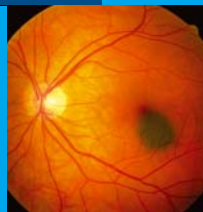


Half Yearly Report
for the period from
1 January 2008
to 30 June 2008



**BRITISH
SMALLER
TECHNOLOGY
COMPANIES**
VCT **2** plc

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Chairman's Statement

The six months to 30 June 2008 have been characterised by a continuation of the successful realisations achieved in 2007, further investment in more mature businesses and maintenance of the dividend policy. The overall result has seen the total return increase by 6.0% to 94.9 pence per share (31 December 2007 89.5 pence per share).

The performance in the first six months of the year leads the Board to recommend payment of a dividend of 4 pence per share, constituting an interim dividend payment of 2 pence per share and a 2 pence per share special dividend. This will be payable on 26 September 2008 to shareholders on the register at 29 August 2008.

Interim Management Report

It is particularly pleasing to report the successful realisation of Sarian Systems Limited. The business specialises in wired and wireless communication products for mission critical applications, where its technology had been particularly adopted in the point of sale markets. It was acquired by NASDAQ-listed Digi Inc for a total consideration of \$30 million. This resulted in sale proceeds to the Company of £2.6 million, which compared to a carrying value at 31 December 2007 of £1.3 million. In addition the Company realised the residual investment in Tekton, following its sale to Sage Group plc. This residual investment realised £0.13 million (2.5 times the rolled over cost within 15 months of the previous sale).

The Company's investment in Immunobiology Limited, which develops high efficacy vaccines for infectious diseases, has shown significant potential in the period. The trial of a new tuberculosis vaccine, funded by Aeras, is being finalised with the probability of moving to testing in human subjects towards the end of 2009. Initial animal trials of a meningitis B vaccine, which potentially offers cross-strain protection, have also exceeded expectations. If these tests are successful, the company will warrant a significant premium to its current valuation. No uplift has been recognised in the valuation of the company in these interim accounts, but the directors are encouraged by the company's significant progress.

During this six month period, follow on investments totalling £0.25 million in aggregate were made in companies already in the portfolio. These comprised a further £0.17 million in Silistix Limited to support its further development, £0.06 million into RMS Holdings Limited and a further £0.02 million into Patsystems through an issue of further shares as final payment of the outstanding deferred consideration.

The Company continues to review new investment opportunities. Whilst in the short term the anticipated pricing corrections have not been fully reflected in the market, the Board is of the opinion that as these work their way through the number of strong investment opportunities is likely to increase significantly over the next 12 to 24 months.

Chairman's Statement

The portfolio continues to develop and mature. Whilst no portfolio of investments is immune from a downturn in economic fortunes, the Company's investments have a relatively heavy weighting towards healthcare and related services which comprise 72% by value of the unquoted portfolio. This area has to date been less affected than others by downward valuation pressure. A further 15% of the portfolio is invested in IT and software, 7% in services and 6% in retail; the overall portfolio mix is such that it is less exposed to those sectors directly impacted by the current change in the economic climate.

Financial Results

The result for the six months ended 30 June 2008 produced an operating loss of £0.12 million or 0.75 pence per share (30 June 2007: loss of £0.17 million or 1.0 pence per share).

The reduction in the operating loss arises as a result of the continued costs reductions coupled with an increase in income generation over the same period last year. The net gains from investments are £1.03 million, comprising £1.37 million realised gains, principally from Sarian Systems Limited, and £0.34 million of losses arising from unrealised valuation movements.

Cash and cash equivalents at 30 June 2008 were £6.2 million, representing 45% of net asset value before the payment of the interim dividend. The Board considers that this is

sufficient to support the current portfolio and to continue to pursue its investment strategy in selective new opportunities.

The HMRC has recently announced that management fees for venture capital trusts will be exempt from VAT from 1 October 2008 and that claims can be back-dated for a period of up to three years where relevant. The Board welcomes these developments which it believes will only be to the benefit of shareholders. Early indications are that the annual benefit to shareholders will be in the region of 0.3 pence per share and a one-off benefit of 0.9 pence per share. I will keep you informed as this situation develops.

