

Albion Income & Growth VCT PLC

Interim Management Statement

Introduction

I am pleased to present your Company's interim management statement for the period from 1 October 2009 to 4 February 2010 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

Financial Position and Performance

The Ordinary shares' approximate unaudited net asset value (NAV) per share as at 31 December 2009 was 67.29 pence per share (30 September 2009: 65.15 pence). The NAV is stated after accounting for a dividend of 1.25 penny per share which was paid on 1 February 2010 to shareholders on the register as at 4 January 2010.

The approximate unaudited net asset value as at 31 December 2009 is £28,244,000 (30 September 2009: £27,533,400) and the total of cash on deposit, short term money market or other liquid instruments, as at 31 December 2009 is £3,637,000 (30 September 2009: £4,010,000). The increase in the NAV this quarter is driven by increased valuations in unquoted investments, particularly from within the high growth portfolio.

Portfolio

In the period from 1 October 2009 to 4 February 2010 Albion Income & Growth VCT PLC made further investments as follows:

Investment portfolio

Investment	Existing/New investee company	£'000s
Xceleron Limited	Existing	128
RFI Global Services Limited	Existing	95
Mi-Pay Limited	Existing	72
CS (Brixton) Limited	Existing	63
Mirada Medical Limited	Existing	24
CS (Exeter) Limited	Existing	21
Green Energy Property Services Limited (<i>formerly Vibrant Energy Surveys Limited</i>)	Existing	5

Top Ten Holdings as at 31 December 2009

The table below details the top ten investments by valuation as at 31 December 2009:

Holding	Carrying Value £'000s
The Weybridge Club Limited	2,614
Xceleron Limited	2,312
Blackbay Limited	2,104

Kensington Health Clubs Limited	1,788
Evolutions Television Limited	1,461
Tower Bridge Health Clubs Limited	1,294
Lowcosttravel group Limited	1,038
Bravo Inns II Limited	1,028
RFI Global Services Limited	990
Helveta Limited	953

Dividends

As mentioned above, a dividend of 1.25 pence per Ordinary share was paid on 1 February 2010 to shareholders on the register as at 4 January 2010.

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 36,794 Ordinary shares of 50p each in the capital of the Company on 1 February 2010. In accordance with the Circular, the Ordinary shares were issued at a price of 65.15 pence per share.

Share buybacks and discount

As disclosed by the Board on 21 December 2009 in the Annual Report and Financial Statements, the Company has limited the cash available for share buy-backs and cancellations to up to £250,000 for the six months to 31 March 2010. We believe that buybacks add value for shareholders in helping liquidity in the market. However, the views we have had from shareholders through the shareholder survey make clear that dividends are more highly valued. We have therefore limited the amount of cash we are prepared to use for share buybacks, in order to prioritise dividend payments and re-investment, and we expect to continue to do so.

In the period from 1 October 2009 to 4 February 2010, your Company re-purchased 272,064 Ordinary shares at an average price of 50 pence per share. The Ordinary shares purchased represent 0.66% of the total number of voting rights in the Company as at 4 February 2010. Following the buybacks mentioned above, the Company now has just under £114,000 allocated for buybacks until 31 March 2010, at which time the Board will review the policy again.

All the shares bought back in the period were cancelled.

Material events and transactions

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 21 December 2009 and 4 February 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 Income & Growth VCT PLC](http://www.albion-ventures.co.uk/OurFunds/AlbionIncome&GrowthVCTPLC).

Friedrich Ternofsky, Chairman

4 February 2010

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