

SONY UNITED KINGDOM PENSION SCHEME
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015
SCHEME REGISTRATION NUMBER 101354642

SONY UNITED KINGDOM PENSION SCHEME

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SONY UNITED KINGDOM PENSION SCHEME

TRUSTEE AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2015

Principal Employer	Sony Europe Limited (the "Company") The Heights Brooklands Weybridge Surrey KT13 OXW
Corporate Trustee	Sony United Kingdom Pension Trust Limited
Employer nominated Trustee Directors	I Miller (Chairman) (pensioner member) R Panter (pensioner member) H Marsh (pensioner member) M Clements A Drummond (resigned 10 March 2015) R Davies
Member nominated Trustee Directors	R Griffiths (pensioner member) M Martin (pensioner member) A Brock (active member) B Massieh (active member) (appointed 30 April 2014)
Secretary to the Trustee	K Bromley
Scheme Actuary	M Butterfield FIA Towers Watson Limited
Administrators	Towers Watson Limited
Independent auditors	PricewaterhouseCoopers LLP
Legal advisers	Travers Smith LLP
Investment managers	
Defined benefit section	BlackRock Investment Advisors (UK) Limited Aviva Life & Pensions UK Limited Majedie Asset Management Limited Legal and General Investment Management Limited Morgan Stanley Investment Management Ltd Towers Watson Partners LP Fulcrum Investments M & G Investments (until 17 June 2015) MFS Investments Schroder Investment Management Limited (appointed 23 February 2015) Hosking & Co. Limited (appointed 29 May 2015) Lansdowne Partners International Limited (appointed 1 June 2015)
Defined contribution section	Fidelity Pensions Management

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TRUSTEE AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2015

Investment custodians	Northern Trust
AVC providers	
Defined benefit section	Equitable Life Assurance Society Clerical Medical Managed Funds Limited Fidelity Pensions Management
Defined contribution section	Clerical Medical Managed Funds Limited Fidelity Pensions Management
Investment adviser	Towers Watson Limited
Bankers	HSBC Bank plc

SONY UNITED KINGDOM PENSION SCHEME

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Introduction

The Trustee of the Sony United Kingdom Pension Scheme ("the Scheme") presents its annual report together with the investment report, actuarial certificates and audited financial statements for the year ended 31 March 2015.

The Scheme was established to provide retirement benefits to eligible employees of Sony Europe Limited. The Scheme has both a defined benefit section and a defined contribution section. Under the defined benefit section benefits are payable to members in accordance with the Scheme Rules based on their length of service and their average salary prior to retirement. Under the defined contribution section the contributions for each member are invested until retirement when the accumulated value of each member's investment account will be used to purchase benefits. On 1 April 2011 the defined benefit section was closed to future accrual.

Scheme financial statements and summary of contributions

The financial statements of the Scheme for the year ended 31 March 2015 are set out on pages 22 to 35 and the Trustee's summary of contributions and the auditors' statement about contributions are set out on pages 18 to 19.

Trustee

The Sony United Kingdom Pension Scheme is governed by a definitive Trust Deed and Rules.

The Scheme is governed by the Trustee who is required to act in accordance with the Trust Deed and the Scheme Rules, within the framework of pension and trust law. The Principal Employer has the power to appoint or remove the Corporate Trustee. The Trustee Directors are appointed and removed in accordance with the Trust Deed and the Member Nominated trustee arrangements established by Sony Europe Limited. Up to a maximum of four directors are Member Nominated, appointed by a Selection Committee in accordance with the requirements introduced in the Pensions Act 2004, whilst the remaining directors are appointed by the Company. The term of office of the Trustee Directors is 5 years, but Trustee Directors can be re-appointed when their term of office expires. However, any term of office may be extended for a short period if the Principal Employer and the Trustee Directors agree that this would be expedient. There were regular meetings of the directors during the year and various sub-committee meetings to discuss the administration, communication, governance and investments of the Scheme. Voting at meetings, where applicable, is by simple majority.

On 30 April 2014 B Massieh was appointed as a Member Nominated Trustee Director and on 10 March 2015 A Drummond resigned as an Employer Nominated Trustee Director.

SONY UNITED KINGDOM PENSION SCHEME

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Statement of Trustee's responsibilities

The financial statements which are prepared in accordance with UK Generally Accepted Accounting Practice, are the responsibility of the Trustee. Pension scheme regulations require the Trustee to make available to Scheme members, beneficiaries and certain other parties, audited financial statements for each Scheme year which:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year; and
- contain the information specified in the Schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

The Trustee is responsible for supervising the preparation of the financial statements and for agreeing suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis.

The Trustee is also responsible for making available certain other information about the Scheme in the form of an annual report.

The Trustee is responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for monitoring whether contributions are made to the Scheme by the employer in accordance with the schedule of contributions. Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

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TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Membership

Details of the membership of the Scheme are given below:

Defined benefit section	Deferred members	Pensioners	Beneficiaries	Total members
At 1 April 2014	2,660	717	124	3,501
Adjustments to prior year	(2)	1	3	2
New beneficiaries	-	-	10	10
Total commutation	(2)	-	-	(2)
Retirements	(33)	33	-	-
Deaths	(6)	(3)	(6)	(15)
Transfers out	(17)	-	-	(17)
Beneficiary's pension ceasing	-	-	(3)	(3)
At 31 March 2015	2,600	748	128	3,476

All active members of the defined benefit section became deferred members with effect from 1 April 2011 following closure of the section to future benefit accrual on 31 March 2011.

Defined contribution section	Active members	Deferred members	Beneficiaries	Total members
At 1 April 2014	1,156	1,588	10	2,754
Adjustments to prior year	(23)	22	-	(1)
New members	173	-	-	173
Members leaving with preserved pensions	(151)	151	-	-
Members opting-out	(2)	-	-	(2)
Retirements	(1)	(1)	-	(2)
Deaths	-	(3)	-	(3)
Transfers out	-	(45)	-	(45)
At 31 March 2015	1,152	1,712	10	2,874

The adjustments to the prior year closing figures relates to receipt of notifications of status changes post year end which have effective dates of status pre year end.

Employer related investments

During the year to 31 March 2015, the Scheme did not hold any direct investment in Sony Corporation but the Trustee invests in overseas managed funds which resulted in a small indirect holding of less than 0.1% (2014: less than 0.1%).

There were no other employer related investments during the year (2014: none).

