

**British Smaller Companies VCT plc and British Smaller Companies VCT2 plc
(together “the Companies”)**

Publication of Prospectus and Circular re: offers

The Companies today announce that they are planning to raise, in aggregate, up to £30 million, with an over allotment facility of up to a further £10 million in aggregate, by way of prospectus offers of new ordinary shares for subscription (“the Offers”) in order to increase their investment capacity.

On 20 October 2014, the Companies issued a prospectus (which is comprised of a securities note, a registration document and a summary document) and a circular relating to the Offers. The proceeds will be allocated between the Companies in accordance with the terms set out in the prospectus.

Applications will be considered on a first come first served basis subject to the directors’ discretion. Investors will be permitted to make applications for new shares in either or both of the 2014/15 and 2015/16 tax years and to invest in either or both of the two Companies. The Offers in relation to the 2014/15 tax year will close at 11:00 am on 4 April 2015 (11:00 am on 1 April 2015 for investors subscribing through CREST) and the Offers in relation to the 2015/16 tax year will close at 11:00 am on 30 April 2015, unless fully subscribed at an earlier date and subject to the directors’ right to close the Offers at any time on or before 19 October 2015.

The issue of shares under the Offers will be subject to the approval of the Companies’ shareholders of resolutions relating to the Offers at a general meeting and those shareholders will receive a circular explaining the details of the Offers and giving notice of those general meetings in due course.

For further information please contact:

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