

MOBEUS VCT NEWSLETTER

WINTER 2016-2017

MOBEUS INCOME & GROWTH VCT PLC MIG

MOBEUS INCOME & GROWTH 4 VCT PLC MIG 4

MOBEUS INCOME & GROWTH 2 VCT PLC MIG 2

THE INCOME & GROWTH VCT PLC I&G

WELCOME TO THE WINTER 2016-2017 NEWSLETTER

Four new growth capital investments made in the last four months marked an encouraging end to 2016.

New VCT Rules - a reminder and update on progress

New VCT legislation under the November 2015 Finance Act has caused your VCTs to change the focus of new investment towards smaller, younger businesses. Investments to finance the acquisitions of businesses, such as MBOs, are no longer permitted, although the VCTs' existing MBO investments continue to be qualifying holdings. This new legislation has affected all investments made by ALL VCTs.

All four VCTs are now operating under their revised Investment Policy which complies with the requirements of the new legislation.

New Investment

The VCTs have now invested £16.3 million in six companies under the new VCT rules. Given the significant change to the VCT scheme, Mobeus considers this level to be a very good start to executing the new strategy.

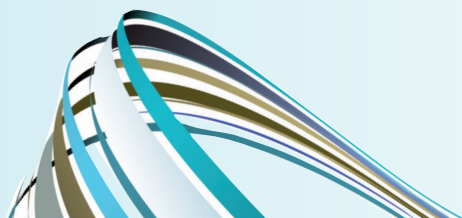
We have built up a strong pipeline of new investment opportunities and are confident that a number of these will become VCT portfolio companies with the potential to produce good returns for shareholders.

Shareholder Event

On 24 January 2017, we welcomed over 250 shareholders to our annual Shareholder Event, once again held at the Royal Institute of British Architects. There was a lunchtime and evening session allowing Mobeus, the VCT Boards and shareholders to meet. Shareholders gained a deeper insight into several of the new companies the VCTs have recently invested in.

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INVESTMENT AND PORTFOLIO NEWS

Ten largest investments





Across the current combined asset base of approximately £225 million, the VCTs' ten largest investments account for approximately £83 million by value (37% of the asset base) and their cost and valuation are shown in the table below.

Company	Business	Total (£m)	
		Cost	Valuation
 Access-IS	Data capture and scanning hardware	11.0	11.7
 Virgin Wines	Online wine retailing	8.4	11.3
 ASL Technology	Printer and photocopier services	9.7	10.2
 Entanet International	Wholesale communications provider	9.5	10.0
 MBI	Events and publishing	11.7	9.5
 Motorclean	Vehicle cleaning and valet services	5.3	7.1
 Veritek Global	Maintenance of imaging equipment	6.9	6.9
 Tharstern	Print sector management information systems	4.7	5.8
 CGI	Adhesive decorative graphics for vehicles	6.2	5.6
 Tushingham	Tushingham Sails	4.0	5.3
Total for ten largest investments		77.4	83.4
Other Investments		98.4	96.4
Portfolio Total		175.8	179.8

The above data have been extracted from each VCT's latest announced financial information, adjusted for subsequent additions and disposals to 4 January 2017.

New investment - Total: £10.5 million

Four of the six investments made to date under the new VCT rules have been completed in the period, as shown in the table below. The first two, Redline and MPB Group, occurred earlier in the year and were reported in the previous Newsletter.

Company	Business	Month	Amount (£m)
 BookingTek	Direct booking software for hotels	October	2.2
 BIOSITE	Pattern Analytics	November	2.8
 Preservica	Proprietary digital archiving software	December	3.0
 TAPAS	Tapas Revolution	January	2.5
		Total	10.5

New investment (continued)

