

Albion Development VCT PLC Interim Management Statement

Introduction

I am pleased to present Albion Development VCT PLC (the “Company”)’s interim management statement for the period from 1 July 2014 to 11 November 2014 as required by the UK Listing Authority’s Disclosure and Transparency Rule 4.3.

Performance and dividends

The Company’s Ordinary shares’ unaudited net asset value, based on management accounts, as at 30 September 2014 was £26.9 million (30 June 2014: £25.6 million) or 71.36 pence per share (excluding treasury shares) (30 June 2014: 70.80 pence per share) after accounting for the dividend of 2.50 pence per share paid on 30 September 2014 to shareholders on the register as at 5 September 2014.

The Company’s D shares’ unaudited net asset value, based on management accounts, as at 30 September 2014 was £6.9 million (30 June 2014: £6.7 million) or 107.45 pence per share (excluding treasury shares) (30 June 2014: 105.04 pence per share) after accounting for the dividend of 2.50 pence per share paid on 30 September 2014 to shareholders on the register as at 5 September 2014.

Adjusting for the payment of the dividend, the Company’s Ordinary shares’ net asset value has risen by 0.56 pence per share or 0.8 per cent. since 30 June 2014, and the D shares’ net asset value has risen by 2.41 pence per share or 2.3 per cent., both as a result of an increase in investment valuations.

Share issues and buybacks

During the period from 1 July 2014 to 30 September 2014, the Company issued the following Ordinary shares under the Albion VCTs Top Up Offers 2013/2014 and the Albion VCTs Prospectus Top Up Offers 2013/2014.

Date	Number of shares issued	Issue price per share (including costs of issue)*	Net proceeds £’000
4 July 2014	10,062	73.70 pence	7
4 July 2014	5,398	74.10 pence	4
4 July 2014	30,139	74.50 pence	22
4 July 2014 (Prospectus)	367,381	74.50 pence	266
30 September 2014 (Prospectus)	960,844	73.00 pence	680
Total	1,373,824		979

* The difference in the issue price per share reflects the “early bird” incentives as explained in the Albion VCT Top Up Offers 2013/2014 investor guide.

The Albion VCT Prospectus Top Up Offers 2013/2014 closed on 30 September 2014.

A total of 4,157,248 shares were issued under the Albion VCTs Top Up Offers 2013/2014 and the Albion VCTs Prospectus Top Up Offers 2013/2014 raising net proceeds of £3.03 million.

Total shares issued under the Albion VCTs Top Up Offers 2013/2014 and the Albion VCTs Prospectus Top Up Offers 2013/2014	Number of shares issued	Net proceeds £’000
31 January 2014	1,113,029	812
5 April 2014	1,670,395	1,238
4 July 2014	412,980	299
30 September 2014	960,844	680
Total	4,157,248	3,029

The proceeds of the Offers are being used to provide further resources to the Company at a time when a number of attractive new investment opportunities are being seen.

In addition, the following shares were issued under the dividend reinvestment scheme (and are included in the net asset value figures for 30 September 2014 above):

Ordinary shares

Date	Number of shares issued	Issue price per share	Net proceeds £'000
30 September 2014	149,111	70.80 pence	103

D shares

Date	Number of shares issued	Issue price per share	Net proceeds £'000
30 September 2014	16,291	105.04 pence	16

During the period from 1 July to 11 November 2014, the Company purchased 122,000 Ordinary shares for £85,000 at an average price of 69.70 pence per Ordinary share. All of the shares are to be held in treasury.

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 portfolio companies and the continued payment of dividends to shareholders. It is the Board's intention for such buy-backs to be at around a 5 per cent. discount to net asset value, so far as market conditions and liquidity permit.

Portfolio

The following investments have been made by the Company during the period from 1 July 2014 to 11 November 2014:

<i>New investments</i>	£000's	Activity
Omprompt Limited	650	<i>Business to business integration software</i>
Infinite Ventures (Goathill) Limited	32	<i>Wind turbine project in Scotland</i>
<i>Total new investments</i>	682	

<i>Further investments</i>		
Chonais Holdings Limited	788	<i>Hydropower project in Scotland</i>
Relayware Limited	255	<i>Provider of business collaboration and communication solutions</i>
MyMeds&Me Limited	141	<i>Software for managing pharmaceutical adverse events</i>
Taunton Hospital Limited	128	<i>Owner and operator of a psychiatric hospital</i>
Proveca Limited	119	<i>Repositioning of pediatric medicines</i>
Cisiv Limited	96	<i>Software and services for non-interventional clinical trials</i>
Rostima Holdings Limited	86	<i>Provider of labour management software for the marine and aviation industries</i>
Mirada Medical Limited	77	<i>Developer of medical imaging software</i>
Abcodia Limited	38	<i>Validation and discovery of serum biomarkers</i>
Blackbay Limited	17	<i>Provider of mobile data solutions</i>
AMS Sciences Limited	6	<i>Provider of metabolism data in clinical and pre-clinical development</i>
DySIS Medical Limited	5	<i>Development, manufacture and sale of medical devices for detection of cervical cancer</i>
<i>Total further investments</i>	1,756	

Disposals and loan stock repayments

The following disposals and loan stock repayments were made during the period from 1 July 2014 to 11 November 2014:

Name	£000's	
Peakdale Molecular Limited	1,363	Disposal of investment
Tower Bridge Health Club Limited	776	Disposal of investment
Consolidated PR Limited	188	Disposal of investment
Chichester Holdings Limited	136	Loan stock repayment
Radnor House School (Holdings) Limited	102	Loan stock and capitalised interest repayment
Dexela Limited	68	Payment of year 3 earn out
Hilson Moran Holdings Limited	61	Loan stock and redemption premium repayment
The Dunedin Pub Company VCT Limited	55	Final proceeds on disposal
The Charnwood Pub Company VCT Limited	19	Loan stock repayment
Total proceeds	2,768	

Helveta Limited went into administration on 18 September 2014. The assets of Helveta Limited were purchased by Elements Software Limited, and the Company received 0.55 per cent. of the ordinary share capital in the new entity.

Top ten holdings as at 30 September 2014 (Ordinary and D shares in aggregate):

Investment	Carrying value £000's	% of net asset value £000's
Radnor House School (Holdings) Limited	2,852	8.5
The Street by Street Solar Programme Limited	1,705	5.1
Blackbay Limited	1,657	4.9
Regenerco Renewable Energy Limited	1,282	3.8
Taunton Hospital Limited	1,160	3.4
Chonais Holdings Limited	1,137	3.4
Alto Prodotto Wind Limited	1,129	3.3
Bravo Inns II Limited	1,113	3.3
Lowcosttravelgroup Limited	1,090	3.2
Mirada Medical Limited	976	2.9

A full breakdown of the Company's portfolio can be found on the funds website under 'Portfolio of Investments' at www.albion-ventures.co.uk/ourfunds/AADV.htm

Material events and transactions

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 July 2014 to 11 November 2014.

Further information

The Company continues to offer a Dividend Reinvestment Scheme to existing shareholders. Details of this Scheme can be found at www.albion-ventures.co.uk/ourfunds/AADV.htm.

Further 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/ourfunds/AADV.htm.

Geoffrey Vero, Chairman

11 November 2014

For further information please contact:

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