HALF-YEARLY REPORT

for the six months ended 31 March 2014

UNICORN AIM VCT PLC

Investment Objective

The Company's objective is to provide Shareholders with an attractive return from a diversified portfolio of investments, predominantly in the shares of AIM quoted companies, by maximising the stream of dividend distributions to Shareholders from the income and capital gains generated by the portfolio.

It is also the objective that the Company should continue to qualify as a Venture Capital Trust, so that Shareholders benefit from the taxation advantages that this brings. To achieve this at least 70% of the Company's total assets are to be invested in qualifying investments of which 30% by value must be in ordinary shares carrying no preferential rights to dividends or return of capital and no rights to redemption.

Venture Capital Trust Status

The Company has satisfied the requirements for approval as a Venture Capital Trust (VCT) under section 274 of the Income Tax Act 2007 (ITA). It is the Directors' intention to continue to conduct the business of the Company so as to maintain compliance with that section.

Contents

Financial Highlights

for the six months ended 31 March 2014

- **Net asset value total return for the six months ended 31 March 2014 was up 14.6%, after adding back dividends paid of six pence per share.**
- **Offer for subscription has raised £11.7 million to date.**

Recent Fund Performance

Ordinary Shares	Net assets (£million)	Net asset value per share (NAV) (p)	Cumulative dividends paid per share (p)*	NAV total return to shareholders since merger* per share (p)	Share price (p)
31st March 2014	86.3	142.8	20.0	162.8	123.5
30th September 2013	73.7	129.8	14.0	143.8	111.0
31st March 2013	61.9	108.5	14.0	122.5	89.3
30th September 2012	59.0	102.3	9.0	111.3	86.0

* Since the merger of the Company with Unicorn AIM VCT II on 9 March 2010. Details of the performance of former share classes in the Company and in Unicorn AIM VCT II plc are shown in a performance data appendix on pages 19 and 20.

Portfolio Summary

Allocation of qualifying investments by market sector

	As at 31 March 2014	As at 30 September 2013
	%	%
Pharmaceutical & biotechnology	26.6	33.6
Software & computer services	24.7	24.0
Industrial engineering	11.1	8.1
Financial services	8.3	7.4
Support services	8.3	8.0
Healthcare equipment & services	5.0	5.0
Aerospace & defence	3.9	4.5
Travel & Leisure	3.0	–
Food & drug retailers	2.9	3.1
Industrial transportation	2.4	1.7
Real estate investment & services	1.9	1.7
Media	1.7	2.7
Technology hardware & equipment	0.2	0.2
Total	**100.0**	**100.0**

Chairman's Statement

I am pleased to present the Half-Yearly Report (the "Report") of the Company for the six months ended 31 March 2014.

The period under review has been one of continued progress. In the period, the Company's unaudited net asset value (NAV) increased from 129.8 pence per share to 142.8 pence per share. After taking into account the 2012/2013 final dividend of six pence per share, which was paid in January 2014, this represents a total return for the period of 14.6%.

As at 31 March 2014, the net assets of the Company were £86.3m, which represents growth of £12.6m in the period under review. This growth in total net assets is a consequence of strong investment performance combined with a well supported Offer for Subscription. The investment portfolio generated a capital gain of £11.1m during the period, while new shares allotted under the Offer for Subscription amounted to £6.7m. The overall growth in net assets is pleasing and has been achieved after taking into account dividend payments totalling £3.6m and share buybacks of £1.2m made in the period.

The £20m Offer for Subscription, which was announced in September 2013, has attracted an encouraging level of support from both new and existing investors. By the end of tax year 2013/2014, valid applications had been received amounting to over £12m of new capital.

The Offer for Subscription remains open until 30 June 2014. However, as you may be aware, the Government recently published the Finance Bill 2014 in which certain measures had been proposed relating to returns of capital from shares issued by venture capital trusts ('VCTs') after 6 April 2014.

As a result, the Company is currently taking legal advice in respect of this proposed legislation and I understand that both HM Revenue & Customs and HM Treasury are consulting with the VCT industry on its potential consequences.

With this in mind, the Board feels it prudent to delay accepting applications and allotting any further shares under the Offer until the potential implications of the proposed legislation are understood. We hope that this will be in the not too distant future.

I would like to take this opportunity to welcome all new shareholders and to thank existing shareholders for their continued support.

The economic recovery in the UK gathered pace during the period under review. Current forecasts from the Chancellor of the Exchequer, the Bank of England and the IMF suggest that the economy will grow at a rate of 3% during 2014. It is also encouraging that growth forecasts have been the subject of regular upward revisions over the past 12 months.

In common with many previous economic recoveries, smaller quoted companies have generally performed well. The FTSE AIM Index delivered a total return of 7.7% in the six months ended 31 March 2014, while the total return of the Numis Smaller Companies Index was 11.4%. By contrast the FTSE All-Share Index registered a total return of 4.8% over the same period.

The recent improvement in trading conditions is already being felt by many of our investee companies. It is pleasing to see these businesses delivering healthy growth in both revenues and profitability. Importantly, management teams are also expressing increasing levels of confidence in the short to medium term outlook. The common denominator is that there seems to be no shortage of opportunity to sell more of their products and services to new and existing customers. In due course, this should translate into meaningful earnings growth and further solid share price gains from a large part of the investment portfolio.

As always, there is the risk that forecasts for growth prove to be over-optimistic and that actual earnings growth falls short of expectations. Equity markets in general have experienced a substantial re-rating in the past five years and, for those businesses that fail to deliver on growth expectations, share price corrections are likely to be significant.

A review of the main contributors to performance (both positive and negative) follows:-

Qualifying Investments

Abcam (-23%) is a global leader in the supply of innovative protein research tools. In March 2014, Abcam released its financial results for the six month period ended 31 December 2013, which were in line with your Investment Manager's internal forecasts. Revenues of £61.9m (H2 2012: £57.3m) represented half-year on half-year growth of over 8%, while earnings per share were up 6.5% to 8.74p (H2 2012: 8.21p). Abcam remains a cash generative business with a robust balance sheet. Net cash balances at the period end amounted to £35.3m. Despite Abcam's many obvious qualities, market reaction to the release of Interim Results in early March was negative as investors worried about currency headwinds and the impact of possible cuts to health budgets in the key North American market, which accounts for 43% of total sales. As a result, Abcam's share price ended the period markedly lower. The holding has been retained in the portfolio in the expectation that the de-rating in the value of Abcam will prove to be temporary.

