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Supplementary Prospectus

17 August 2011

Offer to Existing Shareholders and members of the public and Share Realisation and Reinvestment Programme for Existing Shareholders only

by

IBIS Media VCT 1 plc
(the “Company”)

Registered in England and Wales under number 5660269

Important Notice

This Supplement (the “**Supplement**”) to the prospectus dated 27th of January 2011 (the “**Prospectus**”) constitutes a supplementary prospectus for the purposes of section 87G of the FSMA and is prepared in connection with the offer to Existing Shareholders and members of the public (the “**Public Offer**”) and the Share Realisation and Reinvestment Programme for Existing Shareholders only (the “**SRRP**”) by IBIS Media VCT 1 plc. The SRRP and the Public Offer are together referred to herein as the “**Offers**”.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by the Company. Terms defined in the Prospectus have the same meaning when used in this Supplement.

Beaumont Cornish Limited (“**BC**”) is the sponsor to the Public Offer and the SRRP and is acting for the Company and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to customers of BC (subject to their responsibilities imposed by FSMA and the regulatory regime established thereunder), nor for providing advice in relation to the Public Offer and the SRRP. BC is authorised and regulated in the United Kingdom by the FSA.

In connection with the Public Offer and the SRRP, IBIS Capital Limited (the “**Investment Adviser**”) is acting for the Company and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to customers of the Investment Adviser nor for providing advice in relation to the SRRP. The Investment Adviser is authorised and regulated in the United Kingdom by the FSA.

Responsibility

The Company and Directors accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Company and Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The names of the Directors can be found on page 4 of the Prospectus.

New Accounts

On 31 May 2011, the Company published its audited annual financial statements for the 12 month period ended the 31st January 2011 (the "**2011 Annual Accounts**"). A copy of the 2011 Annual Accounts has been filed with the Financial Services Authority and, by virtue of this Supplement those sections of the 2011 Annual Accounts listed in the table below are incorporated by reference in, and form part of, the Prospectus. The sections of the 2011 Annual Accounts which are not hereby incorporated by reference are not relevant for investors in the Offers.

The 2011 Annual Accounts contains a description of the Company's financial condition, changes in financial condition and results of operation for the financial year ended 31 January 2011. The auditors, Scott-Moncrieff, Registered Auditor, of Exchange Place 2, Semple Street, Edinburgh EH3 8BL have reported on the annual statutory accounts without qualification and without statements under sections 495 to 497 of the Companies Act 2006. The annual accounts referred to above were prepared in accordance with UK generally accepted accounting practice (GAAP) and with the Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies', revised in January 2009.

To the extent that there is any inconsistency between (a) any statement in this Supplement for any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

The information set out below is incorporated by reference in this document and is available as indicated:

Information incorporated by reference	Page references of the 2011 Annual Accounts
Financial Summary and Investment Policy	1
Chairman's Statement	2
The Board, Investment Committee and Investment Adviser Review	4
Investment Adviser's Review	6
Investment Portfolio	15
Venture capital investments	16
Directors' Report	18
Directors' Remuneration Report	24
Statement of Corporate Governance	26
Report of the Independent Auditor	31
Income Statement	33
Balance Sheet	34
Cash Flow Statement	35
Reconciliation of Movements in Shareholders' Funds	36
Notes to Financial Statements	37

The 2011 Annual Accounts will be available on the website of IBIS Capital Limited (www.ibiscapital.co.uk) until the next annual accounts of IBIS Media VCT 1 plc are published.

Other matters not required for disclosure under section 87G of FSMA

Extension of the SRRP

On 31 March 2011, the Directors extended the deadline for receipt of applications in respect of the SRRP to noon on 5 April 2011 in respect of the 2010/11 tax year (from the previous time and date of 3.00pm on 31 March 2011) and to 5.00pm on 30 June 2011 in respect of the tax year 2011/12.

A further extension of the deadline for receipt of applications in respect of the SRRP was announced on 29 June 2011, extending the time and date to 5.00pm on 31 July 2011.

A further extension of the deadline for receipt of applications in respect of the SRRP was announced on 1 August 2011, extending the time and date to 5.00pm on 31 August 2011.

Allotment of Ordinary Shares pursuant to the Offers

As at the date of this document, the Company has raised gross proceeds of approximately £4.5 million pursuant to the Offers.

On 5 April 2011:

- 663,399 Ordinary Shares were allotted under the Public Offer;
- 3,608,233 Ordinary Shares were purchased for cancellation and 3,499,943 New Ordinary Shares were allotted in respect of those Ordinary Shares purchased for cancellation under the SRRP on the basis set out in the Prospectus; and
- 129,091 New Ordinary Shares were allotted under the SRRP.

On 14 April 2011:

- 229,431 Ordinary Shares were allotted under the Public Offer.

On 8 August 2011:

- 244,132 Ordinary Shares were purchased for cancellation at a price of 83.5p per Ordinary Share.

All those Ordinary Shares allotted as noted above have been admitted to the Official List of the UK Listing Authority, and to trading on the London Stock Exchange's main market for listed securities.

These matters specifically amend the relevant paragraphs which were set out in the Summary of the Prospectus.

No Significant Change

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

The Company will accept withdrawals of applications made in respect of the Public Offer and the SRRP until close of business on two business days from publication of this Supplement. Investors who wish to withdraw their applications which can be effected by telephone, should contact IBIS Capital Limited using the contact details below (no investment advice can be given).

This Supplement has been approved for publication by the FSA.

Copies of this document and the Prospectus are available free of charge from the office and website of the Investment Adviser:

IBIS Capital Limited
22 Soho Square, London W1D 4NS

Tel: (0) 20 7070 7080

Email: info@ibiscapital.co.uk

Web: www.ibiscapital.co.uk

Dated 17 August 2011