



Albion VCTs Top Up Offers 2012/2013 £15 million investment opportunity (raising up to £2.5 million per Company)

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The track record of Albion managed generalist VCTs is good. This, coupled with the prospect of immediate tax-free dividends from an established portfolio of investee companies, will help make this a popular offering with investors and advisers.

Martin Churchill
Editor, Tax Efficient Review

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The Offers

Albion Ventures LLP is a leading venture capital investor which has been managing investments in small unquoted UK companies since 1996.

We are delighted to offer investors this opportunity to acquire New Shares in six Albion VCTs through the Albion VCTs Top Up Offers 2012/2013. Key elements of the Offers are:

- Monthly tax-free income yield of 5.7% pa (8.1% pa net)*
- Compound capital growth option
- Experienced manager with strong track record
- Investment into an existing, maturing portfolio
- Conservative investment strategy
- Up-front tax relief at 30%

The maximum amount to be raised under the Offers is £2.5 million per VCT and £15 million in aggregate

* based on the Albion VCTs net asset values, current dividend targets as at 30 June 2012 and an equal investment across the six VCTs.

The Benefits

Monthly tax-free income yield of 5.7% pa (8.1% pa net)

The current dividend yield of 5.7%* pa on an equal investment across each of the six VCTs is equivalent to 8.1% on the net cost of investment after up-front income tax relief at 30%.

Investors who invest in all of the six Offers will receive one tax-free dividend on the last day of each month, paid directly to shareholders by the individual VCTs.

To date, VCTs managed by Albion have paid out over £117 million in dividends to their shareholders.

Compound capital growth option

The VCTs managed by Albion Ventures operate dividend reinvestment schemes under which shareholders who do not want immediate tax-free income may reinvest their dividends automatically in new shares in the Albion VCTs.

“Albion has a commendable long-term VCT track record and an experienced team of investment managers. Investors looking for the opportunity of an immediate tax-free income or enhanced tax efficiency through a dividend reinvestment scheme may wish to consider Albion VCTs Top Up Offers 2012/2013. The Offers provide access to a mature and diverse portfolio which focuses on both asset-backed and high growth enterprises.”

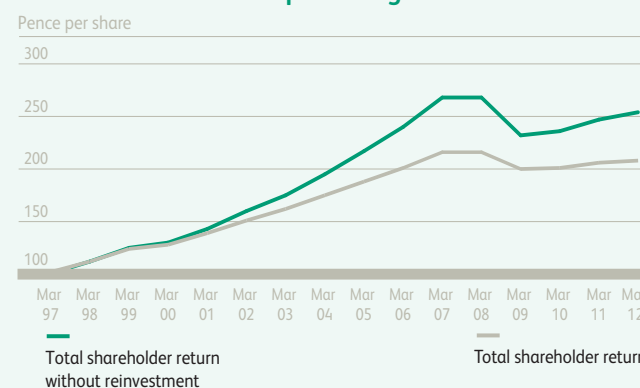
Richard Allen
Allenbridge

The dividend reinvestment scheme (“DRIS”) has the following benefits:

- Purchases of new shares without dealing costs
- Receipt of 30% up-front income tax relief on the value of the dividend
- Compounding of capital growth into high yielding investments

The graph illustrates the total shareholder return for an investor in Albion Venture Capital Trust PLC (rebased to 100) had they participated in a dividend reinvestment scheme since launch.

Illustration of the compounding effect of DRIS



Source: Albion Ventures LLP – based on information to 31 March 2012

Shares purchased under a DRIS will be issued at the prevailing net asset value, which is likely to be 10-15% higher than the prevailing share price based on historic levels of share price discount to net asset value.

Up-front tax relief at 30%

For the current tax year to 5 April 2013, eligible investors can claim:

- 30% on the initial amount invested
- tax-free dividends
- tax-free capital gains on the VCT shares

The Manager

Track record

Albion Ventures LLP is an award winning venture capital investor which has been managing venture capital investments for over 16 years. The table below sets out the track record of the VCTs making the Offers.