Anpario (+26%) is a specialist producer of natural feed additives for animal health, hygiene and nutrition, which continues to grow its international operations. For the financial year ended 31 December 2013, Anpario reported an increase in revenues of 12% to £26.3m. This sales growth translated into a 21% growth in profits after tax to £2.5m. Following strong operational cash generation, the balance sheet strengthened further with net cash rising to £4.8m. The proposed final dividend was increased by 17% to 3.5 pence per share, reflecting management's confidence in the outlook for continued profitable growth.

Accumuli (+39%) is a leading, rapidly growing, UK-based independent specialist in IT security. In the half year period to 30 September 2013 revenues grew by 23% to £7.7m (H1 2012: £6.3m), gross profit was 28% higher at £4.5m (H1 2012: £3.5m) while group EBITDA rose 7% to £1.1m (H1 2012: £1.0m). Importantly, Accumuli's global customer base is increasingly diverse, consisting of companies of all sizes across an expanding

Chairman's Statement

range of industry sectors, including financial services, utilities, telecommunications, manufacturing and government. Accumuli enjoys high levels of repeat business. Almost two thirds of gross profits are generated from recurring revenues earned on managed service or support contracts that have a typical term of twelve months or more. Having built out a comprehensive range of IT security related services, the management team's future strategy is to focus on delivering increasing levels of organic, cash generative growth rather than to become overly reliant upon acquisition led growth. Accumuli ended the period with £3.6m in net cash balances (30 September 2012: £1.5m).

Animalcare Group (-15%) is a leading supplier of veterinary medicines focused on three main product groups: licensed veterinary medicines, companion animal identification and animal welfare products. Share price performance was disappointing in the period under review, despite the fact that the business continued to deliver growth in revenues and profits. In the financial half year ended 31 December 2013, sales increased by 5.9% to £6.46m, while profit before tax grew by 3.5% to £1.38m. The Board of Animalcare has, however, taken a strategic decision to increase investment substantially in product development over the next five years, focusing primarily on enhanced generic medicines. This increased level of investment will inevitably hold back earnings growth in the near term, but bodes well for the longer term development of the business.

Avingtrans (+24%) designs, manufactures and supplies critical components to the global aerospace, energy and medical sectors. In February 2014, Avingtrans announced interim results for the six month period ended 30 November 2013, which highlighted continued strong growth in sales. Revenues from continuing operations increased by 90% to £32.2m (H1 2012: £16.9m), while underlying profit after tax grew to £3m (H1 2012: £6.5m, which included an exceptional £6.1m profit on disposal of Jena Tec, a non-core subsidiary). Encouragingly, the order book was reported to be at record levels. In April 2014 Avingtrans announced that its Aerospace division had won an additional contract, estimated to be worth £25m over the next ten years, to supply Rolls Royce with pipe assemblies.

Crawshaw Group (+288%) is a meat focused retail chain. The business has endured a long period during which retail trading conditions have been extremely challenging. Having survived the tough times, the business is now experiencing strong recovery in sales and profits. Consumer confidence has improved noticeably over the past twelve months and this has translated into greater footfall and higher average spends. The management team at Crawshaw have reported on an excellent Christmas trading period, which is said to have continued into the early part of 2014. As a result, profits for the financial year to 31 January 2014 are expected to be materially higher than original market expectations.

Mattioli Woods (+27%) is a specialist pension consultancy and wealth management business. Interim results for the period ended 30 November 2013, which were released in January 2014, confirmed continued strong growth with revenues up 19.4% to £13.44m (1H13: £11.26m) and earnings per share increasing by 16.5% to 13.1p (1H13: 11.26p). Encouragingly, the proposed interim dividend was also increased substantially, rising by 33% to 3.1 pence per share. In addition, the business remains financially strong, with net cash balances growing to almost £8m despite continued investment in the people and systems required to continue delivering growth.

Pressure Technologies (+97%) is a designer and manufacturer of high pressure stainless steel cylinders, which are used in a variety of specialised applications. The group continues to follow a strategy of diversification and, to this end, the Board recently announced the acquisition of Roota Engineering Limited, a privately owned business, specialising in the manufacture of bespoke engineered products for the oil and gas industry. Pressure Technologies is acquiring Roota for a maximum consideration of £13.5 million. In order to fund the acquisition, Pressure Technologies has successfully raised £16.7 million via a placing of new shares. The acquisition is expected to be earnings enhancing in its first full financial year as part of the enlarged group and offers the prospect of significant long term growth.

Surgical Innovations (-30%) are a designer and manufacturer of innovative medical devices for use in minimally invasive surgery. For the financial year ended 31 December 2013 total revenues are expected to have grown by 13% to £8.6m (2012: £7.6m). The Board's strategy for long term growth is to develop the Surgical Innovation's brand within the lucrative US market and it is therefore encouraging that the business has reported a 75% increase in sales to the US. Unfortunately, group profitability has been adversely affected by the strength of Sterling against the US dollar and by strategic investment in manufacturing operations.

Tangent (+46%) is a digital marketing and printing specialist with a blue chip corporate client base, a rapidly expanding online print division and a growing reputation for service excellence. In its most recent trading update the Board of Tangent announced that underlying operating profit for the financial year ended 28 February 2014 would be ahead of market expectations. Revenues for the year were reported to be in line with market expectations of £27m. The business continues to be cash generative and net cash is expected to be approximately £2.6m at the period end. Growth is anticipated across all of Tangent's operating businesses as the group expands the range of products and services offered.

Tracsis (+47%) is a provider of operational planning software and consultancy services to the transport industry. The company acquired an AIM quoted transport surveying business called 'Sky High' in a deal that expands Tracsis' customer base into related transport markets and provides it with a foothold in new geographic regions. The deal was funded out of Tracsis' substantial cash resources and was immediately earnings enhancing. Tracsis also reported further substantial organic growth during the period under review, winning several new contracts both in the UK and abroad.

Non-Qualifying Investments

Non-qualifying investments continued to perform satisfactorily, with particularly strong contributions from **Hayward Tyler** (+55%), **Mears Group** (+24%) and **Renold** (+48%). The Company's exposure to Unicorn's range of OEIC funds once again provided a meaningful contribution to performance with the **Unicorn UK Smaller Companies Fund** delivering a particularly notable gain of 12.9%.

