

British Smaller Companies VCT2 plc

Offer for Subscription: Allotment of Shares

British Smaller Companies VCT2 plc (the "Company") initially sought 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 were contained in a prospectus issued by the Company on 27 October 2011 ("Offer Document"). On 4 April 2012 the Board exercised its discretion under the terms of the Offer Document to increase the size of the Offer for Subscription beyond its original £10 million.

As stated (and as defined) in the Offer Document the Offer Price is 70.5 pence per ordinary share.

The Company now announces that on 5 April 2012 it allotted 5,080,416 ordinary shares of 10 pence each ("Ordinary Shares") at a price of 70.5 pence per ordinary share in respect of valid subscriptions received and accepted by the Company on or after 21 March 2012 and before 11.00am on Thursday 5 April 2012 for the tax year 2011/2012 pursuant to the Offer for Subscription.

In total the Company raised gross proceeds of £10.6 million under the Offer for Subscription and after taking into account the costs of the Offer for Subscription this gave net proceeds of approximately £10.0 million. The Offer for Subscription is now closed.

Application is being made for the Ordinary Shares allotted on 5 April 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 16 April 2012.

Following the allotment of the Ordinary Shares on 5 April 2012 the Company's issued share capital consists of 38,314,038 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.

For further information, please contact:

David Hall	YFM Private Equity Limited	Tel: 0113 294 5055
Claes Spang	Singer Capital Markets	Tel: 0203 205 7500