

## **INVESTEC STRUCTURED PRODUCTS CALCULUS VCT PLC**

### **INTERIM MANAGEMENT STATEMENT**

**17 July 2012**

Investec Structured Products Calculus VCT plc ("the Company") announces its Interim Management Statement for the period from 1 March 2012 to 31 May 2012. This Statement also includes relevant financial information between the end of the period to the date of this Statement.

The Company is a tax efficient listed company which aims to achieve a regular tax free dividend stream together with capital growth for private investors. The Company brings together Investec Structured Product's award winning expertise in structured products and Calculus Capital's award winning expertise in venture capital.

#### **HEADLINES**

- The unaudited net asset value ("NAV") per ordinary share as at 31 May 2012 was 92.52 pence. Taking into account dividends paid to date, the year to date total return at the period end was (2.5) per cent.
- The unaudited NAV per C share as at 31 May 2012 was 89.05 pence. No dividends have been paid to date to the holders of C shares.
- At the Annual General Meeting held earlier, shareholders approved the payment of dividends of 5.25 pence per ordinary share and 4.5 pence per C share. These dividends will be paid on 31 July 2012.

Since 31 May 2012 the unaudited NAV per ordinary share (including current period revenue) has risen to 94.89 pence as at 30 June 2012. The unaudited NAV per C share (including current period revenue) has risen to 91.74 pence.

#### **INVESTMENT IN STRUCTURED PRODUCTS**

As at 31 May 2012, the following investments had been made in Structured Products. The Structured Products will achieve their target return subject to the Final Index Level of the FTSE 100 being higher than the Initial Index Level\*. The capital is at risk on a one-for-one basis ("CAR") if the FTSE 100 Index falls more than 50 per cent any time during the investment term and fails to fully recover at maturity such that the Final Index Level is below the Initial Index Level.

At 4 July 2012 the FTSE 100 was 5684.47. Since the year end, the FTSE 100 has fallen, although due to low strike levels still sits above all of the products' strike levels.

Over the past three months market volatility has declined, which has negatively affected valuations. 5 year swap rates have also decreased, which has also had a negative impact on the valuations of the Structured Products portfolio. The valuations are benefiting from the FTSE 100 still being above strike levels.

The HSBC product matured on 06/07/2012 paying the maximum return of 25.1 per cent on £500,000 to give a £625,500 net return.

**Ordinary Share Fund:**

<b>Issuer</b>	<b>Strike Date</b>	<b>FTSE 100 Initial Index Level</b>	<b>Notional Investment</b>	<b>Purchase Price</b>	<b>Maturity Date</b>	<b>Return/ Capital at Risk (CAR)</b>
<b>Royal Bank of Scotland plc</b>	05/05/2010	5,341.93	£275,000	£0.96	12/05/2015	162.5% if FTSE 100 higher*; CAR if FTSE 100 falls more than 50%
<b>Investec Bank plc</b>	14/05/2010	5,262.85	£500,000	£0.98	19/11/2015	185% if FTSE 100 higher*; CAR if FTSE 100 falls more than 50%
<b>Abbey National Treasury Services plc</b>	25/05/2010	4,940.68	£350,000	£0.99	18/11/2015	185% if FTSE 100 higher*; CAR if FTSE 100 falls more than 50%
<b>Morgan Stanley</b>	10/06/2010	5,132.50	£500,000	£1.00	17/12/2012	134% if FTSE 100 higher*; CAR if FTSE 100 falls more than 50%
<b>Abbey National Treasury Services</b>	03/08/2011	5,584.51	£50,000	£1.00	05/02/2014	126% if FTSE 100* higher; CAR if falls more than 50%

*Matured*

<b>HSBC Bank plc</b>	01/07/2010	4,805.75	£500,000	£1.00	06/07/2012	125.1% if FTSE 100 higher*; CAR if FTSE 100 falls more than 50%
<b>The Royal Bank of Scotland plc</b>	18/03/2011	5,718.13	£50,000	£1.00	20/03/2017	Autocallable 10.5% p.a.; CAR if FTSE 100 falls more than 50%

**C Share Fund:**

<b>Issuer</b>	<b>Strike Date</b>	<b>FTSE 100 Initial Index Level</b>	<b>Notional Investment</b>	<b>Purchase Price</b>	<b>Maturity Date</b>	<b>Return/ Capital at Risk (CAR)</b>
<b>Investec Bank plc</b>	05/08/2011	5,246.99	£450,000	£1.00	10/03/2017	182% if FTSE 100* higher; CAR if FTSE 100 falls more than 50%
<b>Abbey National Treasury Services</b>	03/08/2011	5,584.51	£200,000	£1.00	05/02/2014	126% if FTSE 100* higher; CAR if falls more than 50%
<b>Nomura Bank International</b>	28/05/2010	5,188.43	£350,000	£1.2625	20/02/2013	137% if FTSE 100 higher*; CAR if FTSE 100 falls more than 50%

