

Albion Development VCT PLC

Interim Management Statement

Introduction

I am pleased to present the Company's interim management statement for the period from 1 January 2010 to 17 May 2010 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

Financial Position and Performance

The Ordinary shares' unaudited net asset value (NAV) per the management accounts as at 31 March 2010 was £23.0 million (31 December 2009: £22.3 million) or 77.8 pence per share (excluding treasury shares) (31 December 2009: 75.3 pence per share).

The current NAVs and comparative figures are calculated after accounting for the first dividend for the year to 31 December 2010 of 4 pence per share (total cost: £1,180,000) in respect of Ordinary shares which was paid on 4 May 2010 to shareholders on the register as at 6 April 2010.

The D shares' unaudited net asset value per the management accounts as at 31 March 2010 was £3.0 million (31 December 2009: £1.4 million) or 94.6 pence per share (31 December 2009: 94.6 pence per share).

During the period from 1 January 2010 to 31 March 2010, the Company issued 1,734,295 D shares of 50 pence each at a price of 100 pence per share under the Offer for Subscription of D shares.

A further 3,115,760 D shares were issued between 1 April 2010 and 17 May 2010 at a price of 100 pence per share. After costs of issue of the new shares, the D share NAV as at 17 May 2010 would be approximately 94.5 pence per share.

Share issues under the dividend reinvestment scheme, buybacks and discount management

On 4 May 2010, the Company issued 101,296 Ordinary shares of 50 pence each at a price of 75.30 pence per share under the Dividend Reinvestment Scheme.

During the period from 1 January 2010 to 17 May 2010, the Company purchased 291,350 shares for treasury at an average price of 64.81 pence per share.

It remains the Board's policy to buy back shares in the market, subject to the overall constraint that such purchases are in the Company's interest, including the maintenance of sufficient resources for investment in existing and new investee companies and the continued payment of dividends to shareholders.

It is the Company's intention that, subject to the sufficiency of cash resources and any market constraints, share buy-backs will take place at a discount of around 10 per cent. to the prevailing net asset value.

Portfolio

In the period from 1 January 2010 to 17 May 2010, Albion Development VCT PLC has made the following investments:

Investment portfolio

Investment	Existing/New investment	£'000s
Forth Photonics Limited	Existing	140
Prime Care Holdings Limited	Existing	130
Mi-Pay Limited	Existing	55
Oxsensis Limited	Existing	47
Rostima Limited	Existing	12
GB Pub Company VCT Limited	Existing	4
Mears Group PLC	Existing	1

Top Ten Qualifying Holdings as at 31 March 2010

Holding	Carrying Value £'000s
Evolutions Television Limited	2,363
The Weybridge Club Limited	1,359
Mears Group plc	1,276
Blackbay Limited	1,131
Peakdale Molecular Limited	1,125
CS (Greenwich) Limited	868
RFI Global Services Limited	808
Taunton Nursing Home Limited	675
Kensington Health Clubs Limited	669
Consolidated PR Limited	656

Disposals

During the period from 1 January 2010 to 17 May 2010, Consolidated PR Limited repaid £6,000 of loan stock, CS (Greenwich) Limited repaid £23,000 of loan stock, City Screen (Liverpool) Limited repaid £5,000 of loan stock, The Dunedin Pub Company VCT Limited repaid £96,000 of loan stock, Peakdale molecular repaid £28,000 of loan stock and River Bourne Health Club Limited repaid £4,000 of loan stock.

There have been no further significant events or transactions that the Board is aware of which would have a material impact on the financial position of the Company between 1 January 2010 and 17 May 2010.

Information regarding historic and current financial performance and other useful shareholder information can be found on the Fund's website under [www.albion-ventures.co.uk/Our Funds/Albion Development VCT PLC](http://www.albion-ventures.co.uk/OurFunds/AlbionDevelopmentVCTPLC).

Geoffrey Vero, Chairman

17 May 2010

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