

# Foresight 4 VCT Ordinary Shares

## Third Quarter

1st October to 31st December 2012



### INVESTMENT MANAGER'S REPORT

The performance the portfolio in the quarter under review continues to be encouraging, notwithstanding the fall in Net Asset Value (NAV), the generally weak UK macroeconomic environment and the recent "double-dip" recession. Most portfolio companies are trading well, especially those serving export markets and should this continue, it will be reflected in NAV improvements in due course.

There has been an overall decrease in net asset value from 95.1p (at 30/09/12) to 92.6p (31/12/12).

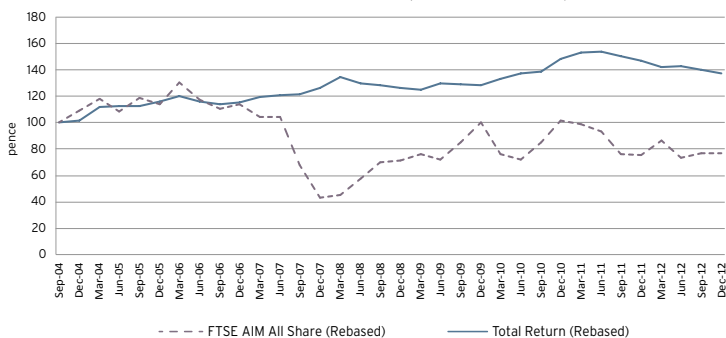
Revaluations of portfolio companies have been driven by movements in underlying P/E sector multiples and profits performance which led to valuation increases for Datapath, with decreases for Trilogy, Autologic and TFC; changes in comparable multiples and revenues resulted in increased valuations for VectorCommand and decreases in Aigis and AlwaysOn. An increase in provision to 25% for Abacus Wood led to a reduction in valuation, while changes in the discounted cash flow saw O-Gen's valuation increase. Among the quoted investments there were decreases in valuation for Zoo and Probability.

### PORTFOLIO ACTIVITY

The Company made a small follow-on investment totalling £4k into Snell Corporation and capitalised loan interest and follow-on investments into Autologic (£54k), The Bunker (£51k) and Flowrite (£5k). Realisations amounted to £104k including i-Plas (£81k) and Crumb Rubber (£23k).

### PERFORMANCE HISTORY

Foresight 4 VCT plc - total returns (rebased to 100) & FTSE AIM All Share (rebased to 100)



RECENT DIVIDEND HISTORY	DATES
5.0p	24th February 2012
5.0p	4th February 2011
5.0p	18th December 2009
5.0p	26th December 2008
5.0p	28th December 2007
2.5p	15th December 2006
5.0p	30th December 2005

### SUMMARY

#### KEY INFORMATION

Launch Date	1998
Foresight Takeover Date	2004
Net Assets (£'000)	£34,999
Share Price	83.5p
NAV per Share	92.6p
Premium / (Discount)	(9.8%)
Change in Share Price since last Quarter	(3.2%)
Change in NAV since last Quarter	(2.6%)
No. of Investee Companies	28
TER	2.90%
Total Returns since Foresight's Appointment	37.3%

#### TOP 10 HOLDINGS

No.	COMPANY	% OF INVESTMENT (by Value)
1	Datapath Holdings Ltd	21.3
2	Closed Loop Recycling Ltd	12.2
3	The Bunker Secure Hosting Ltd	11.4
4	Autologic Diagnostics Group Ltd	9.7
5	TFC Europe Ltd	8.3
6	O-Gen Acme Trek Ltd	6.5
7	Ixaris Systems Ltd	5.6
8	Evance Wind Turbines Ltd	4.9
9	Trilogy Communications Ltd	2.7
10	O-Gen UK Ltd	2.7
<b>TOTAL TOP 10</b>		<b>85.3</b>

#### SECTOR WEIGHTINGS

SECTOR	% OF INVESTMENT (by Value)
Electronic and Engineering	43.05
Environmental	30.47
Business Services	22.21
Consumer	3.10
Software	1.17

#### DEFINITIONS

**NAV - Net Asset Value** - the value of the company's assets minus the value of its liabilities

**TER - Total Expense Ratio** - a measure of the total costs associated with managing and operating an investment fund divided by the fund's total assets expressed as a percentage.

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### INVESTMENT OBJECTIVE

Foresight 4 VCT plc is a generalist fund aiming to provide investors with attractive returns from a portfolio of investments in fast-growing, unquoted UK companies.

### ABOUT FORESIGHT GROUP

Formed in 1984, Foresight built its reputation amongst investors by delivering strong performance from unquoted UK investments. Our investment approach has evolved to encompass Private Equity, Infrastructure and Environmental investments in the UK, Spain and Italy. We are one of the largest VCT managers with over £230m VCT Funds Under Management. As a fully independent alternative asset manager, we are owned by our partners, who together have more than 200 years' combined experience across a wide range of sectors, and our three investment teams are fully collaborative with a pro-active and pragmatic style.

### PORTFOLIO MANAGERS

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### THE BOARD

#### PHILIP STEPHENS (CHAIRMAN)

Philip retired from Williams de Broe plc in 2002 where he was joint head of corporate finance. He was previously a Managing Director at UBS, which he joined in 1989. He was involved in corporate finance and corporate broking for over 35 years. He is currently Non-Executive Chairman of Egdon Resources plc and Neptune-Calculus Income & Growth VCT plc.

#### PETER DICKS

Peter was a founding director of Abingworth plc in 1973, a successful venture capital company. He is currently a director of a number of quoted and unquoted companies, including Private Equity Investor plc where he is Chairman, Polar Capital Technology Trust plc and Graphite Enterprise Trust plc. In addition, he is a Non-executive Director of Foresight VCT plc, Foresight 2 VCT plc and Foresight 3 VCT plc. He is also Chairman of Unicorn AIM VCT plc.

#### RAYMOND ABBOTT

Raymond is the former Managing Director of Alliance Trust Equity Partners (ATEP). He has over 20 years experience in private equity, including direct and fund investing. He has been responsible for strategy and investment for over fourteen years and has built and sold his own venture capital business. Within ATEP, Raymond was responsible for implementing the fund investment strategy while retaining an active role within investments. Raymond's background encompasses fund investments, divestments, direct venture and development capital. He has also acted as non-executive director in public and private businesses. Raymond is a member of the Audit, Nomination and Remuneration Committees.

#### CURRENT OFFERS

##### SHARE BUY BACK

There is currently an Enhanced Buy Back offer available for existing ordinary shareholders but this is due to close on 30th June 2013.

##### FUNDRAISING

No shares were issued during the period but the top up offer has raised £1,138,617 as at 04/04/13 and is still open for new subscriptions until June 30th 2013.

**Foresight**  
group

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