There were no material disappointments from any of the non-qualifying investments during the period.

Investment Activity

During the period, three new VCT qualifying companies were introduced to the portfolio. A total of £1m was invested in the unquoted shares of City Pubs East and City Pubs West, while a further £426,000 was committed in the flotation of Eclectic Bars Group.

New non-qualifying investments were made in DX Services, WYG and Interactive Investor.

Full and partial disposals were made in a number of holdings in order to raise sufficient cash to meet the dividend payment to shareholders made in January 2014. These disposals were predominantly made in non-qualifying holdings, thereby improving the percentage of total assets invested in VCT qualifying companies.

VCT Status

In aggregate, the Company remains above the VCT qualifying threshold required by HM Revenue & Customs. All other HM Revenue & Customs tests have been complied with and your Board has been advised by PWC that the Company has maintained its venture capital trust status.

Dividends

The dividend of six pence per share, relating to the financial year ended 30 September 2013, was paid to shareholders on 31 January 2014. This represented a 20% increase compared to the previous financial year and equates to an attractive tax free yield of 4.2% based on the period end Net Asset Value of 142.8 pence per share.

The Board is not proposing an interim dividend, but will consider the payment of dividends when reviewing the Annual Report and Accounts after the end of the current financial year.

Outlook

UK economic recovery has been swifter and stronger than most experts had been forecasting. To date however, the recovery has been driven by an increase in consumer spending rather than any discernible pick up in business investment. Although many of our investee companies are currently seeing strong growth opportunities, continued recovery in the wider UK economy remains fragile and appears increasingly dependent on improving levels of business investment. Your Investment Manager will therefore continue to focus investment activity on sensibly valued, well managed, profitable and cash generative businesses with strong leadership positions in niche, growing markets.

Conclusion

The Investment Manager continues to manage the portfolio prudently. The Manager's three key objectives remain unchanged: capital preservation, the payment of attractive and sustainable dividends to shareholders and finally, the delivery of capital growth over the longer term.

The investment portfolio consists of a diverse range of companies operating across a broad spectrum of sectors. Trading conditions have continued to improve in the period and the majority of investee companies are now generating growth in both sales and profits. As a consequence, balance sheets have been strengthening, dividend distributions have been growing and management teams have begun to express a more confident view on the longer term prospects for their businesses.

As a consequence of continued positive investment performance, combined with a well supported Offer for Subscription, Unicorn AIM VCT has again consolidated its position as the largest AIM-focused VCT in the market with net assets of £86.3m at the period end. Since the period end, a further £5.2m of new capital has been received from applicants participating in the Offer for Subscription and has been subsequently allotted in new shares. The Company's net cash balance at the period end amounted to approximately £3.0m.

The Board is pleased with the positive development of the Company in the period and remains optimistic that, if relatively benign trading and market conditions prevail in the second half of the financial year, then further progress should be made. In recent weeks, however, equity markets in general have experienced increased volatility, with the more highly rated technology and biotechnology sectors suffering in particular. At the time of writing, the Company's net asset value remains largely unaffected. The majority of our investee companies appear to be in good health and the Investment Manager remains confident that, in most cases, growth forecasts for these businesses will be met or even exceeded. With substantial new capital available, the Manager is also seeking to make new investments in promising businesses.

Peter Dicks
Chairman

20 May 2014

Investment Policy

In order to achieve the Company's Investment Objective, the Board has agreed an Investment Policy which requires the Investment Manager to identify and invest in a diversified portfolio, predominantly of VCT qualifying companies quoted on AIM that display a majority of the following characteristics:

- experienced and well-motivated management;
- products and services supplying growing markets;
- sound operational and financial controls; and
- good cash generation to finance ongoing development allied with a progressive dividend policy.

Asset allocation and risk diversification policies, including maximum exposures, are to an extent governed by prevailing VCT legislation. Specific conditions for HM Revenue & Customs ("HMRC") approval of VCTs include the requirement that no single holding may represent more than 15% (by value) of the Company's total investments and cash, at the date of investment.

VCT regulation

The investment policy is designed to ensure that the Company continues to qualify and is approved as a VCT by HMRC.

Amongst other conditions, the Company may not invest more than 15% at the time of its investment in a single company and throughout the period must have at least 70% by value of its investments in shares or securities in VCT qualifying holdings, of which a minimum overall of 30% by value (70% for funds raised after 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules). In addition, the Company must have at least 10% by value of its investment in each VCT qualifying company in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules).

The £1 million limit on the amount of investment a VCT may make into a particular company within a tax year has been abolished, except where that company trades in partnership or has a joint venture. The VCT legislation requires that an investee company should not receive more than £5 million from State Aid sources, including VCTs, within any twelve month rolling period ending on the date of the VCT's investment.

Asset mix

Where capital is available for investment while awaiting suitable VCT qualifying opportunities, or in excess of the 70% VCT qualification threshold, it may be invested in collective investment funds or in non-qualifying shares and securities in smaller listed UK companies. Cash and liquid resources are held in bank accounts and money-market funds.

Borrowing

To date the Company has operated without recourse to borrowing. The Board may however consider the possibility of introducing modest levels of gearing up to a maximum of 10% of the adjusted capital and reserves, should circumstances suggest that such action is in the interests of shareholders.

Management of the Company

The Board has overall responsibility for the Company's affairs including the determination of its investment policy. Risk is spread by investing in a number of different businesses across different industry sectors. The Investment Manager is responsible for managing sector and stock specific risk and the Board does not impose formal limits in respect of such exposures. However, in order to maintain compliance with HMRC rules and to ensure that an appropriate spread of investment risk is achieved, the Board receives and reviews comprehensive reports from the Investment Manager and the Administrator on a monthly basis. When the Investment Manager proposes to make any investment in an unquoted company, the prior approval of the Board is required. The Administrator, Mobeus Equity Partners LLP, also provides Company Secretarial and Accountancy services to the Company.