Shareholder Relations

In addition to the required statutory announcements, the Board continues to run shareholder workshops where investors are invited to meet members of the Board, representatives from YFM Private Equity Limited, the fund manager and the CEOs of one or more of the portfolio investments. In the last six months a workshop was held with a total nearing 150 investors and their advisors attending. The Board remains committed to this programme.

We have reported that the Board withdrew the Company's share buy back policy for an indefinite period during 2006. The share price has remained at a discount of approximately 45% to the announced net asset value. This

Chairman's Statement

reflects the long term nature of VCT shares and the effects of the VCT legislation that only offers the 30% income tax rebate on the subscription to a new issue of shares leading to an illiquid secondary market.

The Board remains committed to the objective of achieving a consistent dividend stream. This has been continued in these interim results adding to the 3 pence per share paid in respect of the 2007 financial year. At this stage the Board continues to believe that this use of its cash resources is in the best interest of all shareholders.

Board

I would like to acknowledge the help and support given by Steve Noar who retired from the Board on 30 June 2008. Steve was appointed to the Board in 2000 and throughout that time has made an invaluable contribution.

Outlook

There is little doubt that the economic climate has changed in the last six months and that growth has slowed. Nonetheless, this Company is well placed to take advantage of investment opportunities that may arise in the short term. The existing portfolio is likely to require further investment, both to support some of the remaining earlier stage investments and the acquisition strategies of some of the more recent investments. It may well be that in the immediate short term the

economic slowdown will reduce investment opportunities during this financial year as businesses delay decisions until they see a clearer way forward. However, history and experience would suggest that thereafter the rate of investment opportunities will increase and that the prices of those investments could well be at attractive levels.

The Board remains focussed on actively supporting investments in the portfolio and selectively developing that portfolio by means of new investment. With this in mind, it intends to consider prospective fundraising opportunities to ensure the capital resources are available to continue its successful track record of investment.

Richard Last
20 August 2008

Investment Portfolio

Name of Company	Date of Initial Investment	Location	Industry Sector	Original Cost** £000	Proceeds Realised to Date £000	Investment Valuation at 30 June 2008 £000	Realised and Unrealised to Date £000
Current Investments							
Digital Healthcare Ltd	Jun-05	Cambridge	Healthcare	2,563	–	1,622	1,622
Immunobiology Ltd	Jun-03	Cambridge	Healthcare	850	–	850	850
Primal Pictures Ltd	Dec-05	London	Healthcare	961	–	698	698
Silistix Ltd	Dec-03	Manchester	Software	732	–	664	664
Pressure Technologies plc	Jun-07	Sheffield	Industrial	300	–	520	520
RMS Ltd	Jul-07	Goole	Industrial	408	–	408	408
The ART Technology Group Inc	Apr-03	Cambridge, USA	Software	275	–	407	407
Waterfall Services Ltd (formerly Caterplus Services Ltd)	Feb-07	Watford	Healthcare	250	–	353	353
Harvey Jones Ltd	May-07	London	Manufacture	389	–	350	350
Optos plc	Dec-05	Dunfermline	Healthcare	153	93	198	291
Oxonica plc	May-02	Oxford	Chemical	241	255	17	272
Ellfin Home Care Ltd	Dec-07	Oldham	Healthcare	250	–	250	250
Patsystems plc	Sep-07	London	Software	317	–	246	246
Tissuemed Ltd	Dec-05	Leeds	Healthcare	48	–	240	240
DxS Ltd	Apr-04	Manchester	Healthcare	163	–	163	163
Allergy Therapeutics plc	Oct-04	Worthing	Healthcare	350	–	130	130
Cambridge Cognition Ltd	May-02	Cambridge	Software	240	–	96	96
Brulines plc	Oct-06	Stockton-on-Tees	Software	81	–	94	94
Solcom Ltd	Dec-05	Ryde	Software	–	–	72	72
Casmir Ltd	Dec-05	Salford	Software	–	–	–	–
Patterning Technologies Ltd	Dec-05	Hemel Hempstead	Electronics	–	–	–	–
				8,571	348	7,378	7,726

