

BRITISH SMALLER TECHNOLOGY COMPANIES VCT 2 PLC (“the Company”)

INTERIM MANAGEMENT STATEMENT For the quarter ended 31 March 2009

British Smaller Technology Companies VCT 2 plc presents its interim management statement for the quarter ended 31 March 2009. This constitutes the Company’s first interim management statement for the financial year ending 31 December 2009, as required by Rule 4.3 of the Disclosure and Transparency Rules. A copy of this interim management statement can be found at www.yfmgroup.co.uk.

The unaudited net asset value per Ordinary share as at 31 March 2009 was 75.7p (31 December 2008: 76.9p). The net asset value as at 31 March 2009 is stated after taking account of the third interim dividend of 2.0p per Ordinary share in respect of the year ended 31 December 2008, which will be paid on 19 May 2009.

The total return at 31 March 2009, calculated by reference to the net asset value per share and the cumulative dividends paid and proposed, was 93.7p per share compared to 92.9p at 31 December 2008.

The number of Ordinary shares in issue at 31 March 2009 was 16,641,257. There were no shares purchased or issued by the Company during the quarter.

Net assets at 31 March 2009 comprised the following:

	£000	% of net assets
Unquoted investments at fair value	6,493	51.5%
Quoted investment at bid price	1,178	9.4%
Gilt investments	4,313	34.2%
Total investments	11,984	95.1%
Cash and cash equivalents	634	5.0%
Other net current assets (liabilities)	(16)	(0.1%)
Net assets	12,602	100.0%

The ten largest investments by valuation at 31 March 2009 were as follows:

	£000	% of net assets
Digital Healthcare Limited	2,112	16.8%
Silistix Limited	895	7.1%
Immunobiology Limited	800	6.3%
DxS Limited	792	6.3%
Primal Pictures Limited	716	5.7%
The ART Technology Group Inc	456	3.6%
Pressure Technologies plc	350	2.8%
Waterfall Services Limited	316	2.5%
Elfin Home Care Limited	312	2.4%
Harvey Jones Limited	247	2.0%
Top ten investments	6,996	55.5%

Other investments	675	5.4%
Gilt investments	4,313	34.2%
Total investments	11,984	95.1%

Quoted investments are carried at bid price at 31 March 2009. Unquoted investment are carried at fair value as at 31 March 2009 as determined by the directors.

The movement in net asset value can be analysed as:

	Pence per share
NAV at 31.12.08	76.9
Less Dividend	(2.0)
Change in underlying NAV	<u>0.8</u>
NAV at 31.03.09	<u>75.7</u>

The total return, calculated by reference to the net asset value plus cumulative dividend paid and proposed has increased by 0.8p to 93.7p, cumulative dividends representing 18 pence per share, the equivalent of 19.2%.

The net asset value currently comprises 39% in cash and gilts and as such the Company is well placed to take advantage of selective investment opportunities as they arise.

19 May 2009

For further information please contact:

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