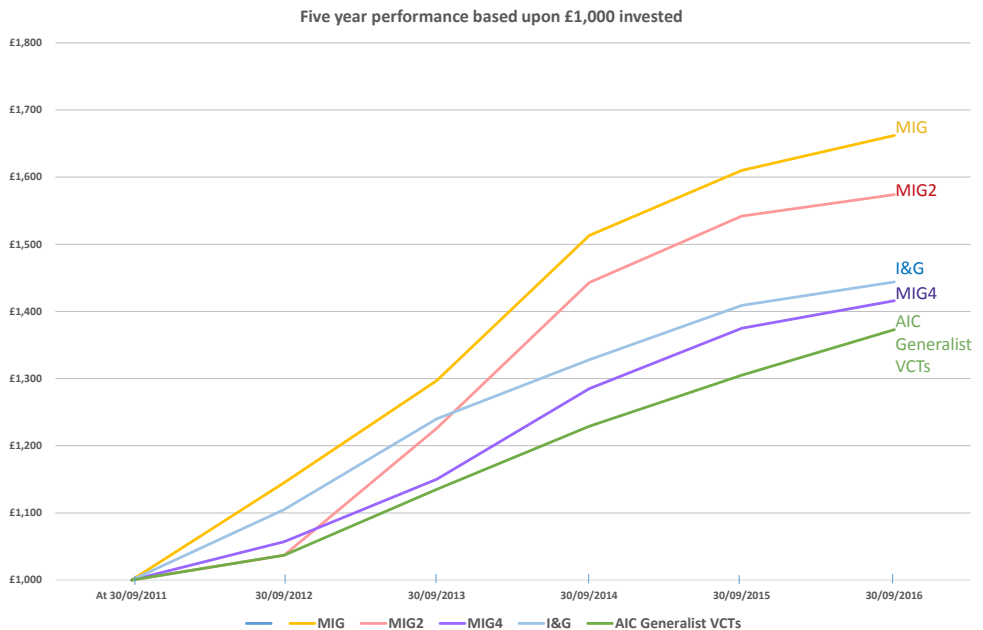
BookingTek Limited has developed software that enables hotels to reduce their reliance on third-party booking systems through a real-time booking platform for meeting rooms and restaurant table reservations. The platform is being rolled out across two of the world's largest hotel groups, Marriott and Carlson Rezidor.

Pattern Analytics, trading as Biosite, is a fast growing provider of biometric access control and software-based workforce management solutions for the construction sector. Their innovative access control product is able to recognise the lower grade quality of fingerprint that inevitably features within the construction sector workforce.

Preservica is a spin off company arising from the realisation of Tessella, a previously held portfolio company. Preservica is a world leader in digital record preservation software which future-proofs digital assets to ensure that information remains accessible, irrespective of future changes in technology. The business has an enviable blue chip client base that includes many European national archives and libraries, US State Archives, universities, international organisations and corporates.

Tapas Revolution is a casual dining restaurant chain offering Spanish tapas cuisine, that was founded by celebrity chef Omar Allibhoy. Founded in 2010, Tapas Revolution has established itself as one of the leading Spanish tapas restaurant chains and the investment is to support the roll out of additional restaurants into a number of UK shopping centre locations.

RELATIVE PERFORMANCE OF THE MOBEUS VCTS



What does this chart show?

This chart shows the NAV cumulative return at 30 September each year, assuming £1,000 had been invested in each VCT at its NAV per share at 30 September 2011. The figure at each year-end represents the net asset value per share plus dividends paid per share, multiplied by the number of shares held in each VCT at 30 September 2011, as a result of the investment of £1,000.

The Mobeus VCTs' relative performance compares favourably to the index of AIC (Association of Investment Companies) Generalist VCTs.