	Launch date ³	Total annualised return since launch ¹	Target dividend yield on Issue Price (%) ²	Total return before tax relief (p)	Total return after tax relief (p)
Albion Venture Capital Trust PLC	1996	6.8%	6.2%	198.2	218.2
Albion Development VCT PLC – Ordinary shares	1999	3.5%	6.6%	139.2	159.2
Albion Technology & General VCT PLC	2001	5.0%	5.9%	151.8	171.8
Albion Income & Growth VCT PLC	2004	(1.0)%	5.1%	87.9	127.9
Crown Place VCT PLC³	2005	2.2%	7.5%	113.8	(see note 4)
Albion Enterprise VCT PLC	2007	0.2%	4.0%	95.6	125.6

¹ Total return includes dividends paid to 18 October 2012, plus NAV as at 30 June 2012. This return is based on the initial NAV of the fund, ignoring issue costs

² Assumes current dividend target and Issue Price calculated as the ex-dividend NAV as at 30 June 2012 for each Company, divided by 94.5

³ Albion Ventures took over the management of this fund in April 2005. The total return before tax relief has been rebased to 100 in April 2005 and all returns are calculated from this date

⁴ Tax relief for Crown Place was 20% at the time of initial investment in 1998. It has not been included in total return after tax relief as additional tax relief was not available to shareholders in 2005

These tax reliefs apply to private investors who are aged 18 or over, who subscribe in their own name. The tax benefits are subject to a current annual maximum investment of £200,000 in VCTs. Shares need to be held for 5 years to retain the up-front tax relief.

Further information

Share price discount and buy-backs

The VCTs managed by Albion Ventures buy back their shares in the market. It is the stated aim of the VCTs that the discount to net asset value at which they buy back shares should be around 10-15%.

To date, Albion Ventures VCTs have returned in excess of £38 million to shareholders through share buy-backs.

Investment by the Directors and Manager

Directors of the Albion VCTs and staff of Albion Ventures are intending to subscribe at least £170,000 in the Offers. In total, they will have invested over £2.9 million in the VCTs managed by Albion.

Applications pre and post 19 December 2012

There will be two separate Application Forms under the Offers. The first (green) will be valid for those applications made up to 19 December 2012, for allotment on the First Closing on 19 December 2012. The second (purple) will be for applications made thereafter, for allotment in 2013.

The Offers will close at 12 noon on 12 June 2013.

Ongoing information

Shareholders will receive annual statements from Computershare in May each year. Details of the performance of each VCT and the Albion VCTs' Top Up Offers are shown in the quarterly Venture Matters newsletters sent to all shareholders.

Performance of previous Albion VCTs Top Up Offers

	Launch date	Total annualised return since launch ¹	Target dividend yield on original investment (%) ²	Total return before tax relief (p)	Total return after tax relief (p)
Albion VCTs Linked Top Up Offers 2010/2011	2010	3.1%	5.6%	99.8	129.8
Albion VCTs Linked Top Up Offers 2011/2012	2011	4.5%	5.8%	97.7	127.7

¹ Total return includes dividends paid to 18 October 2012, plus NAV as at 30 June 2012. Assumes investment in the allotments in January of each of the Offers and ignores issue costs

² Assumes current dividend target for each Company and £1 original investment

In the past 16 years, the team has invested in 113 unquoted companies with 48 exits of which 37 were profitable.

Experienced investment management team

Albion Ventures LLP is a privately owned venture capital business and is one of the largest VCT investors in the UK.

The business dates from 1996 when it was formed as the venture capital arm of Close Brothers. It became independent in 2009 when it was bought by the management team and was renamed Albion Ventures.

The Albion team, which manages funds of approximately £230 million, are hands-on investors with a policy for investment managers to sit on the boards of portfolio companies.

The team has a wealth of experience with backgrounds in healthcare, strategy consulting, investment banking, media and accountancy.

