

British Smaller Companies VCT2 plc

Offer for Subscription: Allotment of Shares

British Smaller Companies VCT2 plc (the "Company") is seeking to raise up to a maximum of £10 million by way of an offer for subscription of up to 14,539,007 ordinary shares of 10 pence each in the Company ("Offer for Subscription"). Full details of the Offer for Subscription are contained in a prospectus issued by the Company on 27 October 2011 ("Offer Document"). As stated (and as defined) in the Offer Document the Offer Price is 70.5 pence per ordinary share.

The Company announces that on 20 March 2012 it allotted 6,106,906 ordinary shares of 10 pence each ("Ordinary Shares") at a price of 70.5 pence per ordinary share in respect of valid subscriptions received on or before 20 March for the tax year 2011/2012 pursuant to the Offer for Subscription. This brings the total number of ordinary shares issued under the Offer to 9,902,820, equivalent to 68.1% of the maximum available.

Richard Last, Chairman of the Company, has increased his subscription from £10,000 (as detailed in the Prospectus) to £50,000. Accordingly, he has been allotted 71,985 Ordinary Shares. This takes his total shareholding to 115,972 Ordinary Shares in the Company.

Application is now being made for the Ordinary Shares which were allotted on 20 March 2012 to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities, and dealings are expected to commence on or around 27 March 2012.

Following the allotment of the Ordinary Shares on 20 March 2012 the Company's issued share capital consists of 33,233,622 ordinary shares of 10 pence each with voting rights ("Voting Capital") and 929,122 shares held in Treasury.

The above statement of Voting Capital may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FSA's Disclosure and Transparency Rules.

A further and final allotment of ordinary shares pursuant to the Offer for Subscription is expected to be made by the Company on 5 April 2012 in respect of valid subscriptions for the tax year 2011/2012 received and accepted by the Company before 11.00am on Thursday, 5 April 2012.

A copy of the Offer Document has been submitted to the National Storage Mechanism and is available to the public for viewing online at the following web-site address: <http://www.hemscott.com/nsm.do>. It can also be viewed on the Companies' website <http://www.yfmep.com>.

For further information, please contact:

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