

Albion Development VCT PLC

Interim Management Statement

Introduction

I am pleased to present the Company's interim management statement for the period from 1 July 2010 to 17 November 2010 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

Financial Position and Performance

The Ordinary shares' unaudited net asset value (NAV) per the management accounts as at 30 September 2010 was £22.3 million (30 June 2010: £21.5 million) or 75.7 pence per share (excluding treasury shares) (30 June 2010: 73.0 pence per share). This is after accounting for a dividend of 4 pence per share paid on 30 September 2010 to shareholders on the register at 3 September 2010 (the 30 June 2010 comparative has also been adjusted for this dividend payment of 4 pence per share).

The D shares' unaudited net asset value (NAV) per the management accounts as at 30 September 2010 was £5.9 million (30 June 2010: £5.9 million) or 93.0 pence per share (excluding treasury shares) (30 June 2010: 93.4 pence per share). This is after accounting for a dividend of 1 penny per share paid on 30 September 2010 to shareholders on the register at 3 September 2010 (the 30 June 2010 comparative has also been adjusted for this dividend payment of 1 penny per share)..

Share issues, buybacks and discount management

On 30 September 2010, the Company issued 109,161 Ordinary shares of 50 pence each at a price of 73.0 pence per share under the Dividend Reinvestment Scheme.

During the period from 1 July 2010 to 17 November 2010, the Company purchased 254,482 shares for treasury at an average price of 64.6 pence per share. During the same period, the Company cancelled 100,000 Ordinary shares from treasury.

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, share buy-backs will take place at a discount of 10 to 15 per cent. to the prevailing net asset value.

Portfolio

In the period from 1 July 2010 to 17 November 2010, Albion Development VCT PLC has made the following investments:

Investment	Existing/New investment	£'000s
Radnor House School Limited	New	1,519
Rostima Holdings Limited	Existing	55
TEG Biogas (Perth) Limited	New (including commitment)	590
Xceleron Limited	Existing	36

Bravo Inns II limited	Existing	240
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Top Ten Qualifying Holdings as at 30 September 2010

Holding	Carrying Value £'000s
Evolutions Television Limited	2,576
Radnor House School Limited	1,527
The Weybridge Club Limited	1,321
Blackbay Limited	1,199
Peakdale Molecular Limited	1,043
CS (Greenwich) Limited	860
Mears Group plc	690
Kensington Health Clubs Limited	679
Taunton Nursing Home Limited	588
Masters Pharmaceuticals Limited	566

Disposals

During the period from 1 July 2010 to 17 November 2010, £209,000 of loan stock was repaid by a number of investee investee companies and the Company disposed of part of its holding in Mears Group PLC realising proceeds of £1.07 million.

Albion VCTs Linked Top Up Offer

On 1 November 2010 the Company announced the launch of the Albion VCTs Linked Top Up Offer. In aggregate, the Albion VCTs will be aiming to raise up to £15 million across all of the seven VCTs managed by Albion Ventures LLP, of which Albion Development VCT's share will be approximately £2.25 million. The maximum amount raised by each of the Albion VCTs will be the lower of Euros 2.5 million, and 10 per cent. of its issued share capital (over any one 12 month period, and including any shares issued under Dividend Reinvestment Schemes), being the amount that they may issue under the Prospectus Rules without the publication of a full prospectus. The number of new shares available may change depending on the £: euro exchange rate at the date of allotment.

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 has been sent to shareholders and can also be found on the website www.albion-ventures.co.uk, under the 'Our Funds' section. .

On 1 November 2010, the Company announced notice of a General Meeting to be held on 8 December 2010 at 4pm, at the offices of Albion Ventures LLP, 1, King's Arms Yard. London, EC2R 7AF.

The purpose of this General Meeting is to consider resolutions required for the issue of shares under the Albion VCTs Linked Top Up Offer, as detailed above.

A copy of the circular has being sent to all shareholders, and can also be found on the website www.albion-ventures.co.uk, under the 'Our Funds' section.

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 2010 and 17 November 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 Development VCT PLC](http://www.albion-ventures.co.uk/OurFunds/AlbionDevelopmentVCTPLC).

Geoffrey Vero, Chairman
17 November 2010

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