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TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Review of financial development of the Scheme

The last full actuarial valuation of the Scheme was performed by M Butterfield as at 31 March 2013. The Trustee board is obliged to issue a Summary Funding Statement on an annual basis, to update all members and beneficiaries of the Scheme's financial position. The main assumptions and key points from the actuarial valuation are summarised in the actuarial valuation section below.

A new schedule of contributions was signed by the Trustee following the completion of the valuation, and was certified by the actuary on 30 June 2014.

The financial statements have been prepared and audited in compliance with the regulations made under sections 41(1) and 41(6) of the Pensions Act 1995.

Following discussions between the Company and the Trustee about ways in which the covenant could be strengthened, the PPF style guarantee from Sony Global Treasury Services (SGTS) to the Scheme, whereby SGTS guarantees the amount which is needed to fund the Scheme to the level of 105% measured on a section 179 basis, or £105m if higher, has been extended. In particular, the monetary cap on the guarantee was increased from £105m to £200m on 13 August 2014.

The combined net assets of the DB and DC sections of the Scheme increased by £126,402,872 over the year to £650,955,892 at 31 March 2015.

SONY UNITED KINGDOM PENSION SCHEME

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Actuarial Valuation

DB Section

Formal actuarial valuations of the Scheme take place every three years, the latest one of which was carried out as at 31 March 2013. The next actuarial valuation is due as at 31 March 2016.

The results of the 2013 valuation showed:

Scheme assets:	£405.5 million
Amount needed to provide benefits:	£547.6 million
Shortfall:	£142.1 million
Funding level:	74%

The key assumptions used in calculating the amount needed to provide benefits for the 2013 valuation are :

	31 March 2013 % per annum
Price inflation (RPI)	3.2
Pre-retirement discount rate	5.3
Post-retirement discount rate	3.0
Pension increases in payment (in excess of GMP)	
RPI capped at 5%	3.2
RPI capped at 3%	2.5
RPI subject to a minimum of 3% and maximum of 5%	3.7
Mortality table (post-retirement)	'SAPS Pensioner All' tables with long cohort improvements between 2002 and 2006 and medium cohort improvements between 2006 and 2010 and CMI core projections with a long term rate of improvement of 1.5% from 2010-2013, with various multipliers based on the results of postcode analysis. Further improvements are in line with the core CMI projections with a long term rate of improvement of 1.5% pa.

The previous valuation of the Scheme as at 31 March 2010 showed a shortfall of £102.9 million and a funding level of 74%. The main reason for the increased shortfall is a move to a more prudent valuation basis. As a result of the shortfall identified at the 31 March 2013 valuation, the Company has agreed to pay the following additional contributions:

- £13 million per annum from 1 July 2014 to 31 March 2024.

The funding shortfall is expected to be eliminated by 31 March 2024.

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TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Actuarial Valuation (continued)

DB Section

Changes in the financial position of the Scheme since 31 March 2013

Since the valuation was carried out the Trustee has commissioned actuarial reports to update the funding annually. The results of the most recent update to 31 March 2015 showed:

Scheme assets:	£538.5 million
Amount needed to provide benefits:	£659.7 million
Shortfall:	£121.2 million
Funding level:	82%

The funding has therefore improved since 31 March 2013. The main reason for this has been an increase in assets due to deficit contributions paid by the Company and better than expected asset returns over the period. This has been offset by a fall in the yields resulting in a higher value being placed on the liabilities of the Scheme.

The Scheme closed to future accrual on 31 March 2011 so no normal contributions are required from the Company from this date.

Changes to the Scheme

There were no significant changes to the Scheme during the year.

Further information

Further details of investment performance are included in the investment report on pages 12-14. Further disclosures required by legislation are included in the compliance statement on page 36.

Requests for additional information about the Scheme generally, or queries relating to members' own benefits, should be sent to the personnel whose addresses appear on pages 37 - 38 of this report.

Signed for and on behalf of the Trustee of the Sony United Kingdom Pension Scheme by:

Trustee Director

Trustee Director

SONY UNITED KINGDOM PENSION SCHEME

INVESTMENT REPORT

FOR THE YEAR ENDED 31 MARCH 2015

This investment report forms part of the Trustee's report.

Investment managers

The Scheme's investments are managed by investment managers appointed by the Trustee, on either a pooled or segregated basis. The pooled funds are managed in line with the relevant policy documentation, while the segregated funds are managed according to an agreement reached with the Trustee. The investment guidelines for segregated investments and choice of pooled funds for pooled investments are determined by the Trustee with the assistance of an investment adviser appointed by the Trustee. Manager performance is reviewed by the Trustee on a regular basis.

The investment managers' fees are primarily based on the market value of the assets under their management but commissions and fees are also levied on investment transactions. The investment adviser's fees are based on the chargeable hours worked.

The investment adviser and investment managers are all appropriately authorised under the Financial Services and Markets Act 2000.

Investment principles

The Trustee has produced a Statement of Investment Principles as required by Section 35 of the Pensions Act 1995 and this is available on request from the contact address set out in the final section of this annual report and financial statements.

The Statement of Investment Principles, last updated in September 2014, sets out the allowable ranges for each asset class. The investment committee monitors the actual asset allocation regularly (at least quarterly) and may from time to time permit the control ranges to be breached.

Socially responsible investments

The Trustee has delegated responsibility for the selection, retention and realisation of investments to the investment managers (within certain guidelines and restrictions). The Trustee's policy is that the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments is left to the discretion of the active investment managers.

Rights attaching to investments

The Trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers.

Custodial arrangements

The segregated assets of the Scheme are held in the names of the nominees by the Scheme's investment custodian. The investment custodian operates a system of internal controls to ensure the security of the Scheme's assets and an annual report on these controls is provided to the Trustee together with an opinion on the adequacy of these controls from the custodian's external auditor.

For pooled investments, the Trustee has no direct involvement in custody procedures. Custody of pooled investments is the responsibility of the investment managers, the performance of which is reviewed by the Trustee.

