

KINGS ARMS YARD VCT PLC
INTERIM MANAGEMENT STATEMENT

Introduction

I am pleased to present Kings Arms Yard VCT PLC's interim management statement for the period from 1 January 2012 to 17 May 2012 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 31 March 2012 was £34.0 million, including cash balances and liquid asset balances of £7.9 million (31 December 2011: NAV £35.0 million, cash and liquid asset balances of £10.7 million) or 16.2 pence per share (31 December 2011: 16.7 pence per share).

The net asset value for 31 March 2012 is after accounting for the forthcoming dividend of 0.5 pence per share which will be paid on 25 May 2012 to shareholders on the register on 27 April 2012.

After taking into account the dividend, the Company's net asset value has remained steady since 31 December 2011. Management fees and other expenses having been offset by an increase in the valuation of Celldex Therapeutics Inc a company quoted on the New York Stock Exchange.

Portfolio

The following investments have been made during the period from 1 January 2012 to 17 May 2012:

Name	£000's	
Alto Prodotto Wind Limited <i>(further investment)</i>	692	<i>Installs and operates commercial scale wind installations</i>
The Street by Street Solar Programme Limited <i>(further investment)</i>	485	<i>Photo-voltaic installations</i>
AVESI Limited <i>(new investment)</i>	460	<i>Installs and operates commercial scale wind installations</i>
Regenerco Renewable Energy Limited <i>(further investment)</i>	420	<i>Photo-voltaic installations</i>
Sift Limited <i>(further investment)</i>	353	<i>Web based online business and community management solutions.</i>
Greenenerco Limited <i>(new investment)</i>	300	<i>Installs and operates commercial scale wind installations</i>
Perpetuum Limited <i>(further investment)</i>	159	<i>Manufacture and sale of microgenerators</i>
Oxford Immunotec Limited <i>(further investment)</i>	171	<i>Develops and sells T-cell measurement diagnostic products.</i>

Disposals

During the period from 1 January 2012 to 17 May 2012, part of the Company's holding in Celldex Therapeutics Inc was sold generating proceeds of £110,000, realising a gain of £52,000 on the carrying value as at 31 December 2011. Hilson Moran Holdings Limited made a partial loan stock repayment of £45,000.

Top ten holdings as at 31 March 2012:

Investment	Carrying value £000's
UniServity Limited	3,860
Elaterral Holdings Limited	3,817
Workshare Limited	2,257
Vivacta Limited	1,938
Cluster Seven Limited	1,668
Oxford Immunotec Limited	1,433
Sift Limited	1,135
Hilson Moran Holdings Limited	1,182
Alto Prodotto Wind Limited	1,003
The Street by Street Solar Programme Limited	1,000

Material Events and Transactions

During the period from 1 January 2012 to 17 May 2012, the Company did not issue or buy back shares.

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 PLC.

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 January 2012 to 17 May 2012. However, the Board notes that it is in advanced discussions to sell one of its holdings. Since there is no certainty the sale will complete, no change has been made to the valuation at this stage. However, if the transaction were to take place, and depending on any performance criteria required under the relevant acquisition agreement, then it may result in a material uplift in the net asset value.

In view of the above, the Board considers that the Company is currently unable to purchase any of its own shares in the market.

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.

Robin Field, Chairman

17 May 2012

For further information please contact:

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