

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

**Statement re: proposed Joint Fundraising**

The Companies today announce that they are planning to raise up to £20 million in aggregate by way of a joint prospectus offer of new ordinary shares for subscription (“the Offer”) in order to increase their investment capacity. 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 2013/14 and 2014/15 tax years and to invest in either or both of the two Companies. It is anticipated that the Offer will remain open until 5 April 2014 in respect of the 2013/14 tax year and until late April 2014 in respect of the 2014/15 tax year, unless fully subscribed at an earlier date and subject to the directors’ right to close the Offer at any time.

The full terms of the offer will be set out in a detailed prospectus to be approved by the UK Listing authority and is expected to be issued in December 2013. The Offer will be subject to the approval of the shareholders of each of the Companies who will receive a circular explaining the details of the Offer in due course.

For further information please contact:

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