and Consolidated Subsidiaries

| | Yen in millions | |
|--|----------------------------|-----------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Sales and operating revenue: | | |
| Net sales | 1,775,262 | 1,354,765 |
| Financial services revenue | 178,382 | 223,352 |
| Other operating revenue | 25,400 | 21,736 |
| | 1,979,044 | 1,599,853 |
| Costs and expenses: | | |
| Cost of sales | 1,367,665 | 1,061,424 |
| Selling, general and administrative | 394,249 | 378,037 |
| Financial services expenses | 147,784 | 174,703 |
| (Gain) loss on sale, disposal or impairment of assets, net | (1,853) | (3,669) |
| | 1,907,845 | 1,610,495 |
| Equity in net income (loss) of affiliated companies | 2,240 | (15,058) |
| Operating income (loss) | 73,439 | (25,700) |
| Other income: | | |
| Interest and dividends | 7,782 | 4,420 |
| Gain on sale of securities investments, net | 142 | 31 |
| Other | 5,183 | 3,948 |
| | 13,107 | 8,399 |
| Other expenses: | | |
| Interest | 4,816 | 6,033 |
| Loss on devaluation of securities investments | 940 | 1,020 |
| Foreign exchange loss, net | 12,927 | 4,968 |
| Loss on change in interest in subsidiaries and equity investees | 12 | - |
| Other | 4,929 | 3,622 |
| | 23,624 | 15,643 |
| Income (loss) before income taxes | 62,922 | (32,944) |
| Income taxes | 19,001 | (12,188) |
| Net income (loss) | 43,921 | (20,756) |
| Less - Net income attributable to noncontrolling interests | 8,944 | 16,337 |
| Net income (loss) attributable to Sony Corporation's stockholders | 34,977 | (37,093) |

| | Yen | |
|---|----------------------------|---------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Per share data: | | |
| Net income (loss) attributable to Sony Corporation's stockholders | | |
| - Basic | 34.86 | (36.96) |
| - Diluted | 33.28 | (36.96) |

The accompanying notes are an integral part of these statements.

(iii) Consolidated Statements of Cash Flows (Unaudited)

Sony Corporation and Consolidated Subsidiaries

| | Yen in millions | |
|--|----------------------------|----------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Cash flows from operating activities: | | |
| Net income (loss) | 43,921 | (20,756) |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities – | | |
| Depreciation and amortization, including amortization of deferred insurance acquisition costs | 91,657 | 87,240 |
| Amortization of film costs | 54,106 | 67,280 |
| Stock-based compensation expense | 998 | 586 |
| Accrual for pension and severance costs, less payments | (2,575) | (8,280) |
| (Gain) loss on sale, disposal or impairment of assets, net | (1,853) | (3,669) |
| Loss on sale or devaluation of securities investments, net | 798 | 989 |
| Gain on revaluation of marketable securities held in the financial service business for trading purpose, net | (10,423) | (8,683) |
| Gain on revaluation or impairment of securities investments held in the financial service business, net | (1,473) | (36,348) |
| Loss on change in interest in subsidiaries and equity investees | 12 | - |
| Deferred income taxes | (21,046) | (2,127) |
| Equity in net (income) loss of affiliated companies, net of dividends | (1,892) | 15,805 |
| Changes in assets and liabilities: | | |
| Decrease in notes and accounts receivable, trade | 28,568 | 22,856 |
| Increase in inventories | (137,682) | (11,911) |
| Increase in film costs | (57,095) | (65,392) |
| Increase in notes and accounts payable, trade | 66,133 | 108,011 |
| Decrease in accrued income and other taxes | (136,816) | (632) |
| Increase in future insurance policy benefits and other | 56,841 | 81,652 |
| Increase in deferred insurance acquisition costs | (20,745) | (17,352) |
| Increase in marketable securities held in the financial service business for trading purpose | (20,478) | (8,413) |
| Increase in other current assets | (59,965) | (55,599) |
| Decrease in other current liabilities | (63,789) | (79,151) |
| Other | (24,139) | (9,188) |
| Net cash provided by (used in) operating activities | (216,937) | 56,918 |

(Continued on following page.)