Investment Portfolio

Name of Company	Date of Initial Investment	Location	Industry Sector	Original Cost** £000	Proceeds Realised to Date £000	Investment Valuation at 30 June 2008 £000	Realised and Unrealised to Date £000
Realised Investments							
Cozart plc	Jul-04	Abingdon	Healthcare	1,566	2,983	–	2,983
Sarian Systems Ltd	Dec-05	Ilkley	Telecoms	928	2,605	–	2,605
Vibration Technology Ltd	Mar-02	Glasgow	Industrial	1,061	2,328	–	2,328
Amino Technologies plc	Sep-01	Cambridge	Electronics	415	1,875	–	1,875
Tamesis Ltd	Jul-01	London	Software	150	317	–	317
Tekton Group Ltd	Dec-05	Manchester	Software	100	220	–	220
Voxar Ltd	Dec-05	Edinburgh	Software	–	134	–	134
Arakis	Mar-04	Essex	Healthcare	14	108	–	108
Sosei Co Ltd	Aug-05	Toyko, Japan	Healthcare	158	94	–	94
Hallco 1390	Dec-06	Manchester	Software	1	77	–	77
Hallco 1389	Dec-06	Manchester	Software	49	49	–	49
Broadreach Networks Ltd*	Feb-03	London	Telecoms	550	17	–	17
Sirus Pharmaceuticals Ltd	Sep-01	Cambridge	Healthcare	270	14	–	14
Focus Solutions Group plc	Dec-05	Leamington Spa	Software	7	7	–	7
Comvurgent Ltd*	Dec-05	Nottingham	Software	611	–	–	–
Express On Biosystems Ltd*	Oct-02	Midlothian	Healthcare	450	–	–	–
Purely Proteins Ltd	Nov-03	Cambridge	Software	438	–	–	–
Infinite Data Storage Ltd*	Mar-02	Dunfermline	Software	425	–	–	–
Oxis Energy Ltd*	Dec-05	Abingdon	Electronics	5	–	–	–
Elam-T Ltd*	Dec-05	London	Electronics	–	–	–	–
LANergy Ltd*	Dec-05	Newport	Telecoms	–	–	–	–
Sigtronics Ltd*	Dec-05	Livingston	Electronics	–	–	–	–
Weston Antennas Ltd*	Dec-05	Dorchester	Telecoms	–	–	–	–
				7,198	10,828	–	10,828
Total realised and unrealised to date				15,769	11,176	7,378	18,554

* In receivership

** Original or acquired cost where the investment was acquired at the fair value ascribed to it at the time of the acquisition of British Smaller Technology Companies VCT plc

Top 15 Current Investments



Digital Healthcare Limited

Cambridge
www.digital-healthcare.co.uk

Digital Healthcare has developed software for the management of digital images in the diabetic screening, ophthalmology and optometric sectors of the healthcare market. In July 2007, it raised a further £2 million from a range of investors to fund the growth of its new US diabetic retinopathy screening service since which time it has continued to develop sales in the US.



Immunobiology Limited

Cambridge
www.immunobiology.co.uk

Immunobiology is developing high efficacy vaccines for infectious diseases including influenza, tuberculosis, hepatitis and meningitis. The company raised £2.7 million in November 2005 and a further £2.7 million in August 2007. The tuberculosis programme has been licensed to Aeras who are funded by the Gates Foundation. The company is progressing towards two of its vaccines entering human trials.



Primal Pictures Limited

London
www.primalpictures.com

Primal Pictures has developed a complete range of high quality anatomical CD-ROM's aimed at healthcare professionals, ranging from medical students to orthopaedic surgeons. The company continues to successfully develop its licensed customer base with an increasing percentage of its sales being underpinned by these contracts.



Silistix Limited

Manchester
www.silistix.com

Silistix is a start-up spin-out from the University of Manchester that has developed CHAINworks™, a suite of software tools for the design and synthesis of customized on-chip interconnect using self-timed (clock-less) circuits. On-chip interconnects technology addresses many of the biggest semiconductor design problems arising from timing closure, power consumption, and design complexity. The business secured further funding in 2007/2008 to support the commercialisation of this innovative technology, which is attracting the attention of many global chip designers.