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INVESTMENT REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Review of investment performance

Details of the Scheme's investments are given in note 10 to the financial statements. An analysis of the asset allocation of the Scheme's investments is provided below:

	2015	<i>2014</i>
	%	<i>%</i>
UK quoted equities	7.10	<i>10.92</i>
	7.10	<i>10.92</i>
	2015	<i>2014</i>
	%	<i>%</i>
Pooled investment vehicles	85.20	<i>80.59</i>
Private equity	3.53	<i>3.47</i>
Property	3.55	<i>4.00</i>
Cash and cash equivalents	0.11	<i>0.43</i>
Other investments	0.04	<i>0.04</i>
AVC investments	0.47	<i>0.55</i>
	92.90	<i>89.08</i>
Total	100.00	<i>100.00</i>

The Trustee considers that the spread of investments both geographically and by investment category enables the Scheme to benefit from potentially higher rates of investment growth in different markets whilst also decreasing the effect that price fluctuations within a particular market may have on the Scheme. The proportion of the Scheme's assets invested in a particular market is determined by reference to the relative rate of return and the relative level of risk associated with that market.

Marketability of investments

There is a restriction in place over the assets held in the defined benefit section with Morgan Stanley (private equity fund) which requires a minimum investment period.

The units held by Towers Watson Partners LP are redeemable on a quarterly basis with one month notice.

The units held by Fulcrum Investments are redeemable on a monthly basis with 65 days notice.

Other than the funds referred to above, the Trustee considers that all of the Scheme's investments are readily marketable.

SONY UNITED KINGDOM PENSION SCHEME

INVESTMENT REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The table below shows the performance of the defined benefit section and each of the funds over various periods relative to the appropriate benchmarks as supplied by the investment managers:

Annual percentage returns	1 year	3 years	5 years
	%	%	%
Defined benefit section			
Legal & General - North America equity	12.3	15.7	13.5
<i>Benchmark - North America equity index</i>	<i>12.3</i>	<i>15.7</i>	<i>13.5</i>
Legal & General - Europe ex UK equity	19.6	19.4	11.0
<i>Benchmark - Europe equity index</i>	<i>19.5</i>	<i>19.2</i>	<i>10.8</i>
Legal & General - Japan equity	31.5	23.3	10.8
<i>Benchmark - Japan equity index</i>	<i>31.8</i>	<i>23.4</i>	<i>10.7</i>
Legal & General - World Emerging Markets	16.2	3.6	2.6
<i>Benchmark - All Emerging equity index</i>	<i>16.0</i>	<i>3.4</i>	<i>2.4</i>
Legal & General - Over 15 year bonds	23.2	11.9	10.8
<i>Benchmark - iBoxx £ Non-Gilt (ex-BBB) over 15 years</i>	<i>23.1</i>	<i>11.8</i>	<i>10.7</i>
Legal & General - Investment grade corp bond	13.1	8.8	8.1
<i>Benchmark - iBoxx £ non-gilts (All stocks)</i>	<i>13.1</i>	<i>8.7</i>	<i>8.0</i>
BlackRock Investment Advisors - Property mandate	15.7	10.2	9.3
<i>Benchmark - IPD All Balanced Property Funds Weighted Average</i>	<i>16.6</i>	<i>9.4</i>	<i>8.4</i>
Majedie Asset Management Limited - UK equity mandate	7.6	16.5	12.9
<i>Benchmark - FTSE All Share Index</i>	<i>6.6</i>	<i>10.6</i>	<i>8.3</i>

SONY UNITED KINGDOM PENSION SCHEME

INVESTMENT REPORT

FOR THE YEAR ENDED 31 MARCH 2015

Annual percentage returns	1 year %	3 years %	5 years %
Defined benefit section (continued)			
Fulcrum Asset Management	9.2	9.4	5.8
<i>Benchmark - LIBOR 3 month</i>	<i>0.6</i>	<i>0.7</i>	<i>0.7</i>
MFS Investment	19.6	17.0	12.7
<i>Benchmark - MSCI World</i>	<i>19.1</i>	<i>15.0</i>	<i>10.5</i>
Morgan Stanley Private Equity IV LP (PMF IV)	17.5	9.7	n/a
<i>Benchmark - RPI</i>	<i>0.9</i>	<i>2.2</i>	<i>n/a</i>
Morgan Stanley Private Equity V LP (PMF V)	22.7	11.3	n/a
<i>Benchmark - RPI</i>	<i>0.9</i>	<i>2.2</i>	<i>n/a</i>
Towers Watson Partners Fund	11.2	9.2	n/a
<i>Benchmark - CPI + 5%</i>	<i>-0.1</i>	<i>1.5</i>	<i>n/a</i>
Prudential M & G	10.6	11.7	7.6
<i>Benchmark - MSCI AC World</i>	<i>19.0</i>	<i>14.1</i>	<i>10.1</i>
Schroder Diversified Growth	n/a	n/a	n/a
<i>Benchmark - RPI</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Total defined benefit section assets	24.9	14.0	11.2
<i>Composite Benchmark</i>	<i>22.8</i>	<i>12.0</i>	<i>9.9</i>

Due to the length of time the Scheme has been investing with certain investment managers, some of the 1, 3 and 5 year performance returns are not applicable.

SONY UNITED KINGDOM PENSION SCHEME

INVESTMENT REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The table below shows the performance of the defined contribution section and each of the funds over various periods relative to the appropriate benchmarks:

Annual percentage returns	1 year	3 years	5 years
	%	%	%
Defined contribution section			
BlackRock UK Equity Index Fund	6.6	10.6	8.4
<i>Benchmark - FTSE All-Share Index</i>	<i>6.6</i>	<i>10.6</i>	<i>8.3</i>
BlackRock Consensus Fund	11.6	10.9	7.9
<i>Benchmark - Composite Index</i>	<i>11.7</i>	<i>11.0</i>	<i>8.0</i>
BlackRock World (ex UK) Equity Index Fund	20.5	15.8	11.0
<i>Benchmark - Total Return Basis</i>	<i>20.0</i>	<i>15.3</i>	<i>10.7</i>
BlackRock Cash Fund	0.4	0.4	0.5
<i>Benchmark - LIBID 7 Day</i>	<i>0.4</i>	<i>0.4</i>	<i>0.4</i>
BlackRock 30/70 Global Equity Index Fund	15.5	13.7	9.9
<i>Benchmark - Composite Index</i>	<i>15.4</i>	<i>13.6</i>	<i>9.8</i>
Blended Bond Fund	23.9	10.9	11.6
<i>Benchmark - Composite Index</i>	<i>24.0</i>	<i>10.7</i>	<i>11.3</i>
Threadneedle Pensions Property Fund	24.0	11.9	9.3
<i>Benchmark - Caps Pooled Pension Fund Update</i>	<i>16.6</i>	<i>9.4</i>	<i>8.4</i>
Majedie UK Equity Fund	6.5	15.5	n/a
<i>Benchmark - FTSE All Share Index</i>	<i>6.6</i>	<i>10.6</i>	<i>n/a</i>
Fidelity Sony Diversified Growth Fund	8.9	n/a	n/a
<i>Benchmark - RPI + 3%</i>	<i>3.9</i>	<i>n/a</i>	<i>n/a</i>
Global Equity Fund	15.9	13.7	n/a
<i>Benchmark - Composite Index</i>	<i>19.0</i>	<i>14.8</i>	<i>n/a</i>
Fidelity BlackRock Emerging Markets Fund	13.0	2.8	n/a
<i>Benchmark - MSCI Emerging Markets Index</i>	<i>13.3</i>	<i>2.8</i>	<i>n/a</i>
Fidelity Sony Corporate Bond Fund	18.7	n/a	n/a
<i>Benchmark - ML Eurosterling 10 year+ Index</i>	<i>19.7</i>	<i>n/a</i>	<i>n/a</i>

