ABERFORTH GEARED CAPITAL & INCOME TRUST plc ("AGCiT")

The Net Asset Values ("NAVs") at the close of business on **7 May 2003** for the above company were: -

Income Shares (Excluding Current Year Revenue)	**58.51p**
Capital Shares	**145.19p**
"Notional Package" (Excluding Current Year Revenue)	**84.51p**

The "Notional Package" comprises 0.7 of an Income Share and 0.3 of a Capital Share.

As at **7 May 2003**, AGCiT held **84** investments, the largest of which represented **2.6%** of investable assets. The market value of investments was **£62.3m** less bank debt and net current assets/liabilities of **£31.8m** to leave Shareholders' Funds of **£30.5m**. Details of the top 50 holdings, the portfolio's sectoral composition and other general information can be found within Aberforth Partners' website at http://www.aberforth.co.uk.

AGCiT invests only in small UK quoted companies and does not invest in any unquoted securities, AiM listed securities or securities issued by investment trusts or investment companies. AGCiT employs a significant amount of bank debt to provide gearing in its capital structure.

The number of Income Shares of 1p currently in issue is **24,500,000**. The number of Capital Shares of 1p currently in issue is **10,500,000**. All net income will be attributed to Income Shares which have a capital entitlement of **57.45p** each rising to 100p by the Planned Winding Up Date of 31 December 2011, which date will subsist unless an earlier reconstruction is approved. Capital Shares receive no dividends but all capital after repayment of bank debt and capital entitlement of Income Shares. Bank facility is **£34.3m (£30.0m** of which is at a fixed interest rate of **6.57%**). The fair value of the Company's interest rate swap agreement, based on the bid price as at **7 May 2003**, was a **negative £2,243,000** and the book value was **£Nil**.

Dividends are paid as interims, semi-annually, to Income Shareholders with the first announced each July and paid in August and the second announced each January and paid in February.

At launch, on 18 December 2001, the Company had available to it £34.3m of net proceeds from Shareholders plus £34.3m of bank debt facilities, and the initial NAVs were: Income Share – 50.00p, Capital Share – 210.32p, and the "Notional Package" – 98.10p.

Contact – David Holland (Tel: 0131 220 0733)
Aberforth Partners, Secretaries – **8 May 2003**

ANNOUNCEMENT ENDS