Investment Portfolio Summary

as at 31 March 2014

Qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
AIM/ISDX quoted investments:			
Abcam plc	1,768	6,935	8.0%
Anpario plc	1,585	5,462	6.3%
Tracsis plc	838	5,340	6.2%
Mattioli Woods plc	1,680	4,480	5.2%
Pressure Technologies plc	980	3,243	3.8%
Avingtrans plc	996	2,739	3.2%
Cohort plc	1,414	2,070	2.4%
Animalcare Group plc	1,476	1,901	2.2%
Idox plc	500	1,900	2.2%
Crawshaw Group plc	538	1,469	1.7%
Accumuli plc	400	1,262	1.5%
Hangar 8 plc	760	1,237	1.4%
Tangent Communications plc	963	1,155	1.3%
Sanderson Group plc	895	1,149	1.3%
Omega Diagnostics plc	500	1,146	1.3%
Instem plc	985	1,081	1.3%
Driver Group plc	552	1,079	1.3%
HML Holdings plc	431	1,000	1.2%
Surgical Innovations plc	331	781	0.9%
Green Compliance plc	2,600	762	0.9%
Tristel plc	878	752	0.9%
Redcentric plc	393	751	0.9%
Access Intelligence plc	1,467	589	0.7%
Pilat Media Global plc	275	465	0.5%
Keywords Studio plc	369	459	0.5%
Eclectic Bar Group plc	426	450	0.5%
Vianet plc	584	371	0.4%
PHSC plc	253	350	0.4%
Dillistone Group plc	106	275	0.3%
Eleven investments, each valued at less than 0.3% of net assets	5,207	1,178	1.4%
	30,150	51,831	60.1%
Unlisted investments:			
Access Intelligence plc – loan stock	750	750	0.9%
SnackTime plc – loan stock	850	850	1.0%
Hasgrove plc	975	688	0.8%
The City Pub Company (West) plc	500	589	0.7%
The City Pub Company (East) plc	500	589	0.7%
Three investments, each valued at less than 0.2% of net assets	1,575	84	0.1%
	5,150	3,550	4.2%
Total qualifying investments	**35,300**	**55,381**	**64.3%**

Investment Portfolio Summary
as at 31 March 2014

Non-qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
AiM quoted investments	7,338	9,862	11.4%
Listed UK equities	4,593	7,265	8.4%
Unicorn UK Smaller Companies Fund (OEIC)	1,686	4,066	4.7%
Unicorn Mastertrust Fund (OEIC)	1,228	2,502	2.9%
Unicorn Free Spirit Fund (OEIC)	828	2,118	2.5%
Interactive Investor plc – unlisted	1,750	1,750	2.0%
Green Compliance – loan stock	250	250	0.3%
Invu plc – loan stock	200	100	0.1%
Other unlisted investments	5	–	0.0%
Money market funds[1]	1	1	0.0%
Total non-qualifying investments	**17,879**	**27,914**	**32.3%**
Total investments	**53,179**	**83,295**	**96.6%**
Other assets		3,279	3.7%
Current liabilities		(277)	(0.3%)
Net assets		**86,297**	**100.0%**

[1] Disclosed within 'Current investments' under Current assets in the Balance Sheet.

Responsibility Statement

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, Peter Dicks (Chairman), James Grossman, Jeremy Hamer (Chairman of the Audit Committee) and Jocelin Harris (Senior Independent Director), the Directors, confirm that to the best of their knowledge:

(a) the condensed set of financial statements, which have been prepared in accordance with the statement "Half-Yearly Reports" issued by the Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit of the Company as at 31 March 2014, as required by DTR 4.2.4;

(b) the interim management report included within the Chairman's Statement and Investment Portfolio Summary includes a fair review of the information required by DTR 4.2.7 being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements;

(c) a description of the principal risks and uncertainties facing the Company for the remaining six months is set out below, in accordance with DTR 4.2.7; and

(d) there were no related party transactions in the first six months of the current financial year that are required to be disclosed in accordance with DTR 4.2.8.

Principal risks and uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not materially changed since the publication of the Annual Report and Accounts for the year ended 30 September 2013. The Board acknowledges that there is regulatory risk and continues to manage the Company's affairs in such a manner as to comply with section 274 Income Tax Act 2007.

The principal risks faced by the Company include:

- investment and strategic
- regulatory and tax
- operational
- fraud and dishonesty
- financial instruments
- economic

A more detailed explanation of these risks can be found in the Strategic Report on page 8 of the 2013 Annual Report and Accounts – copies can be found via the Company's website, www.unicornam.com.

Going concern

After due consideration, the Directors believe that the Company has adequate resources for the foreseeable future and that it is appropriate to apply the going concern basis in preparing the financial statements. As at 31 March 2014, the Company held cash balances and investments in money market funds with a combined value of £3,025,000. The majority of the Company's investment portfolio also remains invested in fully listed and AIM quoted equities which may be realised, subject always to the requirement for the Company to maintain its VCT status. Cash flow projections have been reviewed and show that the Company has sufficient funds to meet both contracted expenditure and any discretionary cash outflows from buybacks and dividends. The Company has no external loan finance in place and is therefore not exposed to any gearing covenants.

Cautionary Statement

This report may contain forward looking statements with regards to the financial condition and results of the Company, which are made in the light of current economic and business circumstances. Nothing in this report should be construed as a profit forecast.

For and on behalf of the Board:

Peter Dicks
Chairman

20 May 2014

Unaudited Income Statement

for the six months ended 31 March 2014

	Notes	Six months ended 31 March 2014 (unaudited) Revenue £'000	Capital £'000	Total £'000	Six months ended 31 March 2013 (unaudited) Revenue £'000	Capital £'000	Total £'000
Unrealised gains on investments	7	–	10,387	10,387	–	6,351	6,351
Realised gains on investments	7	–	777	777	–	297	297
Income	4	508	–	508	467	–	467
Investment management fees	2	(177)	(532)	(709)	(131)	(392)	(523)
Other expenses		(230)	–	(230)	(235)	–	(235)
Profit on ordinary activities before taxation		101	10,632	10,733	101	6,256	6,357
Tax on profit on ordinary activities	3	–	–	–	–	–	–
Profit on ordinary activities after taxation		101	10,632	10,733	101	6,256	6,357
Basic and diluted earnings per share:							
Ordinary Shares	5	0.17p	18.23p	18.40p	0.18p	10.92p	11.10p

All revenue and capital items in the above statement derive from continuing operations of the Company.

There were no other recognised gains or losses in the period.

The total column of this statement is the profit and loss account of the Company.

Other than revaluation movements arising on investments held at fair value through Profit and Loss Account, there were no differences between the profit/(loss) as stated above and at historical cost.

The notes on pages 15 to 18 form part of these Half-Yearly financial statements.

