

Albion Income & Growth VCT PLC Interim Management Statement

Introduction

I am pleased to present Albion Income & Growth VCT PLC's (the "Company") interim management statement for the period from 1 April 2012 to 27 July 2012 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

Performance and dividends

The Company's unaudited net asset value per share (NAV), based on management accounts, as at 30 June 2012 was £27.6 million or 64.7 pence per share (excluding treasury shares), after accounting for a dividend of 1.75 pence per share which was paid on 29 June 2012 to shareholders on the register on 1 June 2012.

The NAV as at 31 March 2012 was 64.3 p (after accounting for the dividend).

After taking account of the dividend, the Company's NAV has risen by 0.4 pence per share or 0.6 per cent. since 31 March 2012 as a result of an increase in investment valuations.

Share issues and buybacks

During the period from 1 April 2012 to 31 May 2012, the Company issued the following shares under the Albion VCTs Linked Top Up Offer 2011/2012 (and are included in the net asset value figures for 30 June 2012 above);

| Date | Number of shares issued | Issue price per share (including 5.5% costs of issue) | Net proceeds £'000 |
|--------------|-------------------------|---|--------------------|
| 5 April 2012 | 984,698 | 67.40 pence | 627 |
| 31 May 2012 | 106,806 | 69.80 pence | 71 |

The Albion VCTs Linked Top Up Offer 2011/2012 closed on 31 May 2012. In aggregate, your Company raised a total of £1.5 million.

In addition, the following shares were issued under the dividend reinvestment scheme on 29 June 2012 (and are included in the NAV figures for 30 June 2012 above);

| Date | Number of shares issued | Issue price (pence per share) | Net proceeds £'000 |
|--------------|-------------------------|-------------------------------|--------------------|
| 29 June 2012 | 89,959 | 64.25 pence | 58 |

During the period from 1 April 2012 to 27 July 2012, the Company purchased 488,045 shares at an average price of 55 pence per share and a total consideration of £269,000. These shares were cancelled.

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 investee companies and the continued payment of dividends to shareholders.

It is the Company's intention that, subject to the sufficiency of cash resources and any market constraints, the price at which shares are bought back should be in the region of a 10 to 15 per cent. discount to net asset value.

The Board's intention, as outlined in the Half-yearly Financial Report (unaudited) for the six months to 31 March 2012, is to limit the sum available for buy-backs for the 6 month period to 30 September 2012 to £300,000.

Portfolio

The following investments have been made during the period from 1 April 2012 to 27 July 2012:

| Name | £000's | |
|---|--------|---|
| Bravo Inns II Limited (<i>further investment</i>) | 48 | <i>Owns and operates public houses based in the North of England</i> |
| Mi-Pay Limited (<i>further investment</i>) | 131 | <i>Outsourced payment processing service to mobile network operators focusing on top ups and money transfer</i> |
| Nelson House Hospital Limited (<i>further investment</i>) | 14 | <i>Psychiatric hospital in Gosport, Hampshire</i> |

Disposals

The following amounts were received from portfolio companies during the period from 1 April 2012 to 27 July 2012:

| Name | £000's |
|-------------------------------------|--------|
| The Dunedin Pub Company VCT Limited | 3 |
| The Charnwood Pub Company Limited | 75 |
| Evolutions Group Limited | 76 |
| Hilson Moran Holdings Limited | 21 |
| Lowcosttravel Group Limited | 24 |

Top ten holdings as at 30 June 2012:

| Investment | Carrying value £000's |
|--|--------------------------|
| The Weybridge Club Limited | 2,388 |
| Blackbay Limited | 2,257 |
| Kensington Health Clubs Limited | 2,094 |
| Lowcosttravel Group Limited | 2,076 |
| The Charnwood Pub Company Limited | 1,360 |
| CS (Brixton) Limited | 1,258 |
| Tower Bridge Health Clubs Limited | 1,203 |
| Bravo Inns II Limited | 1,164 |
| Mi-Pay Limited | 1,139 |
| AMS Sciences Limited (formerly Xceleron Limited) | 1,103 |

Material Events and Transactions

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 Income & Growth VCT PLC.

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 April 2012 to 27 July 2012.

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 Income & Growth VCT PLC.

Friedrich Ternofsky, Chairman
27 July 2012

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