Due to the length of time the Scheme has been investing in some of the above funds, certain 3 and 5 year performance returns are not applicable.

SONY UNITED KINGDOM PENSION SCHEME

STATUTORY CERTIFICATE OF TECHNICAL PROVISIONS

Actuarial certification for the purposes of regulation 7(4)(a) of the Occupational Pension Schemes (Scheme Funding) Regulations 2005

Name of scheme: **Sony United Kingdom Pension Scheme**

Calculation of technical provisions

I certify that, in my opinion, the calculation of the Scheme's technical provisions as at 31 March 2013 is made in accordance with regulations under section 222 of the Pensions Act 2004. The calculation uses a method and assumptions determined by the Trustee of the Scheme and set out in the Statement of Funding Principles dated 30 June 2014.

Michael Butterfield
Fellow of the Institute and Faculty of Actuaries
30 June 2014

Towers Watson Limited
3 Temple Quay
Temple Back East
Bristol
BS1 6DZ

SONY UNITED KINGDOM PENSION SCHEME

ACTUARY'S CERTIFICATION OF SCHEDULE OF CONTRIBUTIONS

Name of scheme: **Sony United Kingdom Pension Scheme**

Adequacy of rates of contributions

- 1 I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 March 2013 to be met by the end of the period specified in the Recovery Plan dated 30 June 2014.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 30 June 2014.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Michael Butterfield
Scheme Actuary
Fellow of the Institute and Faculty of Actuaries

30 June 2014

Towers Watson Limited
3 Temple Quay
Temple Back East
Bristol
BS1 6DZ

SONY UNITED KINGDOM PENSION SCHEME

SCHEDULE OF CONTRIBUTIONS

This Schedule specifies, for the period from 1 July 2014 to 31 March 2024, the rates and due dates of Company and employee contributions to the Scheme. It replaces the Schedule signed by the Trustee and Company on 15 March 2012 and is subject to review from time to time as required by legislation, by the Pensions Act 2004 and by the Scheme's Trust Deed and Rules and following actuarial valuations and interim reviews or otherwise.

Contributions in respect of the defined benefit (DB) section:

The employer will make monthly contributions of £1 million each month beginning in July 2014 and ending in March 2024 (with each month's payment being made no later than the last day of the relevant month). The employer will also contribute a further £1 million each April (with the payment being made by 30 April each year).

Contributions in respect of the defined contribution (DC) section:

- by employed members: Nil for those members participating in myPension Salary Sacrifice.

For all other members, matched contributions of up to 8% of Pensionable Salary (as defined under the DC Section) (see table below).
- by the employer: For those members participating in myPension Salary Sacrifice, the employer shall pay the contributions that the employer and members would have paid if they were not participating in the myPension Salary Sacrifice.

For all other members, the employer will double members' matched contributions up to 6%. If the employee contributes 7% or 8%, the Employer contributes an extra 1% and 2% respectively, as shown in the table below.

The table below shows the matched contribution rates as a percentage of Pensionable Salary (limited to the Scheme's earning cap where applicable).

Employee contributions	Employer contributions	Total contributions
2%	4%	6%
3%	6%	9%
4%	8%	12%
5%	10%	15%
6%	12%	18%
7%	13%	20%
8%	14%	22%

The above contributions are payable monthly in arrears, but no later than the 19th of the following month.

The amounts actually credited to the members' accounts will be determined in accordance with the Scheme's Rules.

SONY UNITED KINGDOM PENSION SCHEME

SCHEDULE OF CONTRIBUTIONS

Other employer contributions

The employer shall also pay the following:

- a. Additional contributions as may be required under the Trust Deed and Rules in specific circumstances, for example to cover augmentations.
- b. Such other contributions as may, from time to time, be agreed by the Trustee and the employer.

Costs met directly by the employer

In addition to the contributions shown above, the employer shall pay outside of the Scheme the following:

- a. The cost of insurance premiums for death in service lump sum cover and the cost of insuring the spouse's death in service pension.
- b. Payments to meet non-investment related expenses, including the levies due in respect of the Pension Protection Fund.

Additional Voluntary Contributions

Employed members (in all sections) may also pay Additional Voluntary Contributions, the payment of which is not governed by this schedule.

For and on behalf of the Trustee of the Sony
United Kingdom Pension Scheme

Signature: I Miller

Print name: I Miller

Date 30th June 2014

For and on behalf of
Sony Europe Limited

Signature: J Schmitz

Print name: J Schmitz

Date 30th June 2014

SONY UNITED KINGDOM PENSION SCHEME

TRUSTEE'S STATEMENT ABOUT CONTRIBUTIONS

FOR THE YEAR ENDED 31 MARCH 2015

Statement of Trustee's responsibilities in respect of contributions

The Trustee is responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid.

The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the Scheme in accordance with the schedule of contributions.

Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

Trustee's summary of contributions

This summary of contributions has been prepared by, or on behalf of, and is the responsibility of the Trustee. It sets out the employer and member contributions payable to the Scheme under the schedules of contributions certified by the actuary on 30 June 2011 and 30 June 2014 in respect of the Scheme year ended 31 March 2015. The Scheme auditors report on contributions payable under the schedules in their auditors' statement about contributions.