	Year ended 30 September 2013 (audited)		
	Revenue £'000	Capital £'000	Total £'000
	–	17,167	17,167
	–	1,191	1,191
	1,174	–	1,174
	(265)	(795)	(1,060)
	(469)	–	(469)
	440	17,563	18,003
	–	–	–
	440	17,563	18,003
	0.77p	**30.71p**	**31.48p**

Unaudited Balance Sheet

as at 31 March 2014

	Notes	As at 31 March 2014 (unaudited) £'000	As at 31 March 2013 (unaudited) £'000	As at 30 September 2013 (audited) £'000
Fixed assets				
Investments at fair value	1c,7	**83,295**	60,620	70,596
Current assets				
Debtors and prepayments		**254**	107	836
Current investments	8	**1**	154	154
Cash at bank		**3,024**	1,181	2,406
		3,279	1,442	3,396
Creditors: amounts falling due within one year		**(277)**	(208)	(319)
Net current assets		**3,002**	1,234	3,077
Net assets		**86,297**	61,854	73,673
Share capital and reserves				
Share capital	9	**604**	570	568
Capital redemption reserve	9	**15**	338	4
Share premium account	9	**6,650**	32,313	18
Revaluation reserve	9	**33,805**	11,546	24,979
Special distributable reserve	9	**36,237**	9,219	38,104
Profit and loss account	9	**8,986**	7,868	10,000
Equity shareholders' funds		**86,297**	61,854	73,673
Basic and diluted net asset value per share of 1p each				
Ordinary Shares	10	**142.80p**	108.53p	129.78p

The financial information for the six months ended 31 March 2014 and the six months ended 31 March 2013 has not been audited.

The notes on pages 15 to 18 form part of these Half-Yearly financial statements.

Unaudited Reconciliation of Movements in Shareholders' Funds

for the six months ended 31 March 2014

	Notes	Six months ended 31 March 2014 (unaudited) £'000	Six months ended 31 March 2013 (unaudited) £'000	Year ended 30 September 2013 (audited) £'000
Opening Shareholders' funds		**73,673**	58,997	58,997
Share capital bought back in the period	9	**(1,233)**	(574)	(9,761)
Share capital subscribed in the period	9	**6,900**	–	9,439
Expenses of the Offer for subscription/Buyback facility	9	**(221)**	(64)	(144)
Profit for the period		**10,733**	6,357	18,003
Dividends paid in period	6	**(3,555)**	(2,862)	(2,861)
Closing Shareholders' funds		**86,297**	61,854	73,673

The financial information for the six months ended 31 March 2014 and the six months ended 31 March 2013 has not been audited.

The notes on pages 15 to 18 form part of these Half-Yearly financial statements.

Unaudited Statement of Cash Flows

for the six months ended 31 March 2014

	Notes	Six months ended 31 March 2014 (unaudited) £'000	Six months ended 31 March 2013 (unaudited) £'000	Year ended 30 September 2013 (audited) £'000
Operating activities				
Investment income received		**506**	531	1,203
Investment management fees paid		**(709)**	(523)	(1,060)
Other cash payments		**(305)**	(279)	(502)
Net cash outflow from operating activities		**(508)**	(271)	(359)
Investing activities				
Purchase of investments	7	**(6,794)**	(1,959)	(3,491)
Sale of investments	7	**5,849**	5,807	8,529
Net cash (outflow)/inflow from investing activities		**(945)**	3,848	5,038
Dividends				
Equity dividends paid	6	**(3,555)**	(2,862)	(2,861)
Cash (ouflow)/inflow before financing and liquid resource management		**(5,008)**	715	1,818
Financing				
Shares issued as part of the Offer for Subscription		**6,706**	–	1,400
Shares issued as part of the Enhanced Buyback Facility		**–**	–	250
Shares bought back as part of the Enhanced Buyback Facility (including expenses)		**–**	(48)	(391)
Share capital bought back		**(1,233)**	(586)	(1,769)
		5,473	(634)	(510)
Management of liquid resources				
Decrease in monies held pending investment		**153**	568	566
Increase in cash		**618**	649	1,874

	Six months ended 31 March 2014 (unaudited) £'000	Six months ended 31 March 2013 (unaudited) £'000	Year ended 30 September 2013 (audited) £'000
Reconciliation of net cash flow to movement in net funds			
Increase in cash for the period	**618**	649	1,874
Net funds at start of period	**2,406**	532	532
Net funds at end of period	**3,024**	1,181	2,406

	Six months ended 31 March 2014 (unaudited) £'000	Six months ended 31 March 2013 (unaudited) £'000	Year ended 30 September 2013 (audited) £'000
Reconciliation of operating profit to net cash outflow from operating activities			
Profit on ordinary activities before taxation	**10,733**	6,357	18,003
Net gains on realisations of investments	**(777)**	(297)	(17,167)
Net unrealised gains on investments	**(10,387)**	(6,351)	(1,191)
Transaction costs	**(40)**	(14)	(21)
(Increase)/decrease in debtors	**(81)**	76	(2)
Increase/(decrease) in creditors	**44**	(42)	19
Net cash outflow from operating activities	**(508)**	(271)	(359)

Notes to the unaudited financial statements

for the six months ended 31 March 2014

1. Principal accounting policies

The following accounting policies have been applied consistently throughout the period. Full details of principal accounting policies will be disclosed in the Annual Report.

a) Basis of accounting

The unaudited results cover the six months to 31 March 2014 and have been prepared under UK Generally Accepted Accounting Practice (UK GAAP), consistent with the accounting policies set out in the statutory accounts for the year ended 30 September 2013 and the 2009 Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('the SORP') issued by the Association of Investment Trust Companies.

The Half-Yearly report has not been audited nor has it been reviewed by the auditor pursuant to the Financial Reporting Council (FRC) guidance on Review of Interim Financial Information.

b) Presentation of the Income Statement

In order to better reflect the activities of a VCT and in accordance with the SORP, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The revenue column of profit attributable to equity shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

c) Investments

Investments are accounted for on a trade date basis.

All investments held by the Company are classified as "fair value through profit and loss" as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income. For investments actively traded in organised financial markets, recognition and fair value is determined by reference to Stock Exchange market trading rules and quoted bid prices at the close of business on the balance sheet date.

Unquoted investments are valued by the Directors at 'fair value through profit and loss'. Accordingly, in the absence of a market price, the Directors have valued unquoted investments in accordance with International Private Equity Venture Capital Valuation (IPEVCV) guidelines as updated in September 2009.

