

British Smaller Technology Companies VCT 2 plc ("the Company")

Announcement in respect of holding in Sarian Systems Ltd

The Company held 2,202 shares in Sarian Systems Ltd representing approximately 17.3% of that company's fully diluted issued share capital. Yesterday Digi International Inc, a Company quoted on Nasdaq, announced the acquisition of Sarian Systems in a cash transaction for approximately \$30.5m.

This transaction has resulted in a cash receipt of approximately £2.6m for the Company compared to a carrying value of £1.3m which was incorporated within the net asset value of British Smaller Technology Companies VCT 2 plc at 31 December 2007. Consequently the effect of this transaction had it been incorporated into the accounts at 31 December 2007 would have been to have increased the Company's net asset value per share from 79.0 pence per share to 86.7 pence per share, an increase of 9.7%.

The impact on the total return, calculated by reference to the net asset value per share and cumulative dividends paid, would have been to have increased the total return at 31 December 2007 from 89.5 pence per share to 97.2 pence per share.

In conformity with the Transparency Directive's transitional provision 6, the Company notifies the market of the following:

The Company's issued share capital consists of 16,641,257 Ordinary Shares with voting rights. Therefore, the total number of voting rights is 16,641,257.

The above figure 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.

29 April 2008

End

For further details, please contact:

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