Consolidated Statement of Cash Flows (Unaudited)

| | Yen in millions | |
|--|----------------------------|-----------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Cash flows from investing activities: | | |
| Payments for purchases of fixed assets | (111,269) | (97,432) |
| Proceeds from sales of fixed assets | 132,772 | 3,997 |
| Payments for investments and advances by financial service business | (431,271) | (424,973) |
| Payments for investments and advances (other than financial service business) | (60,888) | (10,180) |
| Proceeds from maturities of marketable securities, sales of securities investments and collections of advances by financial service business | 253,352 | 347,948 |
| Proceeds from maturities of marketable securities, sales of securities investments and collections of advances (other than financial service business) | 2,745 | 9,042 |
| Other | 297 | (1,260) |
| Net cash used in investing activities | (214,262) | (172,858) |
| Cash flows from financing activities: | | |
| Proceeds from issuance of long-term debt | 2,534 | 413,913 |
| Payments of long-term debt | (4,110) | (84,458) |
| Increase (decrease) in short-term borrowings, net | 14,215 | (86,116) |
| Increase in deposits from customers in the financial service business, net | 117,458 | 25,603 |
| Increase in call money in the banking business, net | - | 12,600 |
| Dividends paid | (12,577) | (12,623) |
| Proceeds from the issuance of shares under stock-based compensation plans | 348 | - |
| Other | (4,209) | (3,665) |
| Net cash provided by financing activities | 113,659 | 265,254 |
| Effect of exchange rate changes on cash and cash equivalents | 18,873 | (2,172) |
| Net increase (decrease) in cash and cash equivalents | (298,667) | 147,142 |
| Cash and cash equivalents at beginning of the fiscal year | 1,086,431 | 660,789 |
| Cash and cash equivalents at end of the period | 787,764 | 807,931 |

The accompanying notes are an integral part of these statements.

Index to Notes to Consolidated Financial Statements

Sony Corporation and Consolidated Subsidiaries

| <u>Notes to Consolidated Financial Statements</u> | <u>Page</u> |
|--|--------------------|
| 1. Summary of significant accounting policies | 23 |
| 2. Fair value measurements | 26 |
| 3. Supplemental equity and comprehensive income information | 27 |
| 4. Reconciliation of the differences between basic and diluted net income (loss) attributable to Sony Corporation's stockholders per share | 28 |
| 5. Commitments and contingent liabilities | 28 |
| 6. Business segment information | 29 |
| 7. Subsequent event | 35 |

Notes to Consolidated Financial Statements

Sony Corporation and Consolidated Subsidiaries

1. Summary of significant accounting policies

Sony Corporation and its subsidiaries in Japan maintain their records and prepare their financial statements in accordance with accounting principles generally accepted in Japan while its foreign subsidiaries maintain their records and prepare their financial statements in conformity with accounting principles generally accepted in the countries of their domiciles. Certain adjustments and reclassifications have been incorporated in the accompanying consolidated financial statements to conform with accounting principles generally accepted in the United States of America ("U.S. GAAP"), except for certain disclosures which have been omitted.

(1) Newly adopted accounting pronouncements:

Accounting for collaborative arrangements -

In December 2007, the Financial Accounting Standards Board ("FASB") ratified Emerging Issues Task Force ("EITF") Issue No. 07-1, "Accounting for Collaborative Arrangements." EITF Issue No. 07-1 defines collaborative arrangements and requires that transactions with third parties that do not participate in the arrangement be reported in the appropriate income statement line items pursuant to the guidance in EITF Issue No. 99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent." Income statement classification of payments made between participants of a collaborative arrangement is to be based on other applicable authoritative accounting literature. Sony Corporation and its consolidated subsidiaries (hereinafter collectively referred to as "Sony") retroactively adopted EITF Issue No. 07-1 on April 1, 2009. The adoption of EITF Issue No. 07-1 did not have a material impact on Sony's results of operations and financial position.

Business combinations -

In December 2007, the FASB issued Statement of Financial Accounting Standards ("FAS") No. 141(R), "Business Combinations," which applies for Sony prospectively to business combinations for which the acquisition date is on or after April 1, 2009. FAS No. 141(R) requires that the acquisition method of accounting be applied to a broader range of business combinations, amends the definition of a business combination, provides a definition of a business, requires an acquirer to recognize an acquired business at its fair value at the acquisition date, and requires the assets acquired and liabilities assumed in a business combination to be measured and recognized at their fair values as of the acquisition date, with limited exceptions. Also, under FAS No. 141(R), changes in deferred tax asset valuation allowances and acquired income tax uncertainties after the acquisition date generally will affect income tax expense in periods subsequent to the acquisition date. Adjustments made to valuation allowances on deferred taxes and acquired tax contingencies associated with acquisitions that closed prior to April 1, 2009 would also apply the provisions of FAS No. 141(R). The adoption of FAS No. 141(R) did not have a material impact on Sony's results of operations and financial position.

