

15 July 2008

International Biotechnology Trust plc

Interim Management Statement for the Quarter ended 31 May 2008

The Board of International Biotechnology Trust plc ("the Company") is pleased to announce its second Interim Management Statement as required by the UK Listing Authority's Disclosure and Transparency Rules. This Statement is in respect of the period from 1 March 2008 to 31 May 2008.

Investment Objective and Policy

The Company's investment objective is to achieve long term capital growth by investing in high growth, development-stage biotechnology companies that are either quoted or unquoted. The Company invests in companies that the Manager considers to be good value, with experienced management and strong potential upside through the development and/or commercialisation of a product, device or enabling technology.

Material Events

On 6 March 2008, the Company invested £0.25 million in Vantia Limited, a private company based in Southampton, UK. Vantia is focused on the design and development of drugs associated with protease inhibitors and peptidomimetics.

Since 15 April 2008, the Company invested in two new unquoted medical device companies, both based in Minneapolis, USA: £1.1m (US\$2.0m) in Entellus, focused on treating sinusitis; and £0.6m (US\$1.14m) in EBR systems which is developing a wireless cardiac stimulation device. Additional investments have also been made in the following existing portfolio companies: £0.16m (US\$0.3m) in Itero, £1.3m (US\$2.4m) in EUSA Pharma, £0.08m (US\$0.15m) in Dynogen and £0.36m (US\$0.7m) in Intranasal.

On 24 April 2008, the Company announced that the Directors' valuation of the holdings in Intranasal Therapeutics and Ricerca had changed. Ricerca had been written down from £0.8m to £0.6m as a result of delayed progress on the development of its products. Ricerca had previously been written up from £0.5m to £0.8m to reflect growing sales and profits and will be revalued periodically as this portfolio company releases trading results. The net effect of these changes was an uplift of £90k, or 0.1 pence on the net asset value per share, as at 23 April 2008. These valuation changes were incorporated into the net asset value of the Company from 24 April 2008 and reflected in the Company's net asset value announcements with effect from 25 April 2008.

On 20 May 2008, the Company announced that the Directors' valuation of the holding in Intranasal Therapeutics had been written down from £0.6m to £0.4m following delayed progress on the development of its products. The impact of this change was a reduction in net asset value of £0.2m, or 0.299p per share. This valuation change was incorporated into the net asset value of the Company from 19 May 2008 and was reflected in the Company's net asset value announcements with effect from 20 May 2008.

On 2 July 2008, the Board noted that a new investment was made in the unquoted portfolio on 30 June 2008: the Company invested £84,000 (with milestone-based future commitments of £400,000) in Allocure, a company based in Salt Lake City, Utah, USA and Hamburg, Germany, focused on developing treatments for acute renal failure and medical complications following kidney transplant.

On 11 July 2008, the Board noted that new and follow-on investments had been made in the unquoted portfolio that week. The Company had invested £0.6m in new unquoted portfolio company CR LLC, based in Virginia, USA and Cologne, Germany. CR LLC is set up to build a contract research business that will buy and consolidate businesses in this sector. In addition, a follow-on investment of £0.2m had been made in ESBATech, a Swiss-based company focused on inflammatory conditions, bringing the total investment in this company to £1.0m.

There have been no other material events or transactions that have taken place between 1 June 2008 and the date of publication of this Statement.

Results of Extraordinary General Meeting

An Extraordinary General Meeting of the Company was held on 2 July 2008 to consider the adoption of new Articles of Association. The Resolution set out in the Notice of Meeting was duly passed at the meeting.

Company Statistics as at 31 May 2008*

| | |
|--|---------|
| Total Net Asset Value | £96.7m |
| Net Asset Value (NAV) per Ordinary Share | 136.24p |

| | |
|---|-----------------------|
| Share Price | 116.50p |
| Share Price Premium/(Discount) to NAV | (14.5)% |
| Total Value of Unquoted Investments | £15.17m (16% of NAV) |
| Total Number of Portfolio Holdings | 57 |
| Cash | £2.8m (3% of NAV) |
| Cash Committed and Reserved to Unquoted Investments | £11.8m (12.2% of NAV) |

*Source for all Statistical Data: Schroders

Cumulative Performance to 31 May 2008*

| Performance Over | 3 mths | 6 mths | 1 year |
|--|--------|---------|---------|
| Share Price | (3.9%) | (10.9%) | (26.0%) |
| NAV | 6.1% | (3.3%) | (14.4%) |
| Nasdaq Biotech Index Return † | 5.0% | (1.8%) | (2.0%) |
| Russell 2000 Biotech Growth Index Return † | 9.8% | (1.7%) | (11.6%) |

* Source for all Performance Data: Fundamental Data

† Sterling Adjusted

Portfolio Information as at 31 May 2008

Ten Largest Investments

| Investment | Weighting (% NAV) | Country |
|------------------------------------|-------------------|-----------|
| Gilead Sciences | 5.90 | USA |
| Celgene | 5.76 | USA |
| CSL | 5.48 | Australia |
| Applera-Celera Genomics Group | 3.95 | USA |
| Oxigen Limited Series B Preference | 3.50 | UK |
| Barr Pharmaceuticals | 3.06 | USA |
| Micromet | 3.05 | USA |
| Shire | 2.95 | UK |
| Alexion Pharmaceuticals | 2.87 | USA |
| Gen Probe | 2.83 | USA |

Sector Allocation (Plus Cash Committed)

| Sector | Weighting (% NAV) |
|---------------------------------|-------------------|
| Pharmaceuticals & Biotechnology | 76.34 |
| Healthcare Equipment & Services | 19.32 |
| Money Market Funds | 4.34 |

Changes to Share Capital during the quarter ended 31 May 2008

Issued Ordinary shares of 25p each

