

Albion Development VCT PLC Interim Management Statement

Introduction

I am pleased to present Albion Development VCT PLC's interim management statement for the period from 1 January 2015 to 19 May 2015.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 March 2015 was £36.4 million or 74.25 pence per share (excluding treasury shares), an increase of 1.13 pence per share (1.5 per cent.) since 31 December 2014. This is mainly as a result of an increase in investment valuations.

A dividend of 2.5 pence per share is payable on 29 May 2015, to shareholders on the register as at 1 May 2015.

Share issues

During the period from 1 January 2015 to 19 May 2015, the Company issued a total of 6,304,200 new Ordinary shares under the Albion VCTs Prospectus Top Up Offers 2014/2015. These issues raised net proceeds of £4.58 million, which is made up as follows:

Date	Number of shares issued	Issue price per share (including costs of issue)	Net proceeds £'000
30 January 2015	1,287,521	72.9 pence	920
30 January 2015	693,078	73.2 pence	495
2 April 2015	4,323,601	75.4 pence	3,162
Total	6,304,200		4,577

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.

A Securities Note which forms part of the Prospectus can be found on the website www.albion-ventures.co.uk. The Offer will close on 30 September 2015 (unless fully subscribed earlier).

Conversion of 'D' shares to Ordinary shares

In accordance with the Articles of Association, 9,566,325 new Ordinary shares were issued as a result of the conversion of 'D' shares to Ordinary shares on 31 March 2015. Each former 'D' shareholder received 1.4975 Ordinary shares for each 'D' share previously held. All former 'D' shareholders will have received new Ordinary share certificates accordingly.

Share buy-backs

During the period from 1 January 2015 to 19 May 2015, the Company purchased 341,000 shares for £231,000 at an average price of 67.7 pence per share. The shares are to be held in treasury. The Company also cancelled 25,625 former 'D' shares from 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 during the period from 1 January 2015 to 19 May 2015:

Further investments	£000's	Activity
Radnor House School (Holdings) Limited	988	<i>Independent schools for children aged 7 - 18</i>
Abcodia Limited	262	<i>Validation and discovery of molecular biomarkers linked to age related diseases</i>
TEG Biogas (Perth) Limited	203	<i>Anaerobic digestion plant</i>
Proveca Limited	119	<i>Repositioning of pediatric medicines</i>
Cisiv Limited	96	<i>Software and services for non-interventional clinical trials</i>
Exco Intouch Limited	88	<i>Provider of mobile patient data solutions</i>
Regenerco Renewable Energy Limited	64	<i>Generator of renewable energy from roof top solar installations</i>
Silent Herdsman Holdings Limited	52	<i>Remote animal health monitoring</i>
Mi-Pay Group PLC	51	<i>Provider of mobile payment services</i>
Rostima Holdings Limited	18	<i>Provider of labour management software for the marine and aviation industries</i>
AVESI Limited	17	<i>Generator of renewable energy from roof top solar installations</i>
Oxsensis Limited	11	<i>Developer and producer of high temperature sensors</i>
Total further investments	1,969	

Disposals and loan stock repayments

The following disposals and loan stock repayments were made during the period from 1 January 2015 to 19 May 2015:

Name	£000's	
Orchard Portman Group	1,325	Disposal of investment
Radnor House School (Holdings) Limited	15	Loan stock and capitalised interest repayment
Hilson Moran Holdings Limited	9	Loan stock and redemption premium repayment
Total proceeds	1,349	

Top ten holdings as at 31 March 2015:

Investment	Carrying value £000's	% of net asset value	Activity
Radnor House School (Holdings) Limited	3,832	10.5%	<i>Independent schools for children aged 7-18</i>
Chonais Holdings Limited	1,910	5.2%	<i>Hydropower project in Scotland</i>
The Street by Street Solar Programme Limited	1,771	4.9%	<i>Generator of renewable energy from roof top solar installations</i>
Blackbay Limited	1,571	4.3%	<i>Provider of mobile data solutions</i>
Lowcosttravelgroup Limited	1,529	4.2%	<i>Online travel business</i>
Regenerco Renewable Energy Limited	1,497	4.1%	<i>Generator of renewable energy from roof top solar installations</i>
Alto Prodotto Wind Limited	1,231	3.4%	<i>Owns and operates community scale wind energy projects on brownfield sites in the UK</i>
Bravo Inns II Limited	1,106	3.0%	<i>Owner and operator of freehold pubs</i>
TEG Biogas (Perth) Limited	983	2.7%	<i>Anaerobic digestion plant</i>
Exco Intouch Limited	970	2.7%	<i>Provider of mobile patient data solutions</i>

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

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 January 2015 to 19 May 2015.

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

19 May 2015

For further information please contact:

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