In April 2009, the FASB issued FASB Staff Positions ("FSP") No. FAS 141(R)-1, "Accounting for Assets Acquired and Liabilities Assumed in a Business Combination That Arise from Contingencies," to amend FAS No. 141(R). FSP No. FAS 141(R)-1 addresses the initial recognition, measurement and subsequent accounting for assets and liabilities arising from contingencies in a business combination, and requires that such assets acquired or liabilities assumed be initially recognized at fair value at the acquisition date if fair value can be determined during the measurement period. If the acquisition-date fair value cannot be determined, the asset acquired or liability assumed arising from a contingency is recognized only if certain criteria are met. For Sony, FSP No. FAS 141(R)-1 is effective for assets acquired or liabilities assumed arising from contingencies in business combinations for which the acquisition date is on or after April 1, 2009. The adoption of FSP No. FAS 141(R)-1 did not have a material impact on Sony's results of operations and financial position.

Noncontrolling interests in consolidated financial statements -

In December 2007, the FASB issued FAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51." FAS No. 160 requires that the noncontrolling interests in the equity of a subsidiary be accounted for and reported as equity, provides revised guidance on the treatment of net income and losses attributable to the noncontrolling interests and changes in ownership interests in a subsidiary and requires additional disclosures that identify and distinguish between the interests of the controlling and noncontrolling owners. Pursuant to the transition provisions of FAS No. 160, Sony adopted the statement on April 1, 2009, via retrospective application of the presentation and disclosure requirements. Upon the adoption of FAS No. 160, noncontrolling interests, which were previously referred to as minority

interest and classified between total liabilities and stockholders' equity on the consolidated balance sheets, are now included as a separate component of total equity. In addition, the net income (loss) on the consolidated statements of income now includes the net income attributable to noncontrolling interests. These financial statement presentation requirements have been adopted retrospectively and prior year amounts in the consolidated financial statements have been reclassified or adjusted to conform to FAS No. 160. The adoption of FAS No. 160 did not have a material impact on Sony's results of operations and financial position.

Determination of the useful life of intangible assets -

In April 2008, the FASB issued FSP No. FAS 142-3, "Determination of the Useful Life of Intangible Assets," which amends the list of factors an entity should consider in developing renewal or extension assumptions used in determining the useful life of recognized intangible assets under FAS No. 142, "Goodwill and Other Intangible Assets." The new guidance applies to (1) intangible assets that are acquired individually or with a group of other assets and (2) intangible assets acquired in both business combinations and asset acquisitions. Under FSP No. FAS 142-3, entities estimating the useful life of a recognized intangible asset must consider their historical experience in renewing or extending similar arrangements or, in the absence of historical experience, must consider assumptions that market participants would use about renewal or extension. For Sony, FSP No. FAS 142-3 will require certain additional disclosures in future periods after the effective date of April 1, 2009, and application to useful life estimates prospectively for intangible assets acquired after March 31, 2009. Sony adopted FSP No. FAS 142-3 on April 1, 2009. The adoption of FSP No. FAS 142-3 did not have a material impact on Sony's results of operations and financial position.

Equity method investment accounting -

In November 2008, the FASB ratified EITF Issue No. 08-6, "Equity Method Investment Accounting Considerations," which addresses certain effects of FAS Nos. 141(R) and 160 on an entity's accounting for equity-method investments. The consensus indicates, among other things, that transaction costs for an investment should be included in the cost of the equity-method investment (and not expensed) and shares subsequently issued by the equity-method investee that reduce the investor's ownership percentage should be accounted for as if the investor had sold a proportionate share of its investment, with gains or losses recorded through earnings. Sony adopted EITF Issue No. 08-6 on April 1, 2009. The adoption of EITF Issue No. 08-6 did not have a material impact on Sony's results of operations and financial position.

Recognition and presentation of other-than-temporary impairments -

In April 2009, the FASB issued FSP No. FAS 115-2 and FAS 124-2, "Recognition and Presentation of Other-Than-Temporary Impairments." The FSP is intended to provide greater clarity to investors about the credit and noncredit component of an other-than-temporary impairment event and to more effectively communicate when an other-than-temporary impairment event has occurred. The FSP applies to debt securities only and requires separate display of losses related to credit deterioration and losses related to other market factors. When an entity does not intend to sell a debt security and it is more likely than not that the entity will not have to sell the debt security before recovery of its cost basis, it must recognize the credit component of an other-than-temporary impairment in earnings and the remaining portion in other comprehensive income. In addition, upon adoption of the FSP, an entity is required to record a cumulative-effect adjustment as of the beginning of the period of adoption to reclassify the noncredit component of a previously recognized other-than-temporary impairment from retained earnings to accumulated other comprehensive income. Sony adopted FSP No. FAS 115-2 and FAS 124-2 on April 1, 2009. The adoption of FSP No. FAS 115-2 and FAS 124-2 did not have a material impact on Sony's results of operations and financial position. The disclosures required by FAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities" and FSP No. FAS 115-1 and FAS 124-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments" are omitted.

