



PRESS RELEASE

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2008/9 NEW 'E' SHARE ISSUE SEEKS £10M

**Fund significantly outperforms target
Blue-chip artists are key to continuing success**

Edge Performance VCT plc, the UK's largest specialist investment fund for the live music and events business, with some £38.5m under management, announces details of its latest fund raising where it is seeking to raise £10m, or more subject to demand, through an E Share issue.

Alasdair George, Director of Edge Investment Management, commented on the new fund raising,

"The live music and events sector continues to attract strong demand with world class individual performers and groups selling out within minutes of tickets becoming available . As the industry leader we anticipate good deal flow and that we will continue to have a pick of first class investment opportunities.

"Since the establishment of Edge our performance has outstripped those targets set out by the Board by some considerable margin. [A total return per Ordinary share of 87p is anticipated, for a net cost of investment of 60p, versus a targeted return of 75p] While the economy and stockmarkets are unsettled, Edge has offered both capital security and dividend flow."

During 2008 Edge Performance VCT has invested in a series of high profile music promoters who have organised successful concerts by blue-chip names including:

- Bon Jovi
- Primal Scream
- Kanye West

Edge Performance has also invested in the successful run of Damon Albarn and Jamie Hewlett's 'Monkey – Journey to the West' which is currently running at London's O2. Forthcoming investments include the New Kids on The Block tour in the UK in January 2009.

Edge Group founder David Glick said:

"No sector is recession-proof, but we believe the impact of the current downturn on live music will be a flight to value. Acts who set ticket prices at the appropriate level will continue to do well. We believe our market-leading position as an investor, our unrivalled team of executive talent and our established relationships with market-leading promoters will stand us in good stead."

Background

Edge Performance was established in 2006 for the purpose of investing in the entertainment industry concentrating on companies which promote live music, theatre, sports, festivals trade shows, exhibitions and other events where people attend in person, using the skills of the Directors and the investment team of the Manager who collectively have a depth of experience in the entertainment industries.

Edge VCT's board of directors and management team have an unrivalled depth of experience in this sector. The board, chaired by Sir Robin Miller, formerly Chairman of EMAP, comprises: Julian Paul, co-founder of Eagle Rock Entertainment; Michael Eaton, CEO of Bushbranch, manager of Eric Clapton; Frank Presland, CEO of Twenty-First Artists, manager of Elton John and James Blunt; and David Glick, founder of Edge. The management team includes Harvey Goldsmith, one of the UK's best known impresarios, Gordon Power, founder of ProVen Private Equity, and experienced music industry executive Alasdair George.

The live music and festival market in the UK has continued to demonstrate strong growth. Research by BRMB/TGI data indicates that 60 million visits are made annually to paid live music events across all musical genres generating £1.9bn in 2007 in UK ticket revenues alone, up 20% on 2006.

Elsewhere in the live sector, attendance at London's theatres in 2007 exceeded the previous record in 2006 with more than 13.6m tickets sold generating some £470m in revenue.

Investment approach

As the first VCT to target investment into the live events industry, and the biggest fund in the sector, Edge benefits from this position and has established strong relationships with a number of leading promoters and venues. The Company can also point to the agreements it has in place with SJM, a leading UK concert promoter, and AEG Live UK, whose parent company is Los Angeles based Anschutz Entertainment Group Inc, one of the leading sports and entertainment presenters in the world. The Company's investment programme is progressing well and sufficient deal flow is anticipated to enable the balance of the C and D share funds and the new E Share fund each to be fully invested well within the required three year period.

The Edge Performance VCT's investment strategy will balance investments with a higher level of guaranteed capital protection with others in which lower guaranteed capital protection offers significantly higher returns. The majority of the portfolio investments will be made using loan instruments to further minimise investment risk.

Typically, where Edge invests in event companies, 30% of each investment will be in equity and 70% in the form of loan stock. No more than 50% of the ordinary share capital of any one event company will be held by Edge or any third party.

Investment policy

The investment strategy intends to provide an investor with a combination of capital protection and attractive upside potential. As with the previous C and D share issues, which attracted over £32m, the manager of the VCT is targeting for the E shares a return of 160p for every 100p invested (assuming tax relief of 30%, equivalent to a return of 130p for every 70p invested net of income tax) over five years.

The Company will seek to pay out tax-free dividends after each of the first four years to E Shareholders. The Company recently paid interim dividends of 7p per Ordinary Share (representing total dividends to date of 13p per Ordinary Shares) and 7p per C Share.

Lenny Norstrand, Partner of RAM Capital Partners LLP, commented,

“This is Edge’s fourth fund raising. Last year the VCT market contracted considerably and Edge was one of the most successful in raising funds (£19m) due to the quality of its investment record. This is now being demonstrated in terms of investment returns so we anticipate considerable interest in this latest share issue.”

Investment levels

- The minimum investment is £5,000.
- Applicants who apply before 1 January 2009 will be entitled to 30 additional E shares for every 1,000 E shares subscribed for.
- Applicants who apply before 1 February 2009 will be entitled to 20 additional E shares for every 1,000 E shares subscribed for.
- Applicants who apply before 1 March 2009 will be entitled to 10 additional E shares for every 1,000 E shares subscribed for.
- Applicants which are Ordinary, C or D Shareholders and whose application for E shares is received before 1 March 2009 will receive a further 20 shares for every 1,000 E shares subscribed for, on top of those additional shares mentioned above.

The maximum allowable investment to claim full 30% income tax relief is £200,000.

The offer is open for both tax years 2008/9 and 2009/10 and if over-subscribed can be increased at the discretion of the Directors.

Shareholders in Edge Performance VCT will also have the opportunity to apply for priority tickets for certain events in which the VCT has invested.

IFA commission is either 3% front-end or a combination of 2.25% front-end and 0.375% trail commission paid for up to 4 years.

Edge Performance VCT is on the Official List of the UK Listing Authority and trading on the main market of the London Stock Exchange.

RAM Capital Partners is acting as promoter to the Edge Performance VCT. Prospectuses and application forms are available by emailing taxsolutions@ramcapital.co.uk or by contacting Nicky Bentley at RAM on Tel: 020 3006 7530.

www.edgeperformancevct.com

For further information please contact:-

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