All unquoted investments are held at the price of a recent investment for an appropriate period where there is considered to have been no change in fair value. Where such a basis is no longer considered appropriate, the following factors will be considered:

(i) Where a value is indicated by a material arms-length transaction by an independent third party in the shares of a company, this value will be used.

(ii) In the absence of i), and depending upon both the subsequent trading performance and investment structure of an investee company, the valuation basis will usually move to either:-

a) an earnings multiple basis. The shares may be valued by applying a suitable price-earnings ratio to that company's historic, current or forecast post-tax earnings before interest and amortisation (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified by the Investment Manager compared to the sector including, inter alia, a lack of marketability).

or:-

b) where a company's underperformance against plan indicates a diminution in the value of the investment, provision against cost is made, as appropriate. Where the value of an investment has fallen permanently below cost, the loss is treated as a permanent impairment and as a realised loss, even though the investment is still held. The Board assesses the portfolio for such investments and, after agreement with the Investment Manager, will agree the values that represent the extent to which an investment loss has become realised. This is based upon an assessment of objective evidence of that investment's future prospects, to determine whether there is potential for the investment to recover in value.

(iii) Premiums on loan stock investments are accrued at fair value when the Company recieves the right to the premium and when considered recoverable.

(iv) Where an earnings multiple or cost less impairment basis is not appropriate and overriding factors apply, discounted cash flow or net asset valuation bases may be applied.

2. The Directors have charged 75% of the investment management fee to the capital reserve.

3. Taxation

There is no tax charge for the period, as the Company has incurred taxable losses in the period.

Notes to the unaudited financial statements
for the six months ended 31 March 2014

4. Income receivable

	Six months ended 31 March 2014 (unaudited) £'000	Six months ended 31 March 2013 (unaudited) £'000	Year ended 30 September 2013 (audited) £'000
Dividends	417	399	984
Money-market funds and Unicorn managed OEIC's	9	1	43
Bank deposits	1	–	–
Loan stock interest	81	67	147
	508	467	1,174

5. Basic and diluted earnings and return per share

	Six months ended 31 March 2014 (unaudited) £'000	Six months ended 31 March 2013 (unaudited) £'000	Year ended 30 September 2013 (audited) £'000
Total earnings after taxation:	10,733	6,357	18,003
Basic and diluted earnings per share	**18.40p**	**11.10p**	**31.48p**
Net revenue from ordinary activities after taxation	101	101	440
Revenue return per share	**0.17p**	**0.18p**	**0.77p**
Net unrealised capital gains	10,387	6,351	17,167
Net realised capital gains	777	297	1,191
Capital expenses (net of taxation)	(532)	(392)	(795)
Total capital return	10,632	6,256	17,563
Capital return per share	**18.23p**	**10.92p**	**30.71p**
Weighted average number of shares in issue in the period	58,340,155	57,295,560	57,190,640

6. Dividends

	Six months ended 31 March 2014 (unaudited) £'000	Six months ended 31 March 2013 (unaudited) £'000	Year ended 30 September 2013 (audited) £'000
Final capital dividend of 4.5p per share and final income dividend of 0.5p per share for the year ended 30 September 2012 paid on 8 February 2013.	–	2,862	2,861
Final capital dividend of 5.25p per share and final income dividend of 0.75p per share for the year ended 30 September 2013 paid on 31 January 2014.	3,555	–	–
	3,555	2,862	2,861

7. Investments

	Fully Listed £'000	Traded on AIM/ISDX Market £'000	Unlisted ordinary shares £'000	Unlisted Loan stock £'000	Unicorn OEIC funds £'000	Total £'000
Book cost at 30 September 2013	4,563	35,295	2,631	2,050	4,766	49,305
Unrealised gains /(losses) at 30 September 2013	1,689	18,283	126	(100)	4,981	24,979
Permanent impairment in value of investments	(207)	(1,930)	(1,551)	–	–	(3,688)
Valuation at 30 September 2013	6,045	51,648	1,206	1,950	9,747	70,596
Purchases at cost	454	3,490	2,750	–	–	6,694
Sale proceeds	(725)	(2,230)	(8)	–	(2,236)	(5,199)
Realised gains	94	598	(32)	–	157	817
Unrealised gains in the period	1,397	8,187	(216)	–	1,019	10,387
Closing valuation at 31 March 2014	7,265	61,693	3,700	1,950	8,687	83,295
Book cost at 31 March 2014	4,593	37,488	5,305	2,050	3,742	53,178
Unrealised gains/(losses) at 31 March 2014	2,879	26,135	(54)	(100)	4,945	33,805
Permanent impairment in value of investments	(207)	(1,930)	(1,551)	–	–	(3,688)
Valuation at 31 March 2014	7,265	61,693	3,700	1,950	8,687	83,295

Transaction costs on the purchase and disposal of investments of £40,000 were incurred in the period. These are excluded from realised gains shown above of £817,000, but were included in arriving at gains on realisations of investments disclosed in the Income Statement of £777,000.

Reconciliation of cash movements in investment transactions

The difference between the purchases in Note 7 and that shown in the Cash Flow Statement, is £100,000. This is the result of a purchase in the previous year, but settled during this period. The difference between disposals per Note 7 above and that shown in the Cash Flow Statement, is £650,000. This is due to the disposal of an investment in the previous year, the proceeds of which were not received until the current period.

8. Current Investments

These comprise an investment in one (31 March 2013: two; 30 September 2013: two) Dublin based OEIC money market fund, managed by Blackrock Investment Management UK Ltd and amounts to £1,000 (31 March 2013: £154,000; 30 September 2013: £154,000). This sum is subject to same day access. This sum is regarded as monies held pending investment.