Contributions payable under the schedules in respect of the Scheme year

	2015
	£
Employers: normal	6,763,482
deficit funding	13,000,000
Members: normal	14,918
	<hr/>
Contributions payable under the schedules (as reported on by the Scheme auditors)	19,778,400

Reconciliation of contributions

Reconciliation of contributions payable under the schedules to the total contributions payable to the Scheme in respect of the Scheme year:

	2015
	£
Contributions payable under the schedules (as above in the Trustee's summary)	19,778,400
	<hr/>
Members' additional voluntary contributions	341,418
	<hr/>
Total contributions reported in the financial statements	20,119,818

Signed for and on behalf of the Trustee of the Sony United Kingdom Pension Scheme by:

Trustee Director

Trustee Director

Date

Date

**INDEPENDENT AUDITORS' STATEMENT ABOUT CONTRIBUTIONS TO THE TRUSTEE OF
SONY UNITED KINGDOM PENSION SCHEME
FOR THE YEAR ENDED 31 MARCH 2015**

Statement about contributions

Our opinion

In our opinion, the contributions required by the schedules of contributions for the Scheme year ended 31 March 2015 as reported in The Sony United Kingdom Pension Scheme's summary of contributions have in all material respects been paid in accordance with the schedules of contributions certified by the Scheme actuary on 30 June 2011 and 30 June 2014.

What we have examined

The Sony United Kingdom Pension Scheme's summary of contributions for the Scheme year ended 31 March 2015 is set out on the previous page.

Responsibilities for the statement about contributions

Our responsibilities and those of the Trustee

As explained more fully in the statement of Trustee's responsibilities, the Scheme's Trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions and for monitoring whether contributions are made to the Scheme by the employer in accordance with relevant requirements.

It is our responsibility to provide a statement about contributions and to report our opinion to you.

This report, including the opinion, has been prepared for and only for the Trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an examination of the summary of contributions involves

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have, in all material respects, been paid in accordance with the relevant requirements. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme under the schedules of contributions and the timing of those payments.

We test and examine information, using sampling and other techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

**PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading**

Date

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE

SONY UNITED KINGDOM PENSION SCHEME

FOR THE YEAR ENDED 31 MARCH 2015

Report on the financial statements

Our opinion

In our opinion, The Sony United Kingdom Pension Scheme's financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 March 2015, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3 of, and the Schedule to, the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

What we have audited

The Sony United Kingdom Pension Scheme's financial statements comprise:

- the net assets statement as at 31 March 2015,
- the fund account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Trustee has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the financial statements and being satisfied that they show a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the Trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE

SONY UNITED KINGDOM PENSION SCHEME

FOR THE YEAR ENDED 31 MARCH 2015

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Scheme's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Trustee; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Trustee's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading

Date

SONY UNITED KINGDOM PENSION SCHEME

FUND ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

	Notes	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Contributions and benefits					
Contributions receivable	3	13,000,000	7,119,818	20,119,818	20,194,062
Transfers in	4	996,773	205,879	1,202,652	203,895
Other income	5	-	-	-	712,115
		<u>13,996,773</u>	<u>7,325,697</u>	<u>21,322,470</u>	<u>21,110,072</u>
Benefits payable	6	7,761,662	222,213	7,983,875	8,014,139
Payments to and on account of leavers	7	4,013,175	1,570,267	5,583,442	4,056,857
Administrative expenses	8	2,037	370	2,407	3,163
		<u>11,776,874</u>	<u>1,792,850</u>	<u>13,569,724</u>	<u>12,074,159</u>
Net additions from dealings with members		<u>2,219,899</u>	<u>5,532,847</u>	<u>7,752,746</u>	<u>9,035,913</u>
Returns on investments					
Investment income	9	41,037,468	548	41,038,016	2,513,207
Change in market value of investments	10	66,020,356	12,432,704	78,453,060	23,960,715
Investment management expenses	11	(840,950)	-	(840,950)	(765,548)
Net returns on investment		<u>106,216,874</u>	<u>12,433,252</u>	<u>118,650,126</u>	<u>25,708,374</u>
Net increase in the Scheme for the year		<u>108,436,773</u>	<u>17,966,099</u>	<u>126,402,872</u>	<u>34,744,287</u>
Net assets of the Scheme at 1 April		<u>437,374,665</u>	<u>87,178,355</u>	<u>524,553,020</u>	<u>489,808,733</u>
Transfer between sections	14	171,379	(171,379)	-	-
Net assets of the Scheme at 31 March		<u><u>545,982,817</u></u>	<u><u>104,973,075</u></u>	<u><u>650,955,892</u></u>	<u><u>524,553,020</u></u>

The notes on pages 24 to 35 form part of these financial statements.

SONY UNITED KINGDOM PENSION SCHEME

NET ASSETS STATEMENT

AT 31 MARCH 2015

	Notes	2015 £	2014 £
Defined benefit section			
Investment assets	10		
Equities		46,010,937	57,132,524
Pooled investment vehicles		471,126,692	356,098,850
Private equity		23,073,410	18,382,959
Cash and cash equivalents		740,699	2,246,522
Other investments		276,519	215,383
AVC investments		3,025,450	2,860,080
Total investments		544,253,707	436,936,318
Current assets	12	3,202,368	621,996
Current liabilities	13	(1,473,258)	(183,649)
		545,982,817	437,374,665
Defined contribution section			
Investment assets	10		
Pooled investment vehicles		104,190,930	86,278,768
Total investments		104,190,930	86,278,768
Current assets	12	793,624	899,683
Current liabilities	13	(11,479)	(96)
		104,973,075	87,178,355
Net assets of the Scheme at 31 March		650,955,892	524,553,020

The notes on pages 24 to 35 form part of these financial statements.

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which does take account of such obligations, is dealt with on pages 7 and 8 of the Trustee's report and in the actuarial certificates on pages 15 and 16 of this annual report and these financial statements should be read in conjunction with them.

Signed for and on behalf of the Trustee of the Sony United Kingdom Pension Scheme by:

Trustee Director

Trustee Director

Date

Date

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

1. Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 and with the guidelines set out in the Statement of Recommended Practice "Financial Reports of Pension Schemes" (revised May 2007).

2. Accounting policies

The following principal accounting policies have been adopted in the preparation of the financial statements and have been applied consistently throughout the year:

Investments

Investments are included at market value.

Listed investments are stated at the bid price or the last traded price, depending on the convention of the stock exchange on which they are quoted, at the date of the net assets statement.

Pooled investment vehicles are stated at bid price for funds with bid/offer spreads, or single price where there are no bid/offer spreads as provided by the investment manager.

Unquoted private equity investments are valued by the investment manager, representing management's best estimates in the absence of readily determinable fair values. These values may differ significantly from the realisable value since no ready market for these securities exists.