Fair value measurements -

In September 2006, FASB issued FAS No. 157, "Fair Value Measurements." FAS No. 157 establishes a framework for measuring fair value, clarifies the definition of fair value, and expands disclosures about the use of fair value measurements. FAS No. 157 applies under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. In February 2008, the FASB issued FSP FAS 157-2, "Effective Date of FASB Statement No. 157," FSP No. FAS 157-2 partially delayed the effective date of FAS No. 157 for Sony until April 1, 2009 for certain nonfinancial assets and liabilities. The adoption of FAS No. 157 as it relates to nonfinancial assets and liabilities that are recognized or disclosed at fair value in Sony's financial statements on a nonrecurring basis did not have a material impact on Sony's consolidated results of operations and financial position.

In April 2009, the FASB issued FSP No. FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly." FSP No. FAS 157-4 provides additional authoritative guidance to assist both issuers and users of financial statements in determining whether a market is active or inactive, and whether a transaction is distressed. FSP No. FAS 157-4 is effective for Sony as of April 1, 2009, and is applied prospectively. The adoption of FSP No. FAS 157-4 did not have a material impact on Sony's results of operations and financial position. Certain disclosures required by FAS No. 157 are omitted.

Subsequent events -

In May 2009, the FASB issued FAS No. 165, "Subsequent Events." The objective of FAS No. 165 is to establish general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. FAS No. 165 sets forth: (1) the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements; (2) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements; and (3) the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. FAS No. 165 is effective for Sony from the first quarter of the fiscal year ending March 31, 2010, and its adoption did not have a material impact on Sony's results of operations and financial position.

(2) Changes in accounting policies, procedures and presentation rules applied in the preparation of the interim consolidated financial statements:

Business segment realignment -

Sony realigned its reportable segments effective from the first quarter of the fiscal year ending March 31, 2010 to reflect Sony's reorganization as of April 1, 2009, primarily repositioning operations previously reported within the Electronics and Game segments and establishing the Consumer Products & Devices, Networked Products & Services and B2B & Disc Manufacturing segments. The Consumer Products & Devices segment includes products such as televisions, digital imaging, audio and video, semiconductors, and components. The equity results of S-LCD Corporation, a joint-venture with Samsung Electronics Co., Ltd., are also included within the Consumer Products & Devices segment. The Networked Products & Services segment includes game products as well as PC and other networked products. The B2B & Disc Manufacturing segment is comprised of the B2B business, including broadcast-and professional-use products, as well as the Blu-ray Disc™, DVD and CD disc manufacturing business. Additionally, Music is a new segment effective from the first quarter of the fiscal year ending March 31, 2010. The Music segment includes Sony Music Entertainment, Sony Music Entertainment (Japan) Inc., and a 50% owned U.S. based joint-venture in the music publishing business, Sony/ATV Music Publishing LLC. For the three months ended June 30, 2008, equity in net loss for SONY BMG MUSIC ENTERTAINMENT is reflected in the Music segment's operating income. The equity earnings from Sony Ericsson Mobile Communications AB ("Sony Ericsson") are presented as a separate segment and were previously included in the Electronics segment. All Other consists of various operating activities, including So-net Entertainment Corporation and an advertising agency business in Japan. In connection with the realignment, all prior period amounts in the segment disclosures have been restated to conform to the current presentation.

(3) Accounting methods used specifically for interim consolidated financial statements:

Income Taxes -

Sony estimates the annual effective tax rate ("ETR") derived from a projected annual net income before taxes and calculates interim period income tax provision based on the year-to-date income tax provision computed by applying the ETR to the year-to-date net income before taxes at the end of each interim period. The income tax provision based on the ETR reflects anticipated income tax credits and net operating loss carryforwards; however, it excludes income tax provision related to significant unusual or extraordinary transactions. Such income tax provision will be separately reported from the provision based on the ETR in the interim period in which they occur.

(4) Reclassifications:

Certain reclassifications of the financial statements for the fiscal year ended March 31, 2009 have been made to conform to the presentation for the three months ended June 30, 2009.