Notes to the unaudited financial statements

for the six months ended 31 March 2014

9. Reserves

	Called up share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Revaluation reserve £'000	Special distributable reserve £'000	Profit and loss account £'000	Total £'000
At 1 October 2013	568	4	18	24,979	38,104	10,000	73,673
Shares issued	47	–	6,853	–	–	–	6,900
Expenses of Offer	–	–	(221)	–	–	–	(221)
Shares bought back	(11)	11	–	–	(1,233)	–	(1,233)
Transfer to special distributable reserve	–	–	–	–	(634)	634	–
Gains on disposal of investments (net of transaction costs)	–	–	–	–	–	777	777
Realisation of previously unrealised gains	–	–	–	(1,561)	–	1,561	–
Unrealised gains in the period	–	–	–	10,387	–	–	10,387
Loss for the period	–	–	–	–	–	(431)	(431)
Dividends paid	–	–	–	–	–	(3,555)	(3,555)
At 31 March 2014	604	15	6,650	33,805	36,237	8,986	86,297

10. Net asset value

	At 31 March 2014 (unaudited) £'000	At 31 March 2013 (unaudited) £'000	At 30 September 2013 (audited) £'000
Net assets	86,297	61,854	73,673
Number of shares in issue	60,432,437	56,994,433	56,767,691
Net asset value per share	142.80p	108.53p	129.78p

11. Post Balance Sheet Events

On 5 April 2014, as part of the Company's Top Up Offer for Subscription, 3,551,658 ordinary shares were allotted at a price of 147.6 pence per share raising net funds amounting to £5,074,000 from cash subscribed of £5,203,000.

12. The financial information for the six months ended 31 March 2014 and the six months ended 31 March 2013 has not been audited.

The financial information contained in this half-yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements for the year ended 30 September 2013 have been filed with the Registrar of Companies. The auditors have reported on these financial statements and that report was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

Copies of this statement are being sent to all shareholders. Further copies are available free of charge from the Company's registered office, 30 Haymarket, London, SW1Y 4EX, or from www.unicornaimvct.co.uk.

Performance Data Appendix

As at 31 March 2014

Ordinary Shares as at	Net assets (£ million)	Net asset value per share (NAV) (p)	Cumulative dividends paid per share (p)	NAV total return to shareholders since launch* per share (p)	Share price (p)
31 March 2014	86.3	142.8	21.0	163.8	123.5
30 September 2013	73.7	129.8	15.0	144.8	111.0
31 March 2013	61.9	108.5	15.0	123.5	89.3
30 September 2012	59.0	102.3	10.0	112.3	86.0
31 March 2012	56.6	97.4	10.0	107.4	70.0
30 September 2011	60.4	103.3	5.0	108.3	86.3
31 March 2011	64.6	109.5	5.0	114.5	97.5

* Launch of the S3 shares on 22 February 2007.

The majority of shareholders in the Company originally invested in one of the five former share classes of either the Company and/or Unicorn AIM VCT II plc. As a result of the merger of all five former share classes in March 2010, all shareholders now only hold Ordinary shares. These were formerly called S3 shares. To enable shareholders in each former share class to monitor the performance of their original investment, the tables below show the NAV total return at 31 March 2014 for a shareholder who invested £10,000 at £1 per share at the date of launch of a particular fundraising, excluding any initial income tax relief received:

Unicorn AIM VCT plc Funds

Share class and year of fundraising	No. of shares held post merger	NAV at 31 March 2014 (£)	Dividends paid pre-merger (£)	Dividends paid post-merger (£)	NAV total return (£)
Ordinary Shares (raised in 2013, issued at average price of 114.53p)	8,731	12,468	n/a	524	12,992
Ordinary Shares (raised in 2012, issued at average price of 100.43p)	9,957	14,219	n/a	1,095	15,314
Ordinary Shares (raised in 2011, issued at average price of 116.34p)	8,620	12,309	n/a	1,379	13,688
Ordinary Shares (formerly S3 Shares raised in 2006/07)	10,000	14,280	100	2,000	16,380
Former Funds:					
Original Ordinary Shares (raised in 2001)	6,078	8,679	4,550	1,216	14,445
Original Ordinary Shares 2007/08 top-up (13,890 shares issued for £10,000 investment at 72p per share)	8,442	12,055	903	1,688	14,646
Series 2 Shares (raised in 2004)	7,750	11,067	2,125	1,550	14,742
Series 2 Shares 2007/08 top-up (10,870 shares issued for £10,000 investment at 92p per share)	8,424	12,030	489	1,685	14,204

Former Unicorn AIM VCT II plc Funds

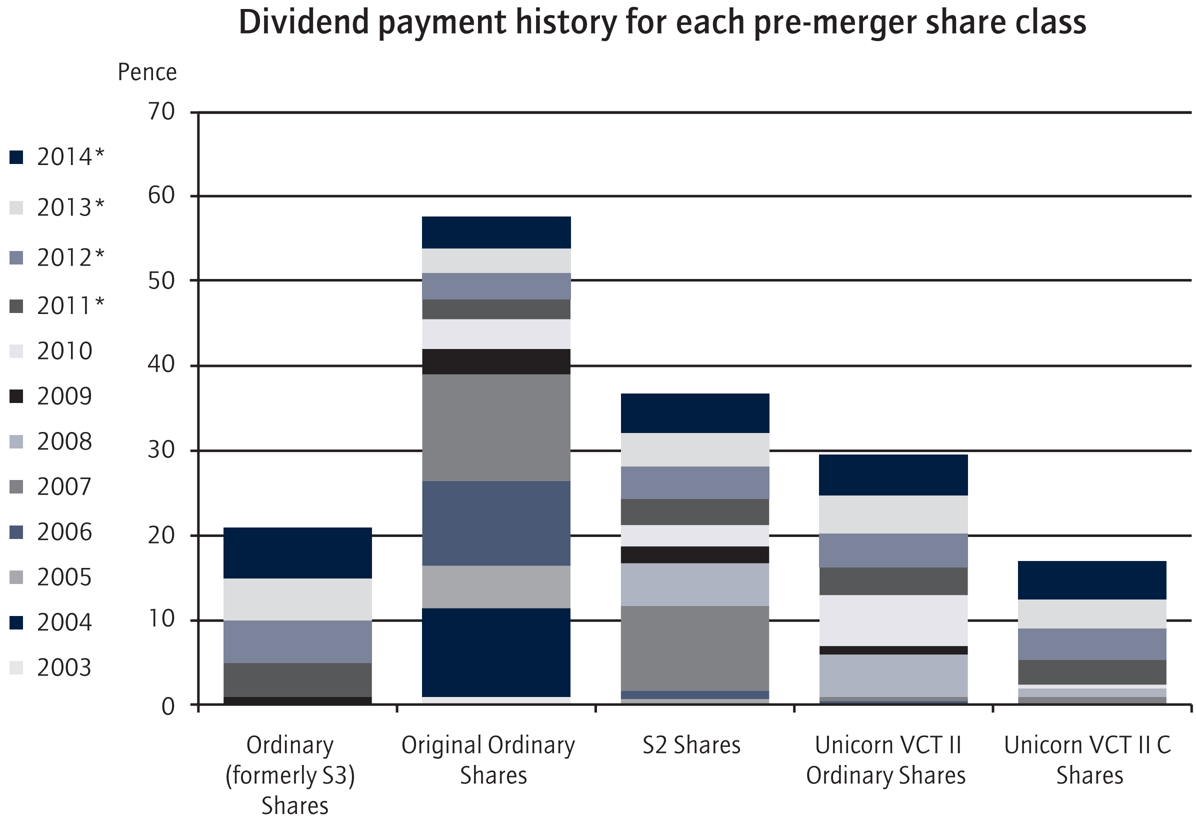
Share class and year of fundraising	No. of shares held post merger	NAV at 31 March 2014 (£)	Dividends paid pre-merger (£)	Dividends paid post-merger (£)	NAV total return (£)
Ordinary Shares (raised in 2005)	8,283	11,828	1,300	1,657	14,785
Ordinary Shares 2007/08 top-up (10,205 shares issued for £10,000 investment at 98p per share)	8,452	12,069	1,225	1,690	14,984
C Shares (raised in 2006)	7,267	10,377	245	1,453	12,075
C Shares 2007/08 top-up (11,235 shares issued for £10,000 investment at 89p per share)	8,165	11,660	169	1,633	13,462