Matured

<b>The Royal Bank of Scotland plc</b>	18/03/2011	5,718.13	£200,000	£1.00	20/03/2017	Autocallable 10.5% p.a.; CAR if FTSE 100 falls more than 50%
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\*The Final Index Level is calculated using 'averaging', meaning that the average of the closing levels of the FTSE 100 is taken on each Business Day over the last 2-6 months of the Structured Product plan term (the length of the averaging period differs for each plan). The use of averaging to calculate the return can reduce adverse effects of a falling market or sudden market falls shortly before maturity. Equally, it can reduce the benefits of an increasing market or sudden market rises shortly before maturity.

The total amount invested in Structured Products in the Ordinary Share Fund as at 31 May 2012 was £2,149,980, representing 47.48 per cent. of net funds raised.

The total amount invested in Structured Products in the C Share Fund as at 31 May 2012 was £993,000, representing 54.51 per cent. of net funds raised.

## VENTURE CAPITAL INVESTMENTS

During the quarter to 31 May 2012, the Company invested £175,000 and £75,000 on behalf of the Ordinary and C Share Funds, respectively in Participate Sport Limited. Participate, now renamed Human Race Group Limited, is the UK's largest and most diversified provider of mass participation sports events and delivers over 55 events to over 100,000 participants of all ages and abilities. As agreed at the time of the original investment, a further £125,000 and £75,000 will be invested as loan stock shortly on behalf of the Ordinary and C Share Funds, respectively. A full provision was made against the investment in Heritage House after the company was placed into administration following a decision by the Clydesdale bank to withdraw the company's overdraft facility.

The Venture Capital Investments at 31 May 2012 are shown below.

Ordinary Share Fund	Sector	Cost	Valuation	% of total portfolio
<b>Terrain Energy Limited</b>				
Ordinary equity	Energy	£100,000	£113,000	
Loan stock		£200,000	£200,000	
Total		£300,000	£313,000	7.6%
<b>Lime Technology Limited</b>				
Ordinary equity	Low carbon building material	£57,386	£29,660	
Loan stock		£250,000	£250,000	
Total		£307,386	£279,660	6.79%
<b>MicroEnergy Generation Services Limited</b>				
Ordinary equity	Alternative energy	£150,000	£150,000	
Loan stock		£150,000	£150,000	
Total		£300,000	£300,000	7.28%
<b>Heritage House Media Limited</b>				
Ordinary equity	Digital Media	£22,065	£0	
Loan stock		£76,827	£0	
Deferred shares		£26,196	£0	
Total		£125,088	£0	0.00%

<b>Participate Sport Limited</b>				
Ordinary equity	Sports	£100,000	£100,000	
Loan stock		£75,000	£75,000	
Total		£175,000	£175,000	4.25%
<b>Secure Electrains Limited</b>				
Ordinary equity		£100,000	£100,000	
Total		£100,000	£100,000	2.43%
<b>Viscount Safe Custody Services Limited</b>				
Ordinary equity	Safe depository services	£90,000	£90,000	
Loan stock		£100,000	£100,000	
Total		£190,000	£190,000	4.61%
<b>C Share Fund</b>				
	<b>Sector</b>	<b>Cost</b>	<b>Valuation</b>	<b>% of total portfolio</b>
<b>Terrain Energy Limited</b>				
Ordinary equity	Energy	£45,000	£47,460	
Loan stock		£45,000	£45,000	
Total		£90,000	£92,460	5.9%
<b>Heritage House Media Limited</b>				
Ordinary equity		£11,033	£0	
Loan stock	Digital media	£38,413	£0	
Deferred shares		£13,098	£0	
Total		£62,544	£0	0.00%
<b>Participate Sport Limited</b>				
Ordinary equity	Sports	£50,000	£50,000	
Loan stock		£25,000	£25,000	
Total		£75,000	£75,000	4.77%
<b>Secure Electrains Limited</b>				
Ordinary equity		£50,000	£50,000	
Total		£50,000	£50,000	3.18%
<b>Viscount Safe Custody Services Limited</b>				

Ordinary equity	Safe	£40,000	£40,000	
Loan stock	depository	£50,000	£50,000	
	services			
Total		£90,000	£90,000	5.73%

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#### **Events after the period end**

Since 31 May 2012, the Company has made no further Venture Capital Investments.

For further information, please contact:

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