SHAREHOLDER RETURN PERFORMANCE DATA FOR EACH VCT

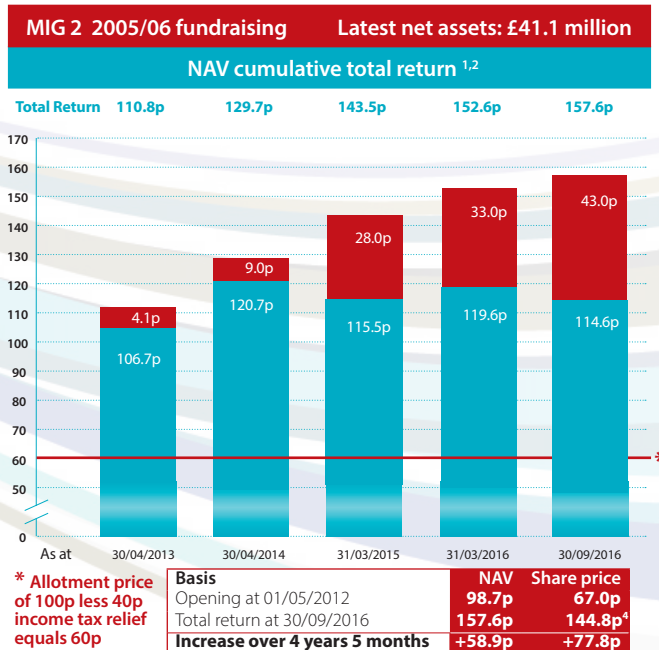
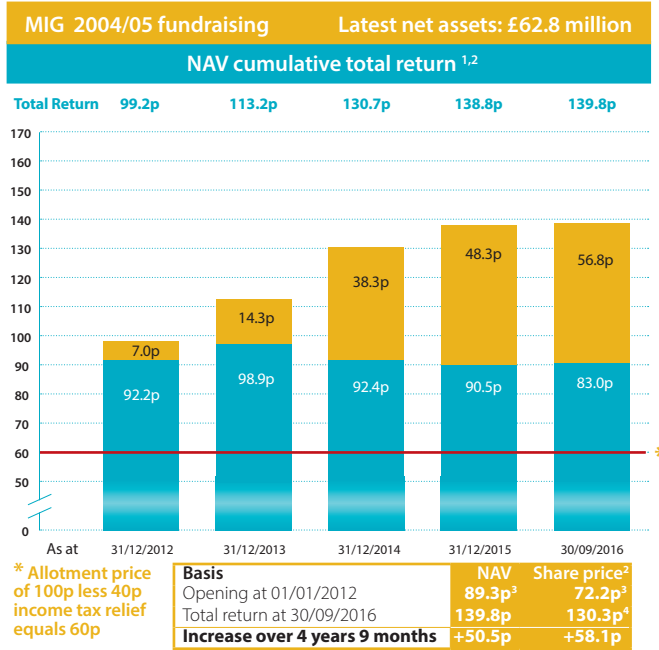
We hope shareholders will be pleased to note that the most recent AIC performance data over the 5 years to 31 December (on a NAV cumulative total return basis) rank the Mobeus VCTs as 4th at +56.5% (MIG2), 6th at +52.8% (MIG), 10th at +48.8% (I&G) and 17th at +41.8% (MIG4) out of 43 generalist VCTs.

What do these charts show?

Each bar chart shows cumulative total returns on a net asset value ("NAV") per share basis. They each show five bars of data, covering at least the last four full financial periods, plus the current period to 30/09/16, for that VCT. Each bar shows the two components of total return at each period end. The lower part is the closing NAV, while the higher is cumulative dividends paid or payable in respect of a period, since the start of the VCT's financial period that ended in 2012 or 2013.

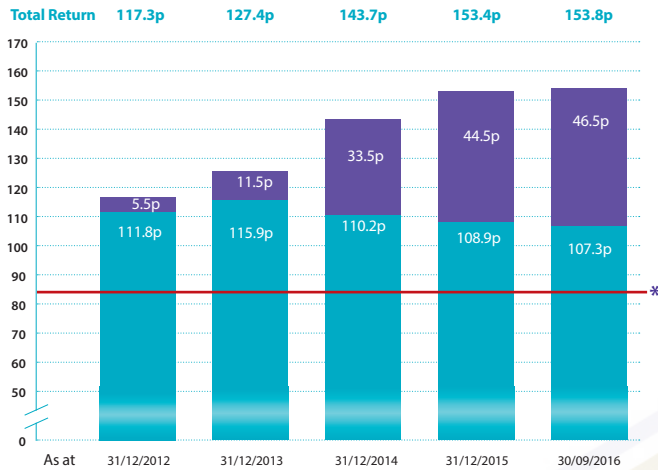
Underneath each chart, the growth, in pence, in NAV Total return (NAV + dividends paid/payable) and Share price Total return (Share price + dividends paid/payable) over the opening NAV and bid share price for each VCT's reported performance period, is stated. The red line across the bars shows the original investment cost for the fundraisings indicated in the charts, net of applicable income tax relief, to an investor.