Initial income tax relief of up to 20% was available for shareholders who invested in tax years 2001/2002 to 2003/2004, 40% for shareholders whoinvested in 2004/2005 and 2005/2006 and 30% for shareholders who invested in tax years since 2006/2007. Additional capital gains tax deferral relief was also available for shareholders who invested between 2001/2002 and 2003/2004.

Performance Data Appendix

As at 31 March 2014

Dividend history



Dividends paid

Financial year paid	Ordinary (formerly S3) Shares (p)	Original Ordinary Shares (p)	S2 Shares (p)	Unicorn VCT II Ordinary Shares (p)	Unicorn VCT II C Shares (p)
2014*	6.00	3.65*	4.65*	4.97*	4.36*
2013*	5.00	3.04*	3.88*	4.14*	3.63*
2012*	5.00	3.04*	3.88*	4.14*	3.63*
2011*	4.00	2.43*	3.10*	3.31*	2.91*
2010	–	3.50	2.50	6.00	0.45
2009	1.00	3.00	2.00	1.00	–
2008	–	–	5.00	5.00	1.00
2007	–	12.55	10.00	0.50	1.00
2006	–	10.00	1.00	0.50	–
2005	–	5.00	0.75	–	–
2004	–	10.45	–	–	–
2003	–	1.00	–	–	–
	21.00	**57.66**	**36.76**	**29.56**	**16.98**
Merger conversion ratio**	1.00000000	0.60781764	0.77503076	0.82830102	0.72677686

* The dividends in the 2011 to 2014 years on the Ordinary (formerly S3) shares are also shown for each of the former share classes, calculated in proportion to the merger conversion ratios shown at the foot of the table above.

** The merger conversion ratio was applied at the date of the merger on 8 March 2010, to calculate entitlement to the new Ordinary shares.

Shareholder Information

The Company's Ordinary Shares (Code: UAV) are listed on the London Stock Exchange. Shareholders can visit the London Stock Exchange website, www.londonstockexchange.com, for the latest news and share prices of the Company. The share price is also quoted in the Financial Times.

Net asset value per share

The Company's NAV per share as at 30 April 2014 was 144.5p. The Company announces its unaudited NAV on a monthly basis.

Dividends

The Board is not recommending the payment of an interim dividend in respect of the six months ended 31 March 2014 to Ordinary Shareholders. The Directors will consider the payment of a dividend when approving the year end accounts.

Shareholders who wish to have future dividends paid directly into their bank account rather than sent by cheque to their registered address can complete a mandate for this purpose. Mandates can be obtained by contacting the Company's Registrar, Capita Registrars.

Selling your shares

The Company's shares are listed on the London Stock Exchange and as such they can be sold in the same way as any other quoted company through a stockbroker. **Shareholders wishing to sell their shares are advised to contact the Company's stockbroker, Panmure Gordon (UK) Limited, by telephoning 020 7886 2716 or 2717 before agreeing a price with their stockbroker**. Shareholders are also advised to discuss their individual tax position with their financial adviser before deciding to sell their shares.

Shareholder enquiries:

For general Shareholder enquiries, please contact Robert Brittain of Mobeus Equity Partners LLP (the Company Secretary) on 020 7024 7600 or by e-mail on unicorn@mobeusequity.co.uk.

For enquiries concerning the performance of the Company, please contact the Investment Manager, Unicorn Asset Management Limited, on 020 7253 0889 or by e-mail on info@unicornam.com.

Electronic copies of this report and other published information can be found on the Company's website at www.unicornaimvct.co.uk.

Change of Address

To notify the Company of a change of address please contact the Company's Registrar at the address on page 22.

Information rights for beneficial owners of shares

Please note that beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares, rather than to the Company's registrar, Capita Asset Services, or to the Company directly.

Corporate Information

Directors
Peter Dicks (Chairman)
James Grossman
Jeremy Hamer
Jocelin Harris

All of whom are non-executive and of:
30 Haymarket
London SW1Y 4EX

Secretary & Administrator
Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

Company Registration Number : 04266437

Investment Manager
Unicorn Asset Management Limited
First Floor Office
Preacher's Court
The Charterhouse
Charterhouse Square
London EC1M 6AU

VCT Tax Adviser
PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Stockbroker
Panmure Gordon (UK) Limited
One New Change
London
EC4M 9AF

Auditor
BDO LLP
55 Baker Street
London
W1U 7EU

Custodian
BNY Mellon
One Canada Square
London
E14 5AL

Bankers
National Westminster Bank plc
City of London Office
PO Box 12258
1 Princes Street
London
EC2R 8PB

Registrar
Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Solicitors
SGH Martineau LLP
No 1 Colmore Square
Birmingham
B4 6AA

Also at
One America Square
Crosswall
London
EC3N 2SG

Notes

Notes

Unicorn Asset Management Limited
First Floor Office, Preacher's Court, The Charterhouse
Charterhouse Square, London EC1M 6AU
0207 253 0889
www.unicornam.com

unicorn
ASSET MANAGEMENT