

Close Income & Growth VCT PLC
Interim Management Statement

Introduction

I am pleased to present the Company's interim management statement for the period from 1 October 2008 to 10 February 2009 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

Financial Position and Performance

The Company's approximate unaudited net asset value (NAV) as at 31 December 2008 was 74.31 pence per share. This is after accounting for the first dividend for the year to 30 September 2009 of 1.75 pence per share which was paid on 2 February 2009 to shareholders on the register at 5 January 2009. The fall in the NAV is also reflecting the continuing caution taken by the Investment Manager in its unquoted valuations for the period to 31 December 2008.

Portfolio

In the period from 1 October 2008 to 10 February 2009 Close Income & Growth VCT PLC made investments totalling £1.93 million, of which £1.79 million was in eight existing investments and £0.14 million in two new investments.

The following investments were made for £0.1 million or more:

Name	£000's	
Forth Photonics (<i>new investment</i>)	105	A medical device company that designs, develops, manufactures and markets imaging systems for the non-invasive, in-vivo detection of cancerous and pre-cancerous lesions
Helveta Limited (<i>follow-on investment</i>)	154	Provider of software solutions, traceability and inventory analysis to the timber industry.
Mi-Pay Limited (<i>follow-on investment</i>)	191	Provider of mobile payment services
Xceleron Limited (<i>follow-on investment</i>)	289	Provider of a range of drug development services to the life-sciences industries.
Kensington Health Clubs Limited (<i>follow-on investment</i>)	1,000	Operator of health and fitness club in central London
Other investments made for less than £100,000 each	193	
Total investments in period	1,932	

Top ten holdings (as at 31 December 2008)

Investee Company	Carrying/fair value £000's
Rabobank Floating Rate Note 29/07/2010	4,974
The Weybridge Club Limited	2,901
Evolutions Television Limited	2,078
Chichester Holdings Limited	1,900
Blackbay Limited	1,795
Kensington Health Clubs Limited	1,719
Clear Pub Company VCT Limited	1,435
Tower Bridge Health Clubs Limited	1,401
Xceleron Limited	1,367
Bravo Inns II Limited	997

Dividends

As mentioned above, a dividend of 1.75 pence per Ordinary share was paid on 2 February 2009 to shareholders on the register as at 5 January 2009.

Share buybacks and discount

As disclosed by the Board on 22 December 2008, the Company will limit the cash available for share buy-backs to up to £500,000 for the six months to 31 March 2009. In the period from 1 October 2008 to 10 February 2009, your Company re-purchased 537,725 Ordinary shares at an average price of 56 pence per share. The Ordinary shares purchased represent 1.27% of the total number of voting rights in the Company as at 10 February 2009. Following the buybacks mentioned above, the Company now has just under £200,000 allocated for buybacks until 31 March 2008, at which time the Board will review the policy on buy backs again.

All the shares bought back in the period are held in treasury. Buy-backs of treasury shares during the period were transacted through Winterflood Securities Limited, a subsidiary of Close Brothers Group plc, who, at the time of the transaction, was the ultimate parent company of the Manager.

Dividend Reinvestment Scheme

Further to the Dividend Reinvestment Scheme introduced by the Company (details of which were set out in the Circular issued to shareholders on 22 December 2008), the Company allotted 50,569 Ordinary shares of 50p each (the "New Ordinary Shares") in the capital of the Company on 2 February 2009, which represents 5.57% of the dividends paid on 2 February 2009. In accordance with the Circular, the New Ordinary Shares were issued at a price of 77.98p.

The Manager

The business of Close Ventures Limited, the manager of the VCT, has been acquired by Albion Ventures LLP ("Albion Ventures") from Close Brothers Group ("Close"). Albion Ventures has been formed by the executive directors of Close Ventures Limited; meanwhile Close will continue to have an investment in the business.

The VCT's management contract has been novated from Close Ventures to Albion Ventures under exactly the same terms as the current agreement. The investment approach of Albion Ventures and the investment policy of the VCT are also unchanged, with a continued emphasis on building up a broad portfolio of investee companies normally with no bank borrowings and the maintenance of a regular dividend yield.

As a result of this change, the VCT's Company Secretary has changed to Albion Ventures LLP.

A Notice of a General Meeting on 25 March 2009 at 9.45 a.m has been posted to shareholders seeking approval to change the VCT's name from Close Income & Growth VCT PLC to Albion Income & Growth Trust VCT PLC.

There have been no further significant events or transactions that the Board are aware of which would have a material impact on the financial position of the Company between 1 October 2008 and 10 February 2009.

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/Close Income & Growth VCT PLC.

Friedrich Ternofsky, Chairman
10 February 2009

For further information please contact:

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