ARTEMIS ALPHA TRUST PLC

Interim Accounts
Prepared in accordance with Section 272 of the Companies Act

For the year ended 30 April 2007

Artemis Alpha Trust PLC

Income Statement for the year ended 30 April 2007

	Year ended 30 April 2007			Year ended 30 April 2006		
	Revenue £'000	**Capital £'000**	**Total £'000**	Revenue £'000	Capital £'000	Total £'000
Investment Income	**1,264**	**-**	**1,264**	1,272	-	1,272
Other Income	**87**	**-**	**87**	76	-	76
Total revenue	**1,351**	**-**	**1,351**	1,348	-	1,348
Gains/(losses) on investments	**-**	**3,691**	**3,691**	-	19,539	19,539
Exchange gain / (loss)	**-**	**5**	**5**	-	(50)	(50)
Total income	**1,351**	**3,696**	**5,047**	1,348	19,489	20,837
Expenses						
Investment management fees	**(57)**	**(515)**	**(572)**	(59)	(520)	(579)
Other expenses	**(349)**	**-**	**(349)**	(343)	-	(343)
Profit before finance costs and tax	**945**	**3,181**	**4,126**	946	18,969	19,915
Finance Costs	**(64)**	**(577)**	**(641)**	(64)	(570)	(634)
Profit before taxation	**881**	**2,604**	**3,485**	882	18,399	19,281
Taxation	**(38)**	**35**	**(3)**	(65)	65	-
Profit for the period	**843**	**2,639**	**3,482**	817	18,464	19,281

Artemis Alpha Trust plc

Balance Sheet as at 30 April 2007

	Note	As at 30 April 2007 £'000	As at 30 April 2006 £'000
Non-current assets			
Investments		**95,411**	87,511
Investments in subsidiary undertakings		**8,701**	8,244
		104,112	95,755
Current assets			
Cash and cash equivalents		**937**	7,866
Amounts due from subsidiary undertakings		**-**	-
Due from brokers		**285**	553
Trade and other receivables		**220**	427
		1,442	8,846
Current liabilities			
Payable to brokers		**-**	(1,782)
Bank loan		**(11,500)**	(11,500)
Amounts due to subsidiary undertakings		**(7,381)**	(7,156)
Other payables		**(341)**	(346)
		(19,222)	(20,784)
Net current liabilities		**(17,780)**	(11,938)
Net assets		**86,332**	83,817
Equity attributable to equity holders			
Called up share capital		**333**	334
Share premium		**23,984**	23,984
Special reserve		**7,974**	8,208
Warrant reserve		**1,299**	1,299
Capital redemption reserve		**3**	2
Retained earnings	3	**52,739**	49,990
Equity shareholders' funds		**86,332**	83,817

These financial statements were approved by the Board of Directors and signed on its behalf on 24 August 2007 by

Simon Miller
Director

Artemis Alpha Trust plc

Statement of Changes in Equity for the year ended 30 April 2007

For year ended 30 April 2007	Share capital £'000	Share premium £'000	Special reserve £'000	Warrant reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
Net assets at 1 May 2006	334	23,984	8,208	1,299	2	49,990	83,817
Repurchase of own shares	(1)	-	(234)	-	1	-	(234)
Dividends paid and declared	-	-	-	-	-	(733)	(733)
Profit for the year	-	-	-	-	-	3,482	3,482
Net assets at 30 April 2007	**333**	**23,984**	**7,974**	**1,299**	**3**	**52,739**	**86,332**

For year ended 30 April 2006	Share capital £'000	Share premium £'000	Special reserve £'000	Warrant reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
Net assets at 1 May 2005	333	23,912	8,208	1,101	2	31,379	64,935
Issue of warrants	-	-	-	198	-	-	198
Issue of shares	1	72	-	-	-	-	73
Dividends paid and declared	-	-	-	-	-	(670)	(670)
Profit for the year	-	-	-	-	-	19,281	19,281
Net assets at 30 April 2006	**334**	**23,984**	**8,208**	**1,299**	**2**	**49,990**	**83,817**

1 Principal activity

The principal activity of the Company is that of an investment trust company within the meaning of Section 842 of the Income and Corporation Taxes Act 1988 ("s842")

2 Accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and with the provisions of the Companies Act 1985 (the "Act") The principal accounting policies adopted by the Company are set out below

These financial statements are presented in Sterling, which is the currency of the primary environment in which the Company operates All values are rounded to the nearest thousand pounds (£000) except when otherwise indicated