The average tenure of the investment team at Albion Ventures is nearly ten years.

Key members of Albion's team



Patrick Reeve
Managing Partner



Will Fraser-Allen
Dep. Managing Partner



Isabel Dolan
Operations Partner



Dr Andrew Elder
Partner



Emil Gigov
Partner



David Gudgin
Partner



Michael Kaplan
Partner



Ed Lascelles
Partner



Dr Christoph Ruedig
Investment Manager



Henry Stanford
Partner



Robert Whitby-Smith
Partner



Marco Yu
Investment Manager



Victoria Scott
Head of Marketing



Stuart Mant
Head of Sales



Iain Jenkins
Compliance Officer

Details of the Offers

Amounts subscribed may be invested equally (1/6) across the six Albion VCTs or otherwise as directed by investors, subject to a minimum subscription of £1,000 for each VCT selected. For further details, please see the Offers Document.

Minimum investment in the aggregate Offers will be £6,000 per investor and applications should be in multiples of £1,000. There is no minimum subscription for any Offer so investors can be confident that the Offers will proceed.

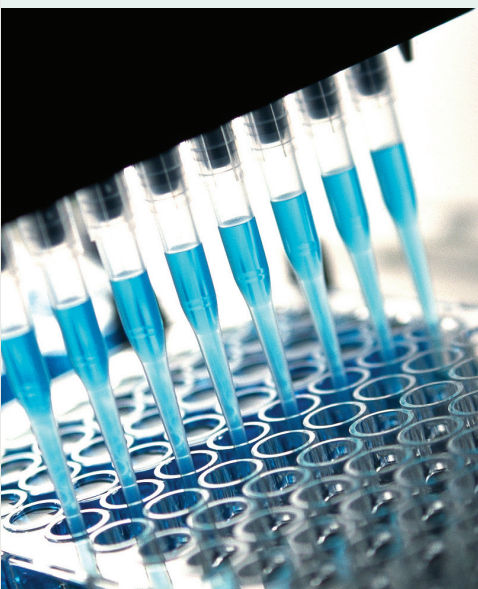
Maximum investment is £200,000 per investor in VCTs in total for the current tax year.

Investment pricing details and costs of the Offers are shown in the enclosed Application Procedure and Application Form document.

Fees charged for managing the VCTs are shown in the fund factsheets on the website www.albion-ventures.co.uk under the "Our Funds" section. For all Albion VCTs, the ratio of total normal annual running costs to net assets will be limited to 3.5% of net asset value.

Only authorised financial intermediaries are permitted to submit an Application Form. Authorised financial intermediaries can be found through the FSA website at www.fsa.gov.uk or through www.unbiased.co.uk. Any commissions to intermediaries are detailed in the enclosed Application Procedure and Application Form document.

Payment of dividends will be direct to nominated bank accounts, and not by cheque, in order to reduce the potential for fraud.



Risk Warning

This Investor Guide is issued in the UK by Albion Ventures LLP.

This communication is an advertisement only and does not constitute an offer to sell, or a solicitation of an offer to buy, any shares in Albion Venture Capital Trust PLC, Albion Development VCT PLC, Albion Technology & General VCT PLC, Albion Income & Growth VCT PLC, Crown Place VCT PLC or Albion Enterprise VCT PLC (the "Companies"). No such offers or solicitation will be made except pursuant to the Albion VCTs Top Up Offers 2012/2013 document (the "Offers Document") issued on or around 19 October 2012. Before making a decision to invest in the Companies, potential investors are advised to read the Offers Document and related Application Procedure and Application Form document carefully including the risk factors contained in the Offers Document, and to consult their legal, accounting, business, investment, pension, tax or other adviser. The information in this communication is qualified in its entirety by reference to the more detailed discussion contained in the Offers Document. Any person subscribing for shares under the Offers must be able to bear the risks associated with the Companies and must meet the Companies' suitability requirements.