Annuities

Annuities purchased by the Trustee which fully provide the benefits for certain members are included in these financial statements at nil value. The cost of purchasing these annuities is reported within the Fund Account under 'Benefits'.

Investment income

UK dividend income is accounted for when the securities are quoted ex-dividend. Overseas dividend income is accounted for on a receivable basis. Income from managed and unitised funds is accounted for when the securities are quoted ex-dividend. Interest on cash deposits and fixed interest securities is accounted for by reference to the period to which it relates. Investment income is shown net of any tax withheld whilst any tax recoverable is included with the appropriate income.

Investment income arising from the underlying investments of certain accumulation pooled investment vehicles is reinvested within the pooled investment vehicles and reflected in the unit price. It is reported within 'Change in Market Value'.

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

Contributions

Member contributions including additional voluntary contributions are accounted for when deducted from pay. Employer normal contributions that are expressed as a rate of salary are accounted for on the same basis as employees' contributions, otherwise they are accounted for in the period they are due under the Schedule of Contributions.

Employer deficit funding contributions are accounted for on the due dates on which they are payable in accordance with the Schedule of Contributions and recovery plan under which they are being paid.

Employee contributions paid under the salary sacrifice arrangement are included within employer contributions.

Benefits

Pensions payable in respect of the Scheme year are accounted for by reference to the period to which they relate. Other benefits are accounted for at the later date of the period in which the member notifies the Trustee of his decision on the type or amount of benefit to be taken or, if there is no member choice, on the date of retirement or leaving the Scheme.

Transfers to and from other schemes

Individual transfers into and out of the Scheme are accounted for when the transfer has been agreed by both parties and the receiving scheme has accepted liability for the transfer.

Expenses

Administrative expenses and some investment management expenses are met by the contributing Principal Employer with the exception of items disclosed in the financial statements which are accounted for by reference to the period to which they relate.

Foreign currency conversion

Assets and liabilities in foreign currencies are expressed in sterling at the rates of exchange ruling at the year end. Surpluses and deficits arising on conversion or translation are dealt with as part of realised and unrealised investment gains and losses. Other surpluses and deficits are dealt with as other receipts or payments as appropriate.

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

3. Contributions

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Employers				
Normal	-	6,763,482	6,763,482	6,886,065
Deficit funding	13,000,000	-	13,000,000	13,000,000
Age related rebates	-	-	-	1,735
Members				
Normal	-	14,918	14,918	26,824
Additional voluntary contributions	-	341,418	341,418	279,438
	<u>13,000,000</u>	<u>7,119,818</u>	<u>20,119,818</u>	<u>20,194,062</u>

Employer deficit funding contributions of £13 million per annum are payable for a total period of ten years until March 2024 based on the advice of the Scheme Actuary.

Due to the salary sacrifice arrangement, most members normal contributions are now included within employers normal contributions.

4. Transfers in

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Individual transfers in from other schemes	<u>996,773</u>	<u>205,879</u>	<u>1,202,652</u>	<u>203,895</u>

5. Other income

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Claims on insurance policies	<u>-</u>	<u>-</u>	<u>-</u>	<u>712,115</u>

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

6. Benefits

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Pensions	6,260,807	-	6,260,807	5,891,782
Commutations and retirement lump sums	1,427,923	99,227	1,527,150	1,642,897
Purchase of annuities	24,443	20,233	44,676	219,614
Lump sum death benefits	48,489	102,753	151,242	259,846
	<u>7,761,662</u>	<u>222,213</u>	<u>7,983,875</u>	<u>8,014,139</u>

7. Payments to and on account of leavers

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Individual transfers to other schemes	4,013,175	1,570,267	5,583,442	4,056,857

8. Administrative expenses

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Miscellaneous fees	2,037	370	2,407	3,163

Included within miscellaneous fees is an amount of £1,150 (2014: £1,558) relating to Trustee Directors' expenses.

All other costs are borne by Sony Europe Limited.

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

9. Investment income

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Dividends from equities	2,055,645	-	2,055,645	2,345,558
Income from pooled investment vehicles	38,973,406	-	38,973,406	161,777
Interest on cash deposits	8,417	548	8,965	5,872
	<u>41,037,468</u>	<u>548</u>	<u>41,038,016</u>	<u>2,513,207</u>

Income from pooled investment vehicles includes distributions of £38,078,259 (2014: £nil) from BlackRock LDI funds. The funds are permitted to declare dividends to distribute surplus cash as a result of a significant decrease in yields in order to maintain appropriate investment exposure and re-leverage the portfolio back to the target levels.

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

10. Investment assets

Defined benefit section	Value at 1 April 2014 £	Purchases at cost £	Sale proceeds £	Change in market value £	Value at 31 March 2015 £
Equities	57,132,524	25,182,438	(38,748,983)	2,444,958	46,010,937
Pooled investment vehicles	356,098,850	217,704,333	(162,064,243)	59,387,752	471,126,692
Private equity funds	18,382,959	1,028,776	(277,863)	3,939,538	23,073,410
AVC investments	2,860,080	154,313	(242,147)	253,204	3,025,450
	<u>434,474,413</u>	<u>244,069,860</u>	<u>(201,333,236)</u>	<u>66,025,452</u>	<u>543,236,489</u>
Cash and cash equivalents	2,246,522			(5,096)	740,699
Other investments	215,383			-	276,519
	<u>436,936,318</u>			<u>66,020,356</u>	<u>544,253,707</u>

Defined contribution section

	Value at 1 April 2014 £	Purchases at cost £	Sale proceeds £	Change in market value £	Value at 31 March 2015 £
Pooled investment vehicles	86,278,768	11,257,931	(5,778,473)	12,432,704	104,190,930
	<u>86,278,768</u>	<u>11,257,931</u>	<u>(5,778,473)</u>	<u>12,432,704</u>	<u>104,190,930</u>

The change in market value of investments during the year comprises increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

Included within the above equity purchases and sales figures are transaction costs of £142,092 (2014: £163,010). Costs are also borne by the Scheme in relation to transactions in pooled investment vehicles. However, such costs are taken into account in calculating the bid/offer spread of these investments and are not therefore separately identifiable.

Included within the above defined contribution sales and purchases figures are switches between the funds invested in amounting to £4,292,853 (2014: £34,618,000).

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

10. Investment assets

Defined contribution section

The defined contribution section investments are allocated as follows:

	2015	2014
	£	£
Assets allocated to members	104,190,525	86,278,768
Assets not allocated to members	405	-
	<u>104,190,930</u>	<u>86,278,768</u>

Included in the investments allocated to members are member AVC investments of £4,746,868 (2014: £3,882,066) invested as follows.