The data in the four charts cover a range between 4 years and 5 months to 5 years. This is due to the three differing year-ends amongst the four VCTs. Shareholders should note that the data do not enable direct comparison of the VCTs' relative performance, due partly to these differing reporting dates.



MIG 4 2006/07 fundraising Latest net assets: £52.8 million

NAV cumulative total return ^{1,2}



* Allotment price of 120.9p less 30% income tax relief equals 84.6p

Basis	NAV	Share price ³
Opening at 01/02/2012	111.7p ³	95.0p ³
Total return at 30/09/2016	153.8p	142.0p ⁴
Increase over 4 years 8 months	+42.1p	+47.0p

Notes to the charts

¹ NAV cumulative total return: NAV plus cumulative dividends paid/payable in respect of each year/period to date covered by each chart.

² The NAVs per share, net assets and bid prices have been adjusted for dividends in respect of each year/period, but paid/payable after the period end.

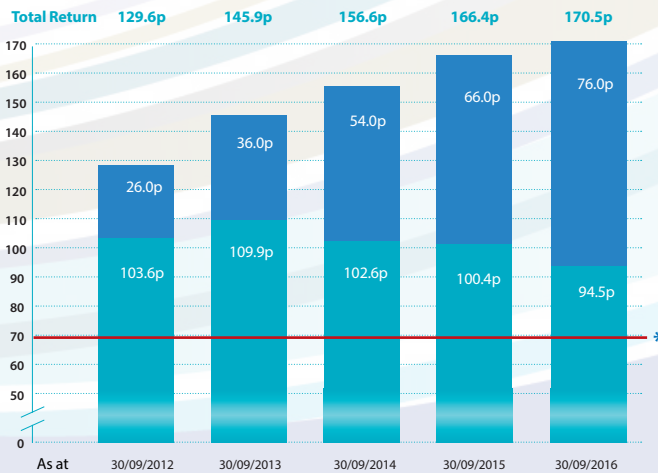
³ The opening NAV and share price have been reduced by a dividend payable in respect of the previous period.

⁴ Share price cumulative total return: bid price plus cumulative dividends paid/payable in respect of each year/period to date covered by each chart.

Performance data for every allotment for every fundraising by each VCT are shown in an appendix to that VCT's half-year and annual reports and/or on the Mobeus website.

I&G 2007/08 fundraising Latest net assets²: £68.4 million

NAV cumulative total return ^{1,2}



* Allotment price of 100p less 30% income tax relief equals 70p

Basis	NAV	Share price ²
Opening at 01/10/2011	116.8p ³	87.0p ³
Total return at 30/09/2016	170.5p	163.8p ⁴
Increase over 5 years	+53.7p	+76.8p

SHAREHOLDER ENQUIRIES:

For enquiries concerning each VCT, please contact the Investment Adviser, Mobeus Equity Partners LLP, on 020 7024 7600 or by e-mail to vcts@mobeusequity.co.uk.

For information on your holding, to notify the Company of a change of address or to request a dividend mandate form (should you wish to have future dividends paid directly into your bank account) please contact the Company's Registrars, as follows:

For MIG 2, MIG 4 and I&G

Capita Asset Services

The Registry

34 Beckenham Road

Beckenham, Kent BR3 4TU

www.capitashareportal.com

VCT investor line: 0371 664 0324

Lines are open from 9:00am - 5:30pm,
Monday to Friday, excluding public holidays
in England and Wales.

For MIG

Computershare Investor Services plc

The Pavilions

Bridgwater Road

Bristol, BS99 6ZZ

www.investorcentre.co.uk

VCT investor line: 0370 707 1155

Lines are open from 8:30am - 5:30pm,
Monday to Friday, excluding public holidays
in England and Wales.

To contact the Chairman or any member of a Board, please contact the Company Secretary, Mobeus Equity Partners LLP, in the first instance, on 020 7024 7600 or by e-mail to vcts@mobeusequity.co.uk.

You can also access information that is regularly updated for each VCT by visiting our website on www.mobeusequity.co.uk and selecting "Investor Area" and "Venture Capital Trust Investors".

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