Top 15 Current Investments

Pressure Technologies plc

Sheffield
www.pressuretechnologies.co.uk



Pressure Technologies design, manufacture and offer testing and refurbishment services for a range of specialty high pressure, seamless steel gas cylinders for global energy and defence markets. It is the dominant supplier of these products to manufacturers of offshore floating drilling rigs, used in deepwater oil and gas exploration. The company's interim results exceeded expectations with strong positive comments about its outlook and an order book in excess of £18 million, which was maintained at the interim stage.

RMS Group Holdings Limited

Goole
www.rms-europe.co.uk



RMS Group is a provider of stevedoring and logistics services and, following the opening of its new Hull operation, operates from six sites on the Humber Estuary. Further increases in fuel and transportation costs are expected to enhance the Humber port's competitive advantage over their Southern based competitors. Following a record year in 2007 the Group is forecasting further increases in the volumes of goods handled.

The Art Technology Group Inc

Cambridge, USA
www.atg.com



The investment in the Art Technology Group Inc arose from an original investment in Belfast based Amacis Limited. The Amacis technology enables multi-language automated handling of text, e-mail and SMS messages. The company has continued to increase revenue with turnover to 31 December 2007 of \$137 million although the company made a loss last year it is forecasting continued turnover growth of between 15% - 20%, and it had cash balances of \$43m at the end of March 2008.

Waterfall Services Limited (formerly Caterplus Services Ltd)

Watford
www.caterplus.co.uk

Waterfall is a group holding company. Its first investment was in Caterplus, a contract caterer specialising in the care home and education sectors. The Group has recently completed the acquisition of Taylor & Shaw, based in Warrington and Hospitality Catering Services, based in Newcastle, both contract caterers specialising in the education sector. The Group plans to continue its plans to create a substantial specialist catering business through a mixture of organic and acquisitive growth.

Top 15 Current Investments



Harvey Jones Limited

London
www.harveyjones.com

Harvey Jones is a manufacturer/retailer of kitchen furniture. It has a modern manufacturing facility in the UK and 13 retail stores mostly in London and wealthy provincial towns. It plans to roll out the number of stores organically and build brand recognition over a 3 to 5 year period.



Optos plc

Dunfermline
www.optos.com

Optos has developed scanning laser ophthalmoscope technology that greatly assists optometrists being able to produce a high resolution scan of 80% of the retina in only quarter of a second. Following its listing in February 2006 Optos has continued to expand its market share, with 2007 seeing the company achieve its first pre-tax profit, generating \$6.5 million of operating profit, followed by \$5.6m of operating profit in the first half of 2008.



Oxonica plc

Oxford
www.oxonica.com

Oxonica floated on AIM in July 2005, and raised further funds in February 2006. 2007 was a difficult year following the loss of the PetroOfisi contract in Turkey, though this was partially offset by the successful outcome of follow-on trials with Stagecoach. Results to 31 December 2007, saw turnover reduce to £4.2 million and losses of £5.5 million. The group successfully raised £4.8 million in November 2007, and reports that the current high price of oil has increased interest in its energy products.

Ellfin Home Care Limited

Oldham

Ellfin Home Care is a domiciliary care business providing care in the home services to both public and private clients. The company was established as a vehicle to acquire a number of home care businesses forming a North West Group over a 5 year period. To date one acquisition has been completed and a second acquisition is under investigation. Further funding will be required to fulfil the growth strategy.

Top 15 Current Investments

Patsystems plc

London
www.patsystems.com



The holding in Patsystems has arisen as a result of deferred consideration payable in shares on the acquisition of Tamesis in August 2005. Patsystems develops trading and risk management systems for derivative traders and exchanges. The company noted that delays in customer commitments to new contracts might lead to a reduction in first-half profits for 2008, but added that revenue from existing customers continued to grow, and has since announced a number of major new contracts.

Tissuemed Limited

Leeds
www.tissuemed.com



Tissuemed is a medical device company specialising in advanced surgical biomaterials designed to save surgeons' time and to improