

BARONSMEAD

Baronsmead VCT 3 plc
Quarterly update
For the three month period from
1 January 2015 to 31 March 2015

Headlines

- **1.5%** Increase in Net Asset Value per share
- **£2.0m** Invested in new and follow-on investments
- **£2.2m** Realised from the sale of investments



Performance Summary

Capital return	As at 31 Mar 2015	As at 31 Dec 2014	Movement
Total net assets	£77.46m	£76.62m	
Net asset value per share	103.29p	101.72p	1.5%
Share price	97.00	95.00p	2.1%

Total Return	3 month (%)	1 year (%)	5 years (%)	10 years (%)
Net asset value total return ⁽¹⁾	1.54	1.72	61.32	98.77

Key:

⁽¹⁾ NAV total return = NAV + reinvested dividends; Source: Livingbridge VC LLP

These total returns are stated before the inclusion of VCT tax reliefs which are designed to mitigate the higher risks and costs associated with investing in smaller companies and the constraints of the VCT legislation. The front end income tax reliefs available at the time of subscription were 20 per cent prior to the end of the 2003/04 tax year, 40 per cent in the 2004/05 and 2005/06 tax years and 30 per cent since then, so any adjusted performance measure including this relief will vary depending on the date of subscription. There is the additional benefit of receiving VCT dividends tax free.

Investment Performance

In the three months to 31 March 2015, Baronsmead VCT 3's underlying net asset value per share increased by 1.5%. Over the quarter, the unquoted portfolio valuation increased by 6.2% including capitalised income received on the sale of investments and the quoted portfolio (including Wood Street Microcap Fund) increased by 0.3%.

The Company's net assets as at 31 March 2015 were £77.5 million. This figure takes into account the valuation of the Company's investments as at 31 March 2015.

Top Ten Investment Holdings

Position at 31 Mar 2015	Position at 31 Dec 2014	Company	Percentage of NAV as at 31 Mar 2015
1	3	Nexus Vehicle Holdings Ltd	3.7
2	1	Netcall plc	3.5
3	2	IDOX plc	3.3
4	4	Crew Clothing Holdings Ltd	3.2
5	6	Create Health Ltd	2.4
6	5	Accumuli plc	2.4
7	7	Tasty plc	2.4
8	13	TLA Worldwide plc	2.0
9	8	Pho Holdings Ltd	1.9
10	10	Carousel Logistics Ltd	1.8
Total			26.6

Analysis of Total Assets

	Percentage of total assets 31 Mar 2015	Percentage of total assets 31 Dec 2014
Unquoted investments	32	32
AIM, listed & collective investments vehicle	43	43
Listed interest bearing securities	11	12
Net current assets	14	13
Total cash portfolio	25	25
Total Assets	100	100

Analysis of Investment Portfolio by Sector (excluding cash and interest bearing securities)

	Percentage of total investments at 31 Mar 2015	Percentage of total investments at 31 Dec 2014
Business Services	35	33
Consumer Markets	16	19
Healthcare & Education	12	11
Technology, Media & Telecommunications	37	37
Total	100	100

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Investment Activity

In the three months to 31 March 2015, Baronsmead VCT 3 invested a total of £2.0 million in three new and two follow on investments as set out in the table below.

Investments made

Company	Date	Cost (£'000)
Centre4 Testing Ltd	Feb 15	953
Ideagen plc*	Jan 15	450
EG Solutions plc*	Jan 15	225
Venn Life Sciences Holdings plc	Mar 15	225
Plant Impact plc	Feb 15	189
Total investments		2,042

*Follow on investments

Realisations

Baronsmead VCT 3 realised a total of £2.2 million from full and partial sales of investments in four unquoted and two quoted investments as set out in the table below.

Company	Date	Cost (£'000)	Proceeds (£'000)	Multiple ** (X)
Luxury for Less Ltd	Feb 15	955	1,787	2.0
Anpario plc*	Mar 15	54	235	4.4
Eque2 Ltd*	Feb 15	111	124	1.1
Cohort plc	Jan 15	48	76	1.7
Surgi C Ltd	Feb 15	853	-	0.3
Impetus Holding Ltd	Mar 15	1,305	-	0.0
Total realisations		3,326	2,222†	

* Partial Realisation

† Proceeds of £5,000 were also received in relation to Playforce Holdings Ltd, which had been sold in a prior period. Deferred consideration of £39,000 was also received in respect of MLS Ltd.

** Includes interest/dividends received, loan note redemptions and partial realisations accounted for in prior periods.

Net Asset Value as at 30 April 2015

The net asset value as at 30 April 2015 was 103.63p per share.

Events after the period end

Other than the event described above, the Board is not aware of any significant events or transactions which have occurred between 1 April 2015 and the date of publication of this statement which would have a material impact on the financial position of the Company.

Investment objective

Baronsmead VCT 3 plc is a tax efficient listed company which aims to achieve long-term investment returns for private investors.

Further information

Further information regarding the Company, including net asset values published since the end of the period and quarterly factsheets, can be found at the Company's website www.baronsmeadvct3.co.uk

Contact

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Baronsmead VCT 3 plc is managed by Livingbridge VC LLP, which is Authorised and regulated by the Financial Conduct Authority (FCA). Livingbridge VC LLP manages five Baronsmead VCTs.

All information sources are provided by Livingbridge VC LLP and all figures are as at 31 March 2015 unless otherwise stated. Livingbridge VC LLP does not give investment advice. Past performance is not necessarily a guide to future performance. Stock markets and currency movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount they originally invested. Where investments are made in unquoted securities or smaller companies, their potential volatility may increase the risk to the value of, and income from, the investment. Investors should take their own financial and tax advice before investing, based on their own individual circumstances. VCTs should be regarded as a long term investment and are only suitable for private investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result.



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