The financial statements have been prepared on a basis compliant with the presentation guidance set out in the Statement of Recommended Practice for investment trusts issued by the Association of Investment Companies ("AIC") in December 2005 where it is consistent with the requirements of IFRSs

In particular, in order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of revenue and capital nature has been presented alongside the Income Statement In accordance with the Company's status as a UK investment company under section 266 of the Act, net capital returns may not be distributed by way of dividend

(b) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business being that of an investment trust company

(c) Investments

Investments are all held at fair value through profit or loss Listed investments are measured initially at cost, and are recognised at trade date Investments in subsidiary undertakings are stated at fair value

For financial assets acquired, the cost is the fair value of the consideration Subsequent to initial recognition, all listed investments are measured at their quoted bid prices without deduction for the estimated future selling cost Unlisted investments are fair valued by the Directors using primary valuation methodologies such as earning multiples, recent transactions and net assets Where fair value cannot reliably be measured, the investment will be carried at the previous reporting date value unless there is evidence that the investment has since been impaired In such cases the value will be reduced to reflect the estimated extent of impairment

Assets are derecognised at the trade date of the disposal Proceeds are measured at fair value which are regarded as the proceeds of sale less any transaction costs

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Income Statement as gains/(losses) on investments held at fair value Also included within this caption are transaction costs in relation to the purchase or sale of investments

(d) Income

Dividends receivable on equity shares are recognised as revenue on an ex-dividend basis Provision is made for any dividends not expected to be received

Income from fixed interest securities is recognised on an effective yield basis

Interest receivable from cash and short-term deposits and interest payable is recognised on an effective yield basis

(e) Expenses and finance costs

All expenses are accounted for on an accruals basis Expenses are charged through the revenue column in the Income Statement except as follows

- expenses which are incidental to the acquisition or disposal of an investment are treated as capital
- expenses are treated as capital where they are incurred in connection with the maintenance or enhancement of the value of the investments As a result, investment management fees and finance costs are allocated on the basis of 10% to revenue and 90% to capital

(f) Taxation

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised

Due to the Company's status as an investment trust, and the intention to meet the conditions required to obtain approval under s842 in the foreseeable future, the Company has not provided for deferred tax on any capital gains and losses arising on the revaluation or disposal of investments

(g) Cash and cash equivalents

Cash comprises current deposits, overdrafts with banks and bank loans

These are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes

(h) Dividends payable

Dividends are recognised from the date on which they are irrevocably committed to payment

(i) Foreign currency translation

Transactions involving foreign currencies are converted at the rate ruling at the transaction date Foreign currency monetary assets and liabilities are translated into sterling at the rate ruling on the balance sheet date Foreign exchange differences arising on investment transactions are recognised through capital

(j) Other receivables and payables

Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value Other payables are non interest bearing and are stated at their nominal value

Notes to the financial statements (continued)

3 Dividends

	Year ended 30 April 2007 £'000	Year ended 30 April 2006 £'000
Ordinary dividends on equity shares		
Second interim dividend for year ended 30 April 2005 - 1 1p	-	336
First interim dividend for year ended 30 April 2006 - 1 0p	-	334
Second interim dividend for year ended 30 April 2006 - 1 2p	400	-
First interim dividend for year ended 30 April 2007 - 1 0p	333	-
	733	670

A second interim dividend for the year ended 30 April 2007 of £432,035 (1 3p per Ordinary share) has been declared This will be paid to shareholders on 31 August 2007

4 Analysis of Retained Earnings

	30 April 2007 £'000	30 April 2006 £'000
Capital reserve - realised	30,174	26,633
Capital reserve - unrealised	21,930	22,832
Revenue reserve	635	525
	52,739	49,990

The distributable reserves of the Company are as follows

	30 April 2007 £'000	30 April 2006 £'000
Special reserve	7,974	8,208
Revenue reserve	635	525
	8,609	8,733

5 Transaction Costs

During the year transaction costs were incurred on purchases and sales of investments as follows

	Year ended 30 April 2007 £'000	Year ended 30 April 2006 £'000
Purchases	128	23
Sales	104	117
	232	140

6 Comparative information

The above financial information does not constitute statutory financial statements as defined in Section 240 of the Companies Act 1985 The audited financial statements for the year ended 30 April 2007, which contained an unqualified auditor's report, will be lodged with the Registrar of Companies following the Company's Annual General Meeting on 6th September 2007 These did not contain a statement required under Section 237 (2) or (3) of the Companies Act 1985