	2015	2014
	£	£
Fidelity BlackRock/Fidelity Blended Bond	378,921	254,035
Fidelity BlackRock Cash	118,258	61,907
Fidelity BlackRock Consensus Index	353,667	320,337
Fidelity BlackRock 30/70 Global Equity Index	1,744,462	1,446,618
Fidelity BlackRock UK Equity Index	298,652	265,475
Fidelity BlackRock World ex UK Equity Index	181,533	145,463
Fidelity Corporate Bond Fund	57,996	35,521
Fidelity Diversified Growth Fund	1,165,885	948,440
Fidelity Threadneedle Property	98,771	79,957
Fidelity Sony Global Equity Fund	95,532	80,150
Fidelity Majedie UK Equity	253,191	244,163
	<u>4,746,868</u>	<u>3,882,066</u>

Defined contribution assets are allocated to provide benefits to the individuals on whose behalf the contributions were paid and the assets identified as allocated to members do not form a common pool of assets available for members generally and that members receive an annual statement confirming the contributions paid on their behalf and the value of their defined contribution rights.

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

10. Investment assets

Employer related investments

During the year to 31 March 2015, the Scheme did not hold any direct investment in Sony Corporation but the Trustee invests in overseas managed funds which resulted in a small indirect holding of less than 0.1% (2014: less than 0.1%).

Concentration of investments

The following investments amounted to more than 5 per cent of the total net assets of the Scheme:

	2015	2015	2014	2014
	£	%	£	%
Defined benefit section				
Legal & General - Bonds - Over 15Y Index	48,721,321	7.48	36,546,625	6.97
Legal & General - Investment Grade Corporate Bonds	41,342,613	6.35	32,082,169	6.12
Blackrock LSF GBO Cash Fund	38,114,987	5.86	* -	* -
Blackrock AQ Life - Over 15y Gilts Index	35,750,358	5.49	* -	* -
Legal & General - Over 15yr Index Linked Gilts	* -	* -	80,249,442	15.30
Legal & General - North America Equity Index	* -	* -	27,863,471	5.31
Legal & General - World Emerging Markets Equ Ind	* -	* -	26,192,641	4.99

* Less than 5% holding.

Defined contribution section

Fidelity - Diversified Growth Fund	36,406,243	5.59	30,456,384	5.81
Fidelity - BlackRock 30/70 Equity Index Fund	35,968,006	5.53	30,514,672	5.82

Equities

	Defined benefit section	Defined contribution section	2015	2014
	£	£	£	£
UK quoted equities	46,010,937	-	46,010,937	57,132,524

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

10. Investment assets

Pooled investment vehicles

	Defined benefit section £	Defined contribution section £	2015 £	<i>2014 £</i>
Managed funds - property	23,032,318	1,289,637	24,321,955	<i>21,945,370</i>
Managed funds - other	443,494,364	102,901,293	546,395,657	<i>415,827,941</i>
Aviva Nest Egg Policies	4,600,010	-	4,600,010	<i>4,604,307</i>
	<u>471,126,692</u>	<u>104,190,930</u>	<u>575,317,622</u>	<u><i>442,377,618</i></u>

The pooled investment vehicles are managed by companies registered in the UK apart from Fulcrum Investments who are registered in Luxembourg.

Private equity

	Defined benefit section £	Defined contribution section £	2015 £	<i>2014 £</i>
Overseas unquoted private equity	<u>23,073,410</u>	<u>-</u>	<u>23,073,410</u>	<u><i>18,382,959</i></u>

Cash and cash equivalents

	Defined benefit section £	Defined contribution section £	2015 £	<i>2014 £</i>
Sterling	<u>740,699</u>	<u>-</u>	<u>740,699</u>	<u><i>2,246,522</i></u>

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

10. Investment assets

Other investments

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Income receivable	229,653	-	229,653	173,463
Tax recoverable	46,866	-	46,866	41,920
	<u>276,519</u>	<u>-</u>	<u>276,519</u>	<u>215,383</u>

AVC investments

The Trustee holds assets invested separately from the main fund in the form of individual bank accounts and insurance policies, which secure additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions. Members participating in this arrangement each receive an annual statement confirming the amounts held on their behalf and the movements in the year. The aggregate amounts of AVC investments are shown below:

	2015 £	2014 £
Equitable Life Assurance Society	447,166	438,206
Clerical Medical Managed Funds Limited	689,282	668,287
Fidelity Pensions Management	1,889,002	1,753,587
	<u>3,025,450</u>	<u>2,860,080</u>

11. Investment management expenses

	Defined benefit section £	Defined contribution section £	2015 £	2014 £
Administration, management and custody	840,950	-	840,950	765,548
	<u>840,950</u>	<u>-</u>	<u>840,950</u>	<u>765,548</u>

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

12. Current assets

	Defined benefit section £	Defined contribution section allocated to members £	Defined contribution section not allocated to members £	2015 £	2014 £
Cash balances	1,668,765	676,380	43,634	2,388,779	534,585
Debtors					
Employers contributions	-	-	-	-	518,749
Members contributions	-	-	-	-	33,473
Other debtors and prepayments	1,533,603	73,610	-	1,607,213	434,872
	<u>3,202,368</u>	<u>749,990</u>	<u>43,634</u>	<u>3,995,992</u>	<u>1,521,679</u>

In the prior year the employers and members contributions shown were received after the year end in accordance with the schedule of contributions.

13. Current liabilities

	Defined benefit section £	Defined contribution section allocated to members £	Defined contribution section not allocated to members £	2015 £	2014 £
Unpaid benefits	347,606	11,383	-	358,989	54,994
Accrued expenses	125,652	-	-	125,652	128,655
Other creditors	1,000,000	-	96	1,000,096	96
	<u>1,473,258</u>	<u>11,383</u>	<u>96</u>	<u>1,484,737</u>	<u>183,745</u>

The defined benefit sections other creditors relates to the April 2015 deficit contribution received in advance.

14. Transfer between sections

During the year the Trustee authorised the transfer of Defined Contribution section non designated assets totalling £192,944 (2014:£725,756) to meet Defined Benefit section expenditure.

The remainder of the transfer between sections amounting to a negative £21,565 (2014: positive £8,134) related to member benefits giving a grand total of £171,379 (2014: £733,890).