2. Fair value measurements

The fair value of Sony's assets and liabilities that are measured at fair value on a recurring basis is as follows:

| | Yen in millions | | | |
|-------------------------------|------------------|------------------|----------------|------------------|
| | At June 30, 2009 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets: | | | | |
| Trading securities | 145,309 | 155,374 | 1,408 | 302,091 |
| Available-for-sale securities | | | | |
| Debt securities | 54,295 | 2,163,946 | 49,800 | 2,268,041 |
| Equity securities | 138,032 | 21,550 | 3,720 | 163,302 |
| Other | 4,498 | - | 61,658 | 66,156 |
| Derivative assets * | - | 26,492 | - | 26,492 |
| Total assets | <u>342,134</u> | <u>2,367,362</u> | <u>116,586</u> | <u>2,826,082</u> |
| Liabilities: | | | | |
| Derivative liabilities * | - | 34,853 | - | 34,853 |
| Total liabilities | <u>-</u> | <u>34,853</u> | <u>-</u> | <u>34,853</u> |

| | Yen in millions | | | |
|-------------------------------|-------------------|------------------|----------------|------------------|
| | At March 31, 2009 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets: | | | | |
| Trading securities | 123,080 | 160,240 | 3,003 | 286,323 |
| Available-for-sale securities | | | | |
| Debt securities | 44,794 | 2,356,876 | 59,428 | 2,461,098 |
| Equity securities | 92,464 | 21,164 | 3,562 | 117,190 |
| Other | 3,877 | - | 59,781 | 63,658 |
| Derivative assets * | - | 24,401 | - | 24,401 |
| Total assets | <u>264,215</u> | <u>2,562,681</u> | <u>125,774</u> | <u>2,952,670</u> |
| Liabilities: | | | | |
| Derivative liabilities * | - | 36,386 | - | 36,386 |
| Total liabilities | <u>-</u> | <u>36,386</u> | <u>-</u> | <u>36,386</u> |

* Derivative assets and liabilities are recognized and disclosed on a gross basis.

3. Supplemental equity and comprehensive income information

A reconciliation of the beginning and ending carrying amounts of Sony Corporation's stockholders' equity, noncontrolling interests, and the total equity for the three months ended June 30, 2008 is as follows:

| | Yen in millions | | |
|---|---|--------------------------|--------------|
| | Sony Corporation's stockholders' equity | Noncontrolling interests | Total equity |
| Balance at March 31, 2008 | 3,465,089 | 276,849 | 3,741,938 |
| Dividends | - | (4,030) | (4,030) |
| Stock-based compensation and other | 1,244 | (39) | 1,205 |
| Comprehensive income: | | | |
| Net income | 34,977 | 8,944 | 43,921 |
| Other comprehensive income, net of tax — | | | |
| Unrealized gains (losses) on securities | (13,857) | (8,795) | (22,652) |
| Unrealized gains (losses) on derivative instruments | 1,598 | - | 1,598 |
| Pension liability adjustment | (58) | - | (58) |
| Foreign currency translation adjustments | 100,518 | 880 | 101,398 |
| Total comprehensive income | 123,178 | 1,029 | 124,207 |
| Balance at June 30, 2008 | 3,589,511 | 273,809 | 3,863,320 |

A reconciliation of the beginning and ending carrying amounts of Sony Corporation's stockholders' equity, noncontrolling interests, and the total equity for the three months ended June 30, 2009 is as follows:

| | Yen in millions | | |
|---|---|--------------------------|--------------|
| | Sony Corporation's stockholders' equity | Noncontrolling interests | Total equity |
| Balance at March 31, 2009 | 2,964,653 | 251,949 | 3,216,602 |
| Dividends | - | (3,374) | (3,374) |
| Stock-based compensation and other | 627 | 98 | 725 |
| Comprehensive income: | | | |
| Net income (loss) | (37,093) | 16,337 | (20,756) |
| Other comprehensive income, net of tax — | | | |
| Unrealized gains (losses) on securities | 19,261 | 10,122 | 29,383 |
| Unrealized gains (losses) on derivative instruments | (871) | - | (871) |
| Pension liability adjustment | (511) | - | (511) |
| Foreign currency translation adjustments | 23,283 | 58 | 23,341 |
| Total comprehensive income | 4,069 | 26,517 | 30,586 |
| Balance at June 30, 2009 | 2,969,349 | 275,190 | 3,244,539 |

There was no material effect of changes in Sony Corporation's ownership interest in its subsidiaries on Sony Corporation's stockholders' equity for the three months ended June 30, 2008 and June 30, 2009.

