

PSYGNOSIS HOLDINGS PLC

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

Registered number: 3300852



PSYGNOSIS HOLDINGS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013

The directors present their report and the audited financial statements of the company for the year ended 31 March 2013

Results and dividends

The financial statements show a loss on ordinary activities before taxation of €18,000 (2012 €89,000 profit)

The directors do not recommend the payment of a dividend (2012 €nil)

Business review and principal activities

The principal activity of the company is to act as a holding company of Psygnosis Limited and Psygnosis Licensing Limited

Psygnosis Holdings PLC does not trade. For a full business review refer to page 2 of the financial statements of Sony Computer Entertainment Europe Limited

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the parent company and are not managed separately. These risks are discussed on page 2 of the Sony Computer Entertainment Europe Limited annual report for the year ended 31 March 2013 which does not form part of this report

Key performance indicators

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business

Future developments

The company is expected to continue to act as a holding company of Psygnosis Licensing Limited and Psygnosis Limited

Financial risk management

Financial risk management is the ultimate responsibility of the boards of Psygnosis Holdings PLC and its immediate parent company Sony Computer Entertainment Europe Limited, and is monitored by the finance team

Political and charitable donations

The company made no political or charitable donations in the financial year (2012 €nil)

Directors

The directors who held office during the year ended 31 March 2013 and up to the date of signing these financial statements are as follows

J Ryan
S Rutter

PSYGNOSIS HOLDINGS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

Statement of Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. The directors were not entitled to take advantage of small companies' exemption in preparing the Directors' Report.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The company maintains liability insurance for its directors and officers. The company also provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purpose of the Companies Act 2006. The indemnity was in force throughout the financial year and is currently in force.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that so far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware. Each director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

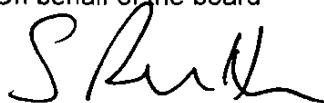
PSYGNOSIS HOLDINGS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



S Rutter
Director

23 September 2013

PSYGNOSIS HOLDINGS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PSYGNOSIS HOLDINGS PLC

We have audited the financial statements of Psygnosis Holdings PLC for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2 the directors are responsible for the preparation of the financial statements and for being satisfied that they give 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its loss for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

PSYGNOSIS HOLDINGS PLC

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to take advantage of small companies' exemption in preparing the Directors' Report

Wendy Russell

Wendy Russell (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

24 September 2013

PSYGNOSIS HOLDINGS PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2013

| | Note | 2013 €'000 | 2012 €'000 |
|---|------|---------------|---------------|
| Interest receivable and similar income | | - | 95 |
| Interest payable and similar charges | | (18) | (6) |
| (Loss)/profit on ordinary activities before taxation | 1(a) | (18) | 89 |
| Tax on (Loss)/profit on ordinary activities | 3 | 4 | (21) |
| (Loss)/profit for the financial year | 8 | (14) | 68 |

All results derive from continuing operations

The company has no recognised gains or losses other than the results shown above and therefore no separate statement of total recognised gains and losses has been presented

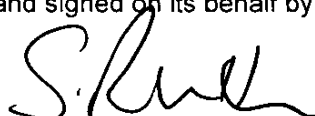
There is no material difference between the (loss)/profit on ordinary activities before taxation and (loss)/profit for the financial years stated above and their historical cost equivalents

PSYGNOSIS HOLDINGS PLC

BALANCE SHEET AS AT 31 MARCH 2013

| | Note | 2013 €'000 | 2012 €'000 |
|---|------|---------------|---------------|
| Fixed assets | | | |
| Investments | 4 | 124,485 | 124,485 |
| Current assets | | | |
| Debtors | 5 | 1,757 | 1,775 |
| Creditors amounts falling due within one year | 6 | (619) | (623) |
| Net current assets | | 1,138 | 1,152 |
| Total assets less current liabilities | | 125,623 | 125,637 |
| Net assets | | 125,623 | 125,637 |
| Capital and reserves | | | |
| Called up share capital | 7 | 248,504 | 248,504 |
| Profit and loss account | 8 | (122,881) | (122,867) |
| Total shareholders' funds | 8 | 125,623 | 125,637 |

These financial statements on pages 6 to 12 were approved by the board on 23 September 2013, and signed on its behalf by



S Rutter
Director

Registered number 3300852

PSYGNOSIS HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1. Accounting policies

Basis of preparation

The financial statements are prepared in the United Kingdom under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the Companies Act 2006. These financial statements have been prepared on a going concern basis and using consistently applied accounting policies.

I Foreign currencies

The local and presentation currency is the Euro. Transactions in foreign currencies are translated into Euros at the rate prevailing at transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into Euros at the rates of exchange prevailing at the balance sheet date. At 31 March 2013 the rate applicable was €1 to £0.84234. Non-monetary assets and liabilities denominated in foreign currencies are translated into Euros at the historic rates of exchange. All foreign exchange differences are taken to the profit and loss account.

II. Taxation

UK Corporation Tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. There is no deferred taxation arising and therefore disclosure under FRS 19 is not required.

III Group financial statements

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare group financial statements. The parent undertaking of the smallest group for which group financial statements are prepared, and of which the company is a member, is Sony Corporation registered in Japan.

IV Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 'Cash Flow Statements' (revised 1996) as its results are consolidated in the Group financial statements of Sony Corporation. Copies of these financial statements can be obtained from Sony Global Treasury Services Plc, 15th Floor, Commercial Union Tower, 1 Undershaft, London, EC3A 8EE.

