MATRIX INCOME & GROWTH VCT PLC

MIG VCT UPDATE NOVEMBER 2009

SHARE PRICE: 55.5p NET ASSET VALUE: 80.2p

Welcome to the latest Matrix Income & Growth VCT ("MIG VCT") Newsletter, providing an update of activity since the Half-Yearly Report was circulated to shareholders in August.

As at 30 September, MIG VCT's total shareholder return was 96.5p per share comprising NAV per share of 80.2p plus cumulative dividends paid of 16.3p. This represents a small decrease of 0.9% in total shareholder return from 97.4p at 30 June 2009.

LATEST INVESTMENTS AND DIVESTMENTS

DIVESTMENT OF PASTAKING HOLDINGS

The Company has successfully sold its investment in PastaKing, the Newton Abbott based foodservice company, to NBGI Private Equity for net proceeds of £1,236k. This realisation contributed to total proceeds of £1,506k to the Company over the life of the investment, representing a 3.25 fold gain on the Company's original investment of £464k.

PastaKing was founded in 1995 to provide businesses, and in particular the education sector, with healthy pasta meals. It has also profited from the growing Italian cuisine market, enjoying rapid growth since investment in 2006. The business today employs 71 staff and has an annual turnover of £12 million.

The Managing Director Sue Davenport was recently crowned 'Woman Chief Executive Officer of the Year' at the British Venture Capital Awards. The company won six awards in 2008, including the award for 'Small to Medium sized UK Business of the Year' at the National Business Awards.

FURTHER INVESTMENT INTO BRITISH INTERNATIONAL HOLDINGS

The Company made an additional investment of £182k into British International in November of this year bringing its total investment in this provider of helicopter services to £1.2 million.

Operating from its headquarters in Sherborne, Dorset, British International operates a helicopter service including the longest running scheduled helicopter service, from the UK mainland to the Isles of Scilly. It has a longstanding relationship with the Ministry of Defence which has seen the company offer helicopter support to the Falkland Island Garrison and Flag Officer Sea Training and Joint Maritime Courses in Plymouth and off the West coast of Scotland.

FUND BREAKDOWN AT 30 SEPTEMBER 2009

	30 September 2009 £	30 June 2009 £
Unquoted loan stock	7,351,530	7,864,591
Unquoted equities	5,292,881	4,900,740
AiM quoted equities	53,603	53,603
Money market funds	3,783,776	3,980,136
Cash	161,674	57,594
Net working capital	(110,350)	(139,813)
Net assets	**16,533,114**	**16,716,851**
Net asset value per share	**80.2 pence**	**81.1 pence**

CONTACT MATRIX

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QUALIFYING INVESTMENT PORTFOLIO AS AT 30 SEPTEMBER 2009

Company	Business	Investment Cost £	Investment Valuation £	% of the Investment Portfolio
DiGiCo Europe	Audio mixing desks	782,609	1,723,049	13.6%
VSI	Software for CAD/CAM vendors	390,367	1,387,294	10.9%
PastaKing	Fresh pasta meals	464,047	1,235,604	9.7%
Aust Construction Investors	Construction sector acquisitions	1,000,000	1,000,000	7.9%
Barnfield Management Investments	Food sector acquisitions	1,000,000	1,000,000	7.9%
Calisamo Management	Healthcare sector acquisitions	1,000,000	1,000,000	7.9%
Vectair	Washroom products	560,302	973,488	7.7%
British International	Helicopter Services	1,000,000	898,271	7.1%
ATG Media	Publications and online auction	859,640	859,640	6.7%
Youngman Group	Ladders and access towers	1,000,052	700,992	5.5%
	Total for ten largest investments	8,057,017	10,769,338	84.9%
	Other investments	6,785,701	1,928,676	15.1%
	Total portfolio	14,842,718	12,698,014	100.0%

MANAGER'S COMMENTARY

In the face of continued economic deterioration in the UK and worldwide, this is a challenging time for new investment. We have therefore been cautious and selective in our consideration of potential deals. We have in particular continued to avoid transactions requiring high levels of bank borrowing, believing that economic conditions remain challenging and that over-leveraged companies are much too vulnerable in this environment. The portfolio of management buy-out investments continues to reflect our strategy of seeking to capitalise companies properly at the time of investment so that they are well positioned to contend with difficult times. We continue to believe that the portfolio, taken as a whole, is resilient and of high quality and given recent general comment on the tightening of bank lending, do not consider that the portfolio is exposed to unsustainable levels of third party debt. Income generation, however, continues to be difficult whilst interest rates remain low and current economic conditions persist.

In June of this year, the VCT invested £317,583 to support the MBO of Westway Cooling, a company specialising in the installation, servicing and maintenance of high quality air-conditioning systems and associated building plant. With a turnover of £9.6 million and a record order book, we believe that this company is well placed to grow. Elsewhere in the portfolio, DiGiCo Europe has continued to roll out new products and this has led to rising profits this year. Monsal has returned to profit and the outlook for this company has been further enhanced by the prospect of new capital contracts as water companies commit to new waste management projects and the company exploits its expertise in anaerobic digestion. ATG Media has progressed well with its on-line auction product showing impressive growth. Other investments, not included in the ten largest listed above, comprises several investments where performance is satisfactory, and a number where performance has been less so to date, but where we believe opportunities to recover value do remain. The companies in the portfolio that are more directly exposed to the construction and retail sectors are suffering from the negative effects of the recession. Youngman, PXP and Plastic Surgeon have all been affected by the significant downturn in the construction industry as business volumes have shrunk and reduced demand from major customers has impacted on revenue. It is still too early to assess when we are likely to see signs of recovery in these areas.

Most importantly, the Company has more than sufficient cash available to support the portfolio at this point in the cycle.