The value of investments can fall as well as rise and an investor may not get back the original amount invested. The performance information set out in this document refers to the past and past performance is not a reliable indicator of future results. The tax treatment depends on the individual circumstances of each investor and may be subject to change in the future. Albion Ventures LLP does not provide advice, or ensure suitability in respect of any of its investment funds. An authorised investment adviser should be consulted in all circumstances where advice on an investment product is required. Albion Ventures cannot comment on the individual circumstances of each investor. The information relating to tax in this document is based on current law and practice and should not be construed as tax advice in respect of which investors should consult their own tax adviser. The market value of, and the income derived from, shares can fluctuate and there is no guarantee that the market price of shares will fully reflect their underlying net asset value. There can be no guarantee that the investment objectives will be met. There is no guarantee that target dividends will be paid.

Investment in the Companies will involve certain risks, including:

- The Companies will invest in unquoted investments which are, or may be, illiquid and difficult to realise;
- The Companies will invest in shares of companies that may be subject to transfer restrictions;
- The performance of the Companies is dependent on the availability of appropriate tax reliefs relating to venture capital trust status.

RAM Capital Partners LLP is acting exclusively for Albion Ventures LLP and the Companies as the Promoter to the Offers and for no-one else in relation to the Offers. Albion Ventures LLP is acting exclusively for the Companies and for no-one else in relation to the Offers.

VCT tax risks

Investment in a VCT should be considered as a long-term investment. The tax treatment depends on the individual circumstances of each investor.

Under current legislation shares must be held for a minimum of five years for maximum tax benefits and may be affected by future legislation. If certain criteria are not met, for example if the investment is not held for five years or if the VCT does not invest 70% of its funds in qualifying investments, the tax breaks will be withdrawn and you may be required to repay any tax relief which you have received up-front. No VCT can guarantee that its investors will qualify for tax relief. You should not invest in a VCT simply for the tax benefits.

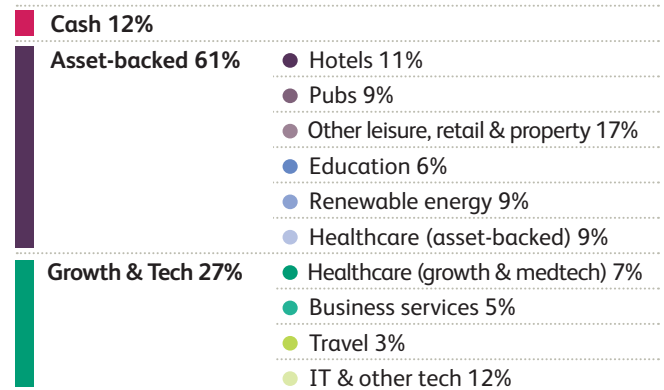
The tax reliefs available to investors in a VCT depend on it maintaining HMRC approval. A failure to meet the qualifying requirements could result in adverse tax consequences to investors, including a requirement to repay the income tax relief obtained. Investors must retain their VCT shares for the minimum period required to retain their initial tax relief. The tax rules and regulations governing VCTs are subject to change.

The Investment Strategy

The current portfolio allocation across the Albion VCTs participating in the Offers is as follows;



Source: Albion Ventures LLP – based on valuations as at 30 June 2012.



Funds raised under the Offers will be invested in six of the VCTs managed by Albion Ventures LLP in accordance with their existing investment policies.

Established portfolio - investment in the six Offers gives immediate exposure to the diversified portfolio of 58 businesses plus cash with a total value of £186 million. There are a number of attractive new investment opportunities in the pipeline.

Income return is delivered through investment structuring which uses a high proportion of loan stock ensuring that the portfolio generates significant income. This helps underpin the ability of the Albion VCTs to pay dividends.

Conservative investment strategy with potential for growth is achieved through the combination of more stable asset-backed investments with investment in a smaller number of higher-growth companies. The current focus for new investment in the healthcare and environmental sectors ensures a spread that is not overly reliant upon consumer facing sectors.

Approximately 60% of investment made by Albion Ventures is in the form of secured loan stock and it is each VCT's policy for portfolio companies not to have external borrowing with a charge or security ranking ahead of the VCT.

Spread of portfolio risk is through sector diversification and a mix of asset-backed and growth investments.

Between them, businesses in the Albion portfolio:

- Employ over 3,900 staff
- Export over £110 million pa
- Spend over £8 million pa on R&D

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Visiting Albion to get under the skin of how they invest I was impressed by the high level of professionalism and the vigorous standards they set for themselves. This is a group that can do real venture capitalism, taking solid ideas and with the help of a talented entrepreneur turning concepts into profitable ventures. The stable team of partners has a lot of reach with multiple skill sets allowing them to cover everything from the slow and steady income generating assets through to medical research.”

Dan Tubb
Bestinvest

Investor Guide

Recent Investments



Oakland Care Centre Limited

Albion Ventures invested £4.45 million in Oakland Care Centre Limited to set up a specialist care facility, Bayfield Court, in Chingford, Greater London. Oakland acquired a freehold site on which it developed a new, purpose built facility catering for the care needs of up to 46 elderly residents, including those suffering from dementia. The facility opened in November 2011 and employs approximately 50 highly trained staff under the supervision of an experienced care management team.

The investment builds on Albion Ventures' established reputation as an investor in the healthcare sector and adds to the asset-backed investments in Albion Ventures' portfolio. Oakland will provide funds managed by Albion Ventures with an attractive annual yield as well as the potential for capital growth.

In keeping with Albion's strategy for this sector, Oakland is a high end facility and caters exclusively for privately paying residents as it seeks to avoid the impact of potential public sector funding cuts.

Since 1996, Albion Ventures has invested over £39 million in freehold care homes and hospitals.

“We were attracted to Albion Ventures because of their extensive experience in the healthcare sector and their philosophy of seeking to back quality businesses for the long term. We have worked closely with Albion in the past two years to identify the right development opportunities and we look forward to working with them in the future.”

Nick Allhusen,
Founding shareholder of Oakland Care Centre Limited



Dragon Hydro Limited

Albion Ventures has invested £1.3 million in Welsh based developer, Dragon Hydro Limited, to fund the development of a single 300kW hydropower scheme on the Afon Cadair river in the county of Gwynedd in Wales.

The site will benefit from the Feed-in-Tariff regime and is expecting to begin to generate electricity in Q3 2013. The installation is forecast to generate an average 1.3MWh of electricity per year, enough to power up to 300 households.

Dragon Hydro will provide funds managed by Albion Ventures with an attractive long-term yield as well as the potential for capital growth.

This investment is Albion Ventures' seventh investment into renewable energy and continues the strategy of expansion into this sector.

A total of £22 million has been invested to date in the renewables sector by funds managed by Albion Ventures. It is the target for at least 15% of each VCT to be invested in the renewable energy sector.

“Dragon Hydro welcomes Albion as a valued investor and business adviser. With its solid background and track record in supporting businesses in the renewables sector, we are pleased to be working with them. The investment will support the Company's continued growth.”

Jonathan Bensted,
Director at Dragon Hydro Limited

For further information

For details of the investment policies of the individual VCTs, dividend targets and other useful information, please see www.albion-ventures.co.uk under the “Our Funds” section, and refer to the fund factsheet for the Company in question.

A copy of this Investor Guide, Offers Document and Application Procedure and Application Form documents may be obtained from:

Promoter

RAM Capital Partners LLP
74 Chancery Lane, London, WC2A 1AD
Tel: 020 3006 7530
Email: taxsolutions@ramcapital.co.uk
Web: www.ramcapital.co.uk



Manager and Receiving Agent

Albion Ventures LLP
1 King's Arms Yard, London, EC2R 7AF
Tel: 0808 178 1680*
Email: info@albion-ventures.co.uk
Web: www.albion-ventures.co.uk

* Calls to this number from a UK landline are usually free; calls from a mobile may be charged. Calls may be recorded.