

## Interim Management Statement

### Introduction

I present your Company's interim management statement for the period from 1 January to 16 May 2008.

### Performance and dividends

The Company's approximate unaudited net asset value (NAV) as at 31 March 2008 was 103.90 pence per share. This is before accounting for the first dividend for the year to 31 December 2008 of 2.5 pence per share (1.25 pence to be paid out of revenue profits and 1.25 pence out of realised capital gains), payable on 16 May 2008 to shareholders on the register on 18 April 2008. The net asset value has increased by 3% to £31.8 million, primarily due to increased investment revaluations as at 31 March 2008.

### Share buybacks

During the period from 1 January 2008 to 16 May 2008, there were no buy-backs of ordinary shares.

### Close period

The announcement of 30 April 2008 extended the Company's close period for the purchase of own shares, pending the sale of a substantial investment. This sale is still under negotiation, and therefore the close period will continue for the time being. A further announcement will be made at the earlier of the sale of the investment (or the termination of negotiations) and 31 May 2008.

### Portfolio

There were no investments made during the period from 1 January 2008 to 16 May 2008.

### Disposals

During the 3 month period to 31 March 2008, the loan stock held in Pelican Inn Limited was repaid realising proceeds of £230,000. There were no other disposals in the period from 1 April to 16 May 2008.

### Top ten holdings (as at 31 March 2008)

Investee Company	Carrying/fair value £000's
Grosvenor Health Limited	5,752
Evolutions Television Limited	3,598
Citigroup FRN March 2009	2,958
Weybridge Limited	1,610
Peakdale Limited	1,463
Mears Group Plc	1,226
Kensington Heath Clubs Limited	1,113
Smiles Pub Company Limited	944
Blackbay Limited	933
Chichester Holdings Limited	864

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 the 1 January 2008 and 16 May 2008.

Information regarding historic and current financial performance and other useful shareholder information can be found on the Funds website under [www.closeventures.co.uk](http://www.closeventures.co.uk) /Our Funds/Close Brothers Development VCT PLC.

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For further information please contact:

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