V Financial Instruments

Foreign exchange gains or losses arise only from the translation into Euros of monetary assets and liabilities denominated in foreign currencies.

VI. Investments

Impairment reviews are carried out by the Finance team whenever a triggering event arises.

PSYGNOSIS HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

1 (a) (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The (loss)/profit on ordinary activities before taxation is stated after charging

| | 2013 €'000 | 2012 €'000 |
|------------------------------|---------------|---------------|
| Foreign exchange (loss)/gain | (18) | 89 |

Auditors' remuneration is borne by a group undertaking

The company had no employees in the year (2012 none)

2. DIRECTORS EMOLUMENTS

None of the directors received remuneration in the year in respect of their services to the company
(2012 €nil)

3. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

| | 2013 €'000 | 2012 €'000 |
|--|---------------|---------------|
| UK corporation tax on (losses)/profits of the year | (4) | 23 |
| Adjustments in respect of prior years | - | (2) |
| Tax on (loss)/profit | (4) | 21 |

The tax assessed for the year is the same as (2012 lower than) the standard rate of corporation tax in the UK

The differences are explained below

| | 2013 €'000 | 2012 €'000 |
|---|---------------|---------------|
| (Loss)/profit on ordinary activities before tax | (18) | 89 |
| Tax on (loss)/profit on ordinary activities at standard CT rate of 24.00% (2012 26.00%) | (4) | 23 |
| Effects of | | |
| Adjustments in respect of prior years | - | (2) |
| Current tax (credit)/charge for the year | (4) | 21 |

Factors which may affect future tax charges

Legislation to reduce the main rate of corporation tax to 23% from 1 April 2013 was included in the Finance Act 2012. The Finance Act 2012 was substantively enacted at the balance sheet date. Legislation to reduce the corporation tax rate further to 21% from 1 April 2014 and 20% from 1 April 2015 is included in the Finance Act 2013.

PSYGNOSIS HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

3 TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (continued)

The Finance Act was substantively enacted on 2 July 2013. The rate reductions to 21% and 20% had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

4 FIXED ASSET INVESTMENTS

Shares in
Subsidiary
Undertakings
€'000

Cost and net book value as at 1 April 2012
and 31 March 2013

124,485

There has been no impairment of the investment during the financial year (2012: €nil).

Details of the principal subsidiary undertakings are set out below.

| Name of undertaking | Country of incorporation | Nature of business | Percentage owned |
|-----------------------------|--------------------------|--------------------|------------------|
| Psygnosis Limited | England | Dormant company | 100% |
| Psygnosis Licensing Limited | England | Software publisher | 100% |

The principal subsidiary undertakings all have share capital consisting solely of ordinary shares and are directly held. The net book value of investments is supported by the subsidiary's underlying net assets.

5. DEBTORS

| | 2013 €'000 | 2012 €'000 |
|------------------------------------|---------------|---------------|
| Amounts owed by group undertakings | 1,757 | 1,775 |

Amounts due from group undertakings are unsecured and repayable on demand.

6. CREDITORS: amounts falling due within one year

| | 2013 €'000 | 2012 €'000 |
|------------------------------------|---------------|---------------|
| Amounts owed to group undertakings | 619 | 623 |

Amounts owed to group undertakings represents group relief payable to Sony Computer Entertainment Europe Limited.

PSYGNOSIS HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

7. CALLED UP SHARE CAPITAL

| | Number of shares | 2013 €'000 | Number of shares | 2012 €'000 |
|---|---------------------|---------------|---------------------|---------------|
| Authorised | | | | |
| Ordinary shares of £1 (€1 6334) each | 200,000,000 | 326,680 | 200,000,000 | 326,680 |
| Preference shares of £1 (€1 6334) each | 60,000,000 | 98,004 | 60,000,000 | 98,004 |
| | 260,000,000 | 424,684 | 260,000,000 | 424,684 |
| Allotted, called up and fully paid | | | | |
| Ordinary shares of £1 (€1 6334) each | 152,139,162 | 248,504 | 152,139,162 | 248,504 |
| Preference shares of £1 (€1 6334) each | - | - | - | - |
| | 152,139,162 | 248,504 | 152,139,162 | 248,504 |

8. STATEMENT OF MOVEMENT IN SHAREHOLDERS' FUNDS AND RESERVES

Reconciliation of movements in shareholders' funds

| | 2013 €'000 | 2012 €'000 |
|--------------------------------------|---------------|---------------|
| Opening shareholders' funds | 125,637 | 125,569 |
| (Loss)/profit for the financial year | (14) | 68 |
| Closing shareholders' funds | 125,623 | 125,637 |

Reserves

| | Profit and Loss Account €'000 |
|-----------------------------|-------------------------------------|
| Balance as at 1 April 2012 | (122,867) |
| Loss for the financial year | (14) |
| Balance as at 31 March 2013 | (122,881) |

9. IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS

The immediate parent undertaking is Sony Computer Entertainment Europe Limited

The ultimate parent undertaking and controlling party is Sony Corporation, a company incorporated in Japan

Sony Corporation is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 March 2013. The consolidated financial statements of Sony Corporation are available from Sony Global Treasury Services Plc, 15th Floor, Commercial Union Tower, 1 Undershaft, London, EC3A 8EE

PSYGNOSIS HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

10. RELATED PARTY TRANSACTIONS

As 100% of share capital is held by its parent (Sony Computer Entertainment Europe Limited), advantage has been taken of paragraph 3 of FRS8 "Related party disclosures" not to disclose transactions with other group companies. Consolidated financial statements for Sony Corporation are publicly available.