

ALBION VENTURES

venture matters

In this issue

Welcome to shareholders
of SPARK VCTs

Albion VCTs Linked
Top Up Offer

Portfolio Updates

Lowcost Holidays offer

Winter 2010/11



Albion welcome shareholders of SPARK VCTs

Welcome to the WINTER 2010/11 issue of Venture Matters

Albion welcomes shareholders of SPARK VCTs

► **Albion Ventures is delighted to welcome shareholders of the two SPARK VCTs. On 1st January 2011, Albion assumed the management of SPARK VCT plc & SPARK VCT 2 plc.**

We would like to reassure shareholders that we are working hard to ensure the transition to Albion is a smooth one and Shareholder meetings will be convened to approve a change in investment policy at which time we will be making a presentation to explain our investment philosophy and outline our strategy for the VCTs.



Details of the funds are now available on our website www.albion-ventures.co.uk in the 'Our Funds' section.

Albion VCTs Linked Top Up Offer

► **The fundraising for our new £15 million VCTs Linked Top Up Offer, which gives investors access to the range of 7 Albion VCTs is going well, with £4m raised to date.**

Investors participate in a high yielding, diversified portfolio of approximately 55 unquoted businesses. With an immediate target tax-free dividend yield of around 5% p.a. This is equivalent to 7% on the net cost of investment after up-front income tax relief at 30% and investors will receive at least one tax-free dividend on the last day of each month.

MoneyMarketing

Matthew Woodbridge of Chelsea Financial Services has rated the new offer 8/10 in a Broker Review in Money Marketing magazine and the Tax Efficient Review, written by Martin Churchill have now rated the new offer 84/100, the highest scoring Generalist VCT of the season so far.

★ NEW READER OFFER ★



lowcosttravelgroup.com

To celebrate the collaboration between Lowcosttravelgroup and Easyjet, we are delighted to **offer shareholders a discount on holidays**. Lowcostonholidays destinations range from **Europe, North America, South America, the Caribbean or Australasia**.



Save an extra **£50** by using the promotional code below when you booking any flight and hotel over **£700**.

This offer can be used against any holiday type.

To receive the discount, please enter promo code:
X50SAVE when booking



Engensa

► Street by Street solar programme



We continue to seek investment opportunities in the Renewable Energy sector and in December 2010, provided £2 million of funding for Engensa to launch a 'free solar' programme in the Maidenhead and Windsor area. The programme funds solar installations on domestic roofs, giving the benefit of the generated electricity to consumers whilst generating returns for investors from the Feed in Tariffs.

Engensa was founded in 2009 with the mission to provide homeowners across Britain with their own, sustainable and profitable source of power, and, in the process, create jobs in the local community. The company has been installing solar panels on homes for 12 months, for customers with suitable south-facing roofs in Berkshire, Buckinghamshire and Oxfordshire, with the scheme set to expand to five neighbouring counties in the first half of 2011.



Oakland Care Centre

► Albion Ventures has invested £4.35 million in Oakland Care Centre, a specialist dementia care facility

The investment will allow the company to set up a specialist dementia care facility in Chingford, Greater London. Oakland has acquired a freehold site on which it will develop a new, purpose built facility catering for the needs of up to 45 residents suffering from dementia. The facility is due to open in November 2011 and will employ highly trained staff under the supervision of an experienced care management team.

Oakland will cater predominantly for privately paying residents as it seeks to avoid the impact of public sector funding cuts. The investment will provide three of Albion's venture capital trusts with an attractive annual yield as well as the potential for capital growth. This type of ungeared, income generating investment backed by high quality assets is at the core of Albion's investment strategy.

Albion Ventures LLP is a leading venture capital investor which has been managing investments since 1996. The team previously worked together at Close Ventures before becoming an independent business in January 2009.



Lowcosttravelgroup

► **easyJet and Lowcosttravelgroup announce a three year agreement to combine low cost flights and high quality accommodation.**

By bringing together easyJet, with its huge European network of low fares and convenient flights and Lowcost's world class technology, award winning accommodation and transfer programmes, consumers will be able to book an impressive range of flexible holidays through a single web site, easyJet.com/holidays, supported by a state-of-the-art call centre.

easyJet holidays will be marketed to easyJet's 50 million customers through a range of on and off line marketing channels to create a major holiday business across Europe. The proposition will be launched in the UK early in 2011.

As well as its extensive and great quality accommodation and transfers, Lowcost will provide specialist marketing, call centre and customer service expertise to create a major force in the rapidly growing online market for flexible holidays. Lowcost will provide attractively priced, top quality accommodation across European city and beach destinations to meet a wide range of customer needs.



GERONIMO INNS

Geronimo

► **We are pleased to announce the successful sale in December of the Geronimo Pub Company to Youngs Breweries.**

Albion funds invested £8million to acquire London Pubs with Geronimo in 2009 and following the sale of Geronimo has realised a total of £10 million over the 17 month investment.

Our investment financed the acquisition and extensive refurbishment of four landmark freehold pubs in Central London; the Prince Albert on Battersea Bridge, The Elgin on Ladbroke Grove, The Northcote in Clapham and Curtains Up in Barons Court. The sites acquired were under-performing, giving us an opportunity to create value through both refurbishment and a strong trading format. The success of the investment was down to a strong management team acquiring good assets at distressed prices.



Albion Ventures continues to pay a regular stream of income tax free dividends to their VCT investors. For details on recent dividends, fund share prices and latest Managers Report, please visit the Our Funds section of the Albion website. www.albion-ventures.co.uk. Dates of forthcoming AGMs can also be found on our website.

Performance of VCTs managed by Albion Ventures LLP

Fund	Launch date	Total return since launch [†]	Mid-market share price ^{††}	Last dividend paid/declared per share
Albion Venture Capital Trust PLC – Ordinary shares*	Apr 96	193.10p	65p	2.5p payable on 31/12/10
Albion Prime VCT PLC formerly Albion Protected VCT PLC	Apr 97	114.80p	62p	1.5p payable on 28/02/11
Albion Development VCT PLC – Ordinary shares*	Jan 99	133.40p	65p	4.0p paid on 30/09/10
Albion Development VCT PLC – D shares***	Dec 09	94.00p	94p	1.0p paid on 30/09/10
Albion Technology & General VCT PLC – Ordinary shares	Jan 01	150.60p	78p	4.0p paid on 29/10/10
Albion Technology & General VCT PLC – C shares	Jan 06	81.70p	61p	1.5p paid on 29/10/10
Albion Income & Growth VCT PLC	Oct 04	84.50p	60p	1.75p paid on 9/7/10
Albion Enterprise VCT PLC	Apr 07	93.95p	77p	1.5p payable on 28/02/11
Crown Place VCT PLC**	Apr 98	71.78p	30p	1.25p paid on 30/11/10

Source: Albion Ventures. All data is prepared as at 11 October 2010, using the last published net asset value of the relevant fund.

*The Albion VCT PLC C shares were converted to Ordinary shares at a rate of 1 Ordinary share for each C share and the Albion Development VCT PLC C shares

were converted to Ordinary shares at a rate of 1.0715 Ordinary shares for each C share.

**Albion Ventures took over the management of this VCT in April 2005.

***The Albion Development VCT PLC D shares were issued at 100 pence each. The total return since

launch of 94.30 pence is after deducting fundraising costs of 5.5 pence per share.

† Dividends paid/declared plus NAV. Please note: the above excludes all tax reliefs.

††As at 11 October 2010.

The next Venture Matters newsletter will also include performance information for SPARK VCT plc & SPARK VCT 2 plc

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