4. Reconciliation of the differences between basic and diluted net income (loss) attributable to Sony Corporation's stockholders per share ("EPS")

Reconciliation of the differences between basic and diluted EPS for the three months ended June 30, 2008 and 2009 is as follows:

| | Yen in millions | |
|---|----------------------------|-----------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Net income (loss) attributable to Sony Corporation's stockholders for basic and diluted EPS computation | 34,977 | (37,093) |
| | Thousands of shares | |
| Weighted-average shares | 1,003,466 | 1,003,529 |
| Effect of dilutive securities: | | |
| Stock acquisition rights | 1,425 | - |
| Convertible bonds | 46,257 | - |
| Weighted-average shares for diluted EPS computation | 1,051,148 | 1,003,529 |
| | Yen | |
| Basic EPS | 34.86 | (36.96) |
| Diluted EPS | 33.28 | (36.96) |

Potential shares of common stock upon the exercise of stock acquisition rights, which were excluded from the computation of diluted EPS for the three months ended June 30, 2008 and 2009 were 10,907 thousand shares and 16,423 thousand shares, respectively. The potential shares were excluded as anti-dilutive in the three months ended June 30, 2008 as the exercise price for those shares was in excess of the average market value of Sony's common stock during those period, and the potential shares were excluded as anti-dilutive for the three months ended June 30, 2009 due to Sony incurring a net loss for the period.

5. Commitments and contingent liabilities

(1) Commitments:

A. Loan commitments

Commitments outstanding at June 30, 2009 totaled 247,150 million yen.

Subsidiaries in the Financial Services segment have entered into loan agreements with their customers in accordance with the condition of the contracts. As of June 30, 2009, the total unused portion of the line of credit extended under these contracts was 247,150 million yen.

B. Purchase commitments and other

Commitments outstanding at June 30, 2009 amounted to 311,627 million yen. The major components of these commitments are as follows:

In the ordinary course of business, Sony makes commitments for the purchase of property, plant and equipment. As of June 30, 2009, such commitments outstanding were 47,576 million yen.

Certain subsidiaries in the Pictures segment have entered into agreements with creative talent for the development and production of films and television programming as well as agreements with third parties to acquire completed films, or certain rights thereon, and to acquire the rights to broadcast certain live action sporting events. These agreements cover various periods through March 31, 2017. As of June 30, 2009, these subsidiaries were committed to make payments under such contracts of 131,435 million yen.

Certain subsidiaries in the Music segment have entered into long-term contracts with recording artists and companies for the production and/or distribution of prerecorded music and videos. These contracts cover various periods mainly through

June 30, 2014. As of June 30, 2009, these subsidiaries were committed to make payments of 38,230 million yen under such long-term contracts.

(2) Contingent liabilities:

Sony had contingent liabilities including guarantees given in the ordinary course of business, which amounted to 44,704 million yen at June 30, 2009. The major components of the contingent liabilities are as follows:

Sony has issued a guarantee to the creditor of a third party investor pursuant to which Sony will provide a minimum offer of 300 million U.S. dollars to the creditor to purchase certain assets that are being held as collateral by the third party creditor against the obligation of the third party investor. At June 30, 2009, the fair value of the collateral exceeded 300 million U.S. dollars.

The European Commission ("EC") issued the Waste Electrical and Electronic Equipment ("WEEE") directive in February 2003. The WEEE directive requires electronics producers after August 2005 to finance the cost for collection, treatment, recovery and safe disposal of waste products. In most member states of the European Union, the directive has been transposed into national legislation subject to which Sony recognizes the liability for obligations associated with WEEE. At June 30, 2009, the accrued amounts in respect to WEEE have not been significant. However, Sony will continue to evaluate the impact of this regulation.

Sony Corporation and certain subsidiaries are defendants in several pending lawsuits and are subject to inquiries by various government authorities. However, based upon the information currently available to both Sony and its legal counsel, the management of Sony believes that damages from such lawsuits or inquiries, if any, are not likely to have a material effect on Sony's consolidated financial statements.

6. Business segment information

The reportable segments presented below are the segments of Sony for which separate financial information is available and for which operating profit or loss amounts are evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing performance. Sony's CODM is its Chairman, Chief Executive Officer and President.

Sony realigned its reportable segments effective from the first quarter of the fiscal year ending March 31, 2010 to reflect Sony's reorganization as of April 1, 2009, primarily repositioning operations previously reported within the Electronics and Game segments and establishing the Consumer Products & Devices, Networked Products & Services and B2B & Disc Manufacturing segments. Additionally, Music is a new segment effective from the first quarter of the fiscal year ending March 31, 2010. In connection with the realignment, all prior period amounts in the segment disclosures have been restated to conform to the current presentation.

The Consumer Products & Devices segment includes products such as televisions, digital imaging, audio and video, semiconductors, and components. The equity results of S-LCD Corporation, a joint-venture with Samsung Electronics Co., Ltd., are also included within the Consumer Products & Devices segment. The Networked Products & Services segment includes game products as well as PC and other networked products. The B2B & Disc Manufacturing segment is comprised of the B2B business, including broadcast-and professional-use products, as well as the Blu-ray Disc™, DVD and CD disc manufacturing business. The Pictures segment develops, produces and manufactures image-based software, including film, video, and television mainly in the U.S., and markets, distributes and broadcasts in the worldwide market. The Music segment includes Sony Music Entertainment, Sony Music Entertainment (Japan) Inc., and a 50% owned U.S. based joint-venture in the music publishing business, Sony/ATV Music Publishing LLC. For the three months ended June 30, 2008, equity in net loss for SONY BMG MUSIC ENTERTAINMENT is reflected in the Music segment's operating income. The Financial Services segment primarily represents individual life insurance and non-life insurance businesses in the Japanese market, leasing and credit financing businesses and a bank business in Japan. The equity earnings from Sony Ericsson are presented as a separate segment and were previously included in the Electronics segment. All Other consists of various operating activities, including So-net Entertainment Corporation and an advertising agency business in Japan. Sony's products and services are generally unique to a single operating segment.

Business segments -

Sales and operating revenue for the three months ended June 30, 2008 and 2009 are as follows:

| | Yen in millions | |
|---------------------------------|----------------------------|-----------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Sales and operating revenue: | | |
| Consumer Products & Devices - | | |
| Customers | 982,229 | 702,258 |
| Intersegment | 82,288 | 71,126 |
| Total | 1,064,517 | 773,384 |
| Networked Products & Services - | | |
| Customers | 377,733 | 238,046 |
| Intersegment | 16,659 | 8,801 |
| Total | 394,392 | 246,847 |
| B2B & Disc Manufacturing - | | |
| Customers | 118,869 | 81,952 |
| Intersegment | 19,469 | 17,108 |
| Total | 138,338 | 99,060 |
| Pictures - | | |
| Customers | 159,638 | 170,020 |
| Intersegment | - | - |
| Total | 159,638 | 170,020 |
| Music - | | |
| Customers | 49,842 | 106,382 |
| Intersegment | 5,646 | 2,445 |
| Total | 55,488 | 108,827 |
| Financial Services - | | |
| Customers | 178,382 | 223,352 |
| Intersegment | 4,643 | 4,199 |
| Total | 183,025 | 227,551 |
| All Other - | | |
| Customers | 85,521 | 62,229 |
| Intersegment | - | - |
| Total | 85,521 | 62,229 |
| Corporate and elimination | (101,875) | (88,065) |
| Consolidated total | 1,979,044 | 1,599,853 |

Consumer Products & Devices intersegment amounts primarily consist of transactions with the Networked Products & Services segment.

Networked Products & Services intersegment amounts primarily consist of transactions with the Consumer Products & Devices segment.

B2B & Disc Manufacturing intersegment amounts primarily consist of transactions with the Networked Products & Services, Pictures and Music segments.

Corporate and elimination includes certain brand, patent and royalty income.

Segment profit or loss for the three months ended June 30, 2008 and 2009 are as follows:

| | Yen in millions | |
|--|----------------------------|------------------------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Operating income (loss): | | |
| Consumer Products & Devices | 36,073 | (1,960) |
| Networked Products & Services | 4,620 | (39,734) |
| B2B & Disc Manufacturing | 8,871 | (12,425) |
| Pictures | (8,262) | 1,808 |
| Music | 4,650 | 5,375 |
| Financial Services | 30,577 | 48,215 |
| Equity in net income (loss) of Sony Ericsson | 574 | (14,476) |
| All Other | 2,780 | 587 |
| Total | <u>79,883</u> | <u>(12,610)</u> |
| Corporate and elimination | <u>(6,444)</u> | <u>(13,090)</u> |
| Consolidated operating income (loss) | 73,439 | (25,700) |
| Other income | 13,107 | 8,399 |
| Other expenses | <u>(23,624)</u> | <u>(15,643)</u> |
| Consolidated income (loss) before income taxes | <u><u>62,922</u></u> | <u><u>(32,944)</u></u> |

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 certain restructuring costs and other corporate expenses, which are attributable principally to headquarters and are not allocable to each segment.

Other Significant Items:

The following table is a breakdown of Consumer Products & Devices segment and Networked Products & Services segment sales and operating revenue to external customers by product category. The Consumer Products & Devices segment and Networked Products & Services segment are managed as single operating segments by Sony's management.

| Sales and operating revenue: | Yen in millions | |
|-----------------------------------|----------------------------|----------------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Consumer Products & Devices | | |
| Televisions | 311,518 | 237,144 |
| Digital Imaging | 275,622 | 184,763 |
| Audio and Video | 135,803 | 106,185 |
| Semiconductors | 77,390 | 61,428 |
| Components | 179,610 | 111,642 |
| Other | 2,286 | 1,096 |
| Total | 982,229 | 702,258 |
| Networked Products & Services | | |
| Game | 214,991 | 110,514 |
| PC and Other Networked Businesses | 162,203 | 126,026 |
| Other | 539 | 1,506 |
| Total | 377,733 | 238,046 |

Sony realigned its product category configuration from the first quarter of the fiscal year ended March 31, 2010, to reflect the segment reclassification. In connection with the realignment, all prior period product category amounts in the table above have been restated to conform to the current presentation. In the Consumer Products & Devices segment, "Televisions" includes LCD televisions, "Digital Imaging" includes compact digital cameras, digital single-lens reflex cameras and video cameras, "Audio and Video" includes home audio, Blu-ray disc players and recorders, "Semiconductors" includes image sensors and small and medium sized LCD panels, and "Components" includes batteries, recording media and data recording systems. In the Networked Products & Services segment, "Game" includes game consoles and software, and "PC and Other Networked Businesses" includes personal computers and memory-based portable audio devices.

Geographic Information -

Sales and operating revenue attributed to countries based on location of customers for the three months ended June 30, 2008 and 2009 are as follows:

| | Yen in millions | |
|------------------------------|----------------------------|-----------|
| | Three Months Ended June 30 | |
| Sales and operating revenue: | 2008 | 2009 |
| Japan | 519,313 | 494,721 |
| U.S.A. | 433,500 | 371,317 |
| Europe | 461,689 | 323,195 |
| Other Areas | 564,542 | 410,620 |
| Total | 1,979,044 | 1,599,853 |

There are not any individually material countries with respect to the sales and operating revenue included in Europe and Other areas.

Transfers among reportable business or geographic segments are made at arms-length prices.

There were no sales and operating revenue with any single major external customer for the three months ended June 30, 2008 and 2009.

The following information shows sales and operating revenue and operating income (loss) by geographic origin for the three months ended June 30, 2008 and 2009. In addition to the disclosure requirements under FAS No. 131, Sony discloses this supplemental information in accordance with disclosure requirements of the Financial Instruments and Exchange Act of Japan, to which Sony, as a Japanese public company, is subject.

| | Yen in millions | |
|------------------------------|----------------------------|-------------|
| | Three Months Ended June 30 | |
| | 2008 | 2009 |
| Sales and operating revenue: | | |
| Japan - | | |
| Customers | 527,801 | 488,129 |
| Intersegment | 1,020,012 | 656,129 |
| Total | 1,547,813 | 1,144,258 |
| U.S.A. - | | |
| Customers | 492,838 | 432,594 |
| Intersegment | 91,095 | 59,883 |
| Total | 583,933 | 492,477 |
| Europe - | | |
| Customers | 434,117 | 293,655 |
| Intersegment | 16,299 | 17,655 |
| Total | 450,416 | 311,310 |
| Other - | | |
| Customers | 497,458 | 369,861 |
| Intersegment | 471,504 | 323,133 |
| Total | 968,962 | 692,994 |
| Corporate and elimination | (1,572,080) | (1,041,186) |
| Consolidated total | 1,979,044 | 1,599,853 |
| Operating income (loss): | | |
| Japan | 90,566 | 13,009 |
| U.S.A. | (18,404) | (2,833) |
| Europe | (415) | (40,695) |
| Other | 29,507 | 26,739 |
| Corporate and elimination | (27,815) | (21,920) |
| Consolidated total | 73,439 | (25,700) |

7. *Subsequent event*

Sony evaluated subsequent events through August 12, 2009, the date the consolidated financial statements for the three months ended June 30, 2009 were issued.

On July 28, 2009, Sony borrowed 1,000 million U.S. dollars cash from a bank due July 28, 2012.

(2) Other Information

Not applicable.