

## Albion Venture Capital Trust PLC Interim Management Statement

### Introduction

I am pleased to present Albion Venture Capital Trust PLC's (the "Company") interim management statement for the period from 1 October 2010 to 7 February 2011 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

### Financial position and dividends

The Company's unaudited net asset value (NAV), based on management accounts, as at 31 December 2010 was £26.9 million (30 September 2010: £27.9 million) or 78.43 pence per share (excluding treasury shares) (30 September 2010: 80.80 pence per share).

The current NAV is calculated after accounting for both the first dividend for the year to 31 March 2011 of 2.5 pence per share (total cost: £867,000), paid on 25 June 2010 to shareholders on the register as at 28 May 2010, and the second dividend for the year to 31 March 2011 of 2.5 pence per share (total cost: £864,000), paid on 31 December 2010 to shareholders on the register as at 3 December 2010. The figures for 30 September 2010 only included the first dividend for the year.

As at 31 January 2011, total cash on deposit, or short term money market, and other liquid instruments amounted to approximately £1.8 million (30 September 2010: £2.3 million).

### Portfolio

The following investments have been made during the period from 1 October 2010 to 7 February 2011:

Name	£000's	
Oakland Care Centre Limited (new investment)	843	<i>Specialist dementia care facility</i>
TEG Biogas (Perth) Limited (further investment)	143	<i>Anaerobic digestion plant in Scotland</i>
Bravo Inns II Limited (further investment)	70	<i>Owns and operates public houses based in the North of England</i>
The Street by Street Solar Programme Limited (new investment)	20	<i>Photovoltaic installations on domestic roofs in Maidenhead &amp; Windsor</i>

### Disposals

During the period from 1 October 2010 to 7 February 2011, Geronimo Inns VCT I Limited and Geronimo Inns VCT II Limited were sold for combined total proceeds of £628,000, against an original combined cost of £540,000 and a carrying value at 30 September 2010 of £620,000.

In the same period the Company received loan stock repayments from G&K Smart Developments VCT Limited (£580,000), City Screen (Cambridge) Limited (£75,000), Kew Green VCT (Stansted) Limited (£55,000) and The Dunedin Pub Company VCT Limited (£4,000).

### Top ten holdings as at 31 December 2010:

<u>Investee Company</u>	<u>Carrying/fair value</u> £000's
Kew Green VCT (Stansted) Limited	6,535
The Stanwell Hotel Limited	2,747
The Crown Hotel Harrogate Limited	2,224
City Screen (Cambridge) Limited	1,557
The Place Sandwich VCT Limited	1,464
The Bear Hungerford Limited	1,425
G&K Smart Developments VCT Limited	1,256*
The Charnwood Pub Co Limited	1,211
The Weybridge Club Limited	1,169
CS (Greenwich) Limited	1,025

\* £380,000 of loan stock has been repaid since 31 December 2010

## **Material Events and Transactions**

### **Dividends**

As mentioned above, a dividend of 2.5 pence per Ordinary share was paid on 31 December 2010 to shareholders on the register as at 3 December 2010.

### **Dividend Reinvestment Scheme**

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/Our Funds/Albion Venture Capital Trust PLC](http://www.albion-ventures.co.uk/Our_Funds/Albion_Venture_Capital_Trust_PLC) in the Circular issued to shareholders on 10 July 2008. During the period, 51,690 Ordinary shares of 50p each in the capital of the Company were allotted on 31 December 2010 at an issue price of 78.3 pence per share representing 4.7 per cent. of the dividends paid.

### **Share buy-backs**

During the period from 1 October 2010 to 7 February 2011, the Company purchased 460,995 shares at an average of 65 pence per share. These shares will be held in treasury. This utilises the amount of £300,000 allocated by the Board for share buybacks for the 6 months to 31 March 2011. The Board will consider allocating a further sum for buybacks following publication of the results for the year to 31 March 2011.

### **Albion VCTs Linked Top Up Offer**

On 1 November 2010 the Company announced the launch of the Albion VCTs Linked Top Up Offer. In aggregate, the Albion VCTs will be aiming to raise up to £15 million across seven VCTs managed by Albion Ventures LLP, of which Albion Venture Capital Trust PLC's share will be up to approximately £2.25 million. The maximum amount raised by each of the Albion VCTs will be the lower of Euros 2.5 million, and 10 per cent. of its issued share capital (over any one 12 month period, and including any shares issued under Dividend Reinvestment Schemes), being the amount that they may issue under the Prospectus Rules without the publication of a full prospectus. The number of new shares available may change depending on the £: euro exchange rate at the date of allotment.

The proceeds of the Offer will be used to provide further resources to the Albion VCTs at a time when a number of attractive new investment opportunities are being seen.

An Investor Guide and Offer Document have been sent to shareholders and can also be found on the website [www.albion-ventures.co.uk](http://www.albion-ventures.co.uk), under the 'Our Funds' section.

The first allotment of New Ordinary Shares of nominal value 50 pence per share in the Company under the Albion VCTs Linked Top Up Offer took place on 7 January 2011 at an issue price of 82.9 pence per New Ordinary Share.

Applications for 789,262 New Ordinary Shares in the Company were received. The net proceeds of the Offer to date to the Company are approximately £604,000.

### **Share price**

The closing mid market price for the shares on 7 February 2011 was 65.0 pence per share, resulting in a 17 per cent discount to the net asset value of 78.43 pence per share.

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 October 2010 and 7 February 2011.

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/Our Funds/Albion Venture Capital Trust PLC](http://www.albion-ventures.co.uk/Our_Funds/Albion_Venture_Capital_Trust_PLC).

David Watkins, Chairman  
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