

Kings Arms Yard VCT PLC Interim Management Statement

Introduction

I am pleased to present Kings Arms Yard VCT PLC's (the "Company") Interim Management Statement for the period from 1 July 2013 to 12 November 2013 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

Performance and dividends

The Company's unaudited net asset value (NAV), based on management accounts, as at 30 September 2013 was £36.4 million (30 June 2013: £37.4 million) or 18.8 pence per share (excluding treasury shares) (30 June 2013: 19.1 pence per share) after accounting for the dividend of 0.5 pence per share paid on 30 September 2013 to shareholders on the register as at 6 September 2013.

After taking account of the dividend, the Company's NAV has risen by 0.2 pence per share or 1.0 per cent. since 30 June 2013, as a result of an increase in investment valuations.

Share issues and buybacks

During the period from 1 July 2013 to 12 November 2013, the Company issued the following shares under the dividend reinvestment scheme on 30 September 2013 (and are included in the NAV figures for 30 September 2013 above);

Date	Number of shares issued	Issue price (pence per share)	Net proceeds £'000
30 September 2013	107,291	18.6 pence	17

During the period from 1 July 2013 to 12 November 2013, the Company purchased 3,108,000 shares to be held in treasury at an average price of 17.44 pence per share and a total consideration of £542,000.

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 over time for such buy-backs to be in the region of 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 July 2013 to 12 November 2013:

Name	£000's	Activity
Bravo Inns II Limited (<i>further investment</i>)	400	<i>Owner and operator of public houses</i>
Aridhia Informatics Limited (<i>new investment</i>)	250	<i>Healthcare informatics and analysis</i>
Relayware Limited (<i>new investment</i>)	232	<i>Provider of business collaboration and communication solutions</i>
Lab M Holdings Limited (<i>further investment</i>)	168	<i>Microbiological testing products</i>
Dragon Hydro Limited (<i>further investment</i>)	144	<i>Small scale hydropower project</i>
UniServity Limited (<i>further investment</i>)	100	<i>Provider of hosted learning platforms for schools</i>
Cisiv Limited (<i>new investment</i>)	97	<i>Web-based solutions for healthcare data capture and management</i>
Silent Herdsman Holdings Limited (<i>new investment</i>)	82	<i>Remote monitoring of animal health.</i>
Haemostatix Limited (<i>further investment</i>)	62	<i>Develops platelet replacement and haemostatic therapies for blood clotting applications</i>
Abcodia Limited (<i>further investment</i>)	31	<i>Services for validation and discovery of serum biomarkers</i>
Erin Solar Limited (<i>new investment</i>)	29	<i>Photo-voltaic installations on commercial buildings</i>

Disposals

During the period from 1 July 2013 to 12 November 2013, £128,000 was received for the sale of the remaining part of the Company's holding in Allergy Therapeutics plc, a company quoted on the Alternative Investment Market, realising a gain of £4,000 on the carrying value as at 30 June 2013. The Royal Bank of Scotland Euro Medium Term Note was sold for £1,926,000, realising a loss of £12,000 on the carrying value as at 30 June 2013.

Top ten holdings as at 30 September 2013:

Investment	Carrying value £000's	% of NAV
Elateral Holdings Limited	4,436	12.2%
Oxford Immunotec Limited	3,743	10.3%
Atego Group Limited	2,621	7.2%
Cluster Seven Ltd	2,263	6.2%
Sift Limited	1,363	3.7%
Hilson Moran Holdings Limited	1,315	3.6%
Chonais Holdings Limited	1,306	3.6%
Alto Prodotto Wind Limited	1,270	3.5%
Antenova Limited	1,237	3.4%
The Street by Street Solar Programme Limited	1,155	3.2%

In addition to these investments, as at 12 November 2013, the Company held a debtor balance of £1,007,000 in respect of escrow payments due from the sale of Vivacta Limited.

On 15 October 2013, Oxford Immunotec Limited filed an S-1 with the US Securities and Exchange Commission and is considering an Initial Public Offering on the NASDAQ Stock Market.

A full breakdown of the Company's portfolio can be found on the Company's website at [www.albion-ventures.co.uk/Our Funds](http://www.albion-ventures.co.uk/OurFunds) choosing Kings Arms Yard VCT PLC under the 'Portfolio of investments' section.

Albion VCTs Top Up Offer 2013/2014

On 6 November 2013 the Company announced the launch of the Albion VCTs Top Up Offers 2013/2014, seeking to raise in aggregate £15 million under the Offers. Within this total, the amount to be raised by the Kings Arms Yard VCT Offer is expected to amount to £2-3 million.

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 can be found on the website www.albion-ventures.co.uk.

The Offer will close on 13 June 2014 (unless fully subscribed, closed or extended by the Company beforehand).

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/Kings Arms Yard VCT PLC](http://www.albion-ventures.co.uk/OurFunds/KingsArmsYardVCTPLC).

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 July 2013 and 12 November 2013.

Further information regarding historic and current financial performance and other useful shareholder information can be found on the Company's website under [www.albion-ventures.co.uk/Our Funds/Kings Arms Yard VCT PLC](http://www.albion-ventures.co.uk/OurFunds/KingsArmsYardVCTPLC).

Robin Field, Chairman

12 November 2013

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