

British Smaller Companies VCT plc (the “Company”)

Payment of Final and Interim Dividends and Allotment of Shares

The Company announces that on 5 August 2016 it paid a Final Dividend (“Final Dividend”) for the year ended 31 March 2016 of 3.5 pence per ordinary share and an Interim Dividend (“Interim Dividend”) for the year ending 31 March 2017 of 2.0 pence per ordinary share to shareholders on the register of members of the Company as at the record date of 1 July 2016.

The Company further announces that on 5 August 2016 it issued and allotted 847,016 ordinary shares of 10 pence each (“Ordinary Shares”) pursuant to its dividend re-investment scheme (“DRIS”) at a price of 93.10 pence per share to shareholders of the Company who elected to receive shares instead of the Final Dividend.

The subscription price of 93.10 pence per share was determined in accordance with the terms and conditions of the DRIS on the basis of the last reported Net Asset Value of 101.5 pence per ordinary share as at 30 June 2016 (adjusted for the Final Dividend of 3.5 pence per share paid today) less 5%. Of the Final Dividend paid by the Company 24% was re-invested in shares in the Company via the DRIS.

The Company also announces that it issued and allotted 494,088 Ordinary Shares pursuant to its DRIS at a price of 91.20 pence per share to shareholders of the Company who elected to receive shares instead of the Interim Dividend.

The subscription price of 91.20 pence per share was determined in accordance with the terms and conditions of the DRIS on the basis of the last reported Net Asset Value of 101.5 pence per ordinary share as at 30 June 2016 (adjusted for the Final and Interim Dividends of 3.5 pence per share and 2.0 pence per share paid today) less 5%. Of the Interim Dividend paid by the Company 24% was re-invested in shares in the Company via the DRIS.

As part of these allotments, Edward Buchan, a non-executive director of the Company, was allotted 1,252 Ordinary Shares in the Company. This takes his total shareholding to 22,280 Ordinary Shares representing 0.02% of the current issued Ordinary Shares.

As part of these allotments the staff and members of the investment adviser, YFM Private Equity Limited and its ultimate holding company have been allotted 9,137 Ordinary Shares bringing their aggregate total shareholding to 346,249 Ordinary Shares representing 0.36% of the current issued Ordinary Shares.

Application is now being made for the Ordinary Shares which were issued and allotted on 5 August 2016 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 19 August 2016.

Following such issue and allotment the Company's issued share capital consists of 96,763,440 Ordinary Shares with voting rights ("Voting Capital") and 3,922,999 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 FCA's Disclosure and Transparency Rules.

For further information please contact:

David Hall	YFM Private Equity Limited	Tel: 0113 244 1000
Gillian Martin	Nplus1 Singer Advisory LLP	Tel: 020 7496 3000