SONY UNITED KINGDOM PENSION SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

15. Related party transactions

The Principal Employer, Sony Europe Limited, bears certain costs of the Scheme itself. The costs borne by Sony Europe Limited in relation to the Scheme are not reflected in these financial statements.

A number of Trustee Directors were paid market-based fees and expenses by the Principal Employer amounting to £108,446 for the year to 31 March 2015. All other expenses, apart from those shown in note 8, are also paid by the Principal Employer.

All Trustee Directors are participating members of the Scheme and one Trustee Director is a member of the Sony UK Pension and Life Assurance Scheme (Supplemental).

During the year £996,773 (2014: Nil) relating to individual transfers from the Sony UK Pension and Life Assurance Scheme (Supplemental) were received by the Scheme.

Sony Global Treasury Services (SGTS) plc, a company that carries out treasury management services and provides intergroup financing for the worldwide Sony Group of companies and is the largest creditor of the Principal Employer, has provided a guarantee to the Scheme for the amount that is needed to fund it to the greater of the level of 105% of its Pension Protection Fund liabilities as calculated in accordance with Section 179 of the Pensions Act 2004 and £105m. Following discussions between the Principal Employer and the Trustee about ways in which the covenant could be strengthened, the PPF style guarantee from SGTS to the Scheme will be extended. In particular, the monetary cap on the guarantee was increased from £105m to £200m on 13 August 2014.

There were no other disclosable related party transactions during the year other than those disclosed elsewhere in the Annual Report and Financial Statements.

16. Contingent liabilities and contractual commitments

The Trustee is committed to invest £29.0m (US\$43.0m) (2014: £25.8m, US\$43.0m) in the Morgan Stanley Private Markets Fund IV LP of which £22.0m (US\$32.7m) (2014: £16.2m, US\$26.9m) has been called as at 31 March 2015.

In the opinion of the Trustee the Scheme had no contingent liabilities and no contractual commitments other than commitments noted above as at 31 March 2015 (2014: nil) with the exception of benefits payable after the year end.

SONY UNITED KINGDOM PENSION SCHEME

COMPLIANCE STATEMENT

FOR THE YEAR ENDED 31 MARCH 2015

The purpose of this compliance statement is to disclose some additional information required by law.

Tax and contracting-out status of the Scheme

The Scheme is a "registered pension scheme" for tax purposes. The defined benefit section of the Scheme is contracted out of the state second scheme and the defined contributions section is contracted in to the state second scheme.

Cash equivalents

Cash equivalents paid during the Scheme year with respect to transfers have been calculated and verified in the manner prescribed by the Pension Schemes Act 1993 and do not include discretionary benefits.

Scheme advisers

There are written agreements in place between the Trustee and each of the Scheme advisers listed on pages 1 - 2 of this annual report and also with the Principal Employer.

Pension increases

On 1 April 2014, in accordance with the Scheme Rules, the following pension increases took place.

Increases applied for Sony Basingstoke pensioners:

pre 88 GMP	Nil
post 88 GMP	2.7%
pre 97 excess	2.7% (3% or RPI if less as per December 2008 indices)
post 97 excess	2.7% (LPI per December 2008 indices)

Increases applied for Sony UK pensioners:

pre 88 GMP	Nil
post 88 GMP	2.7%
pre 97 excess	3.0% (flat increase)
excess 06/04/1997 - 31/08/2000	3.0% (LPI subject to a 3% minimum increase as per December 2008 indices)
post 01/09/2000	2.7% (LPI per December 2008 indices)

Deferred pensions have been increased in line with statutory requirements.

There were no discretionary pension increases awarded during the year (2014: nil).

SONY UNITED KINGDOM PENSION SCHEME

FURTHER INFORMATION

FOR THE YEAR ENDED 31 MARCH 2015

TPAS, the Pensions Ombudsman and The Pensions Regulator and Pension Tracing Service

In accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, members are advised that:

The Pensions Advisory Service (TPAS) of 11 Belgrave Road, London, SW1V 1RB is able to assist members and beneficiaries with pension questions and issues which they have been unable to resolve with the Trustee or the Scheme administrator (e mail: enquiries@pensionsadvisoryservice.org.uk).

The Pensions Ombudsman of 11 Belgrave Road, London, SW1V 1RB may investigate and determine certain complaints or disputes about pensions that are referred to the Ombudsman. (email: enquiries@pensions-ombudsman.org.uk).

In addition to the above, The Pensions Regulator of Napier House, Trafalgar Place, Brighton, BN1 4DW, (email: customersupport@tpr.gov.uk) may intervene in the running of pension schemes where trustees, managers, employees or professional advisers have failed in their duties. It has wide ranging powers which include the power to:

- suspend, disqualify and remove a trustee, or director of a trustee company, for consistently not carrying out their duties;
- wind up schemes where necessary;
- apply for injunctions to prevent the misuse and misappropriation of scheme assets and apply for restitution where necessary.

Information regarding the Scheme has been given to the Pension Tracing Service. You can trace your pension by contacting the Pension Tracing Service at The Pension Tracing Service, Tyneview Park, Whitley Road, Newcastle Upon Tyne, NE98 1BA or online at www2.dwp.gov.uk/tps-directgov/en/contact-tps/pension-tracing-form.asp.

Internal disputes resolution procedure

A disputes resolution procedure has been agreed by the Trustee to resolve any queries raised by beneficiaries or potential beneficiaries of the Scheme and details of this can be obtained by writing to the contacts below.

M Martin

Sony Europe Limited
c/o Legal Department
The Heights
Brooklands
Weybridge
Surrey KT13 0XW

M Clements

Sony Europe Limited
c/o Legal Department
The Heights
Brooklands
Weybridge
Surrey KT13 0XW

B Massieh

Sony Europe Limited
c/o Legal Department
The Heights
Brooklands
Weybridge
Surrey KT13 0XW

SONY UNITED KINGDOM PENSION SCHEME

FURTHER INFORMATION

FOR THE YEAR ENDED 31 MARCH 2015

Contact for further information

Any requests from individuals for information about their benefits should be sent to:

Sony United Kingdom Pension Scheme
PO Box 545
Redhill
RH1 1YX

A copy of the Scheme's documentation is available on The Sony United Kingdom Pension Scheme website:
www.sukps.org.uk

Any queries or complaints about the Scheme should be sent to:

Roy Douglas
Sony Europe Limited
The Heights
Brooklands
Weybridge
Surrey KT13 0XW
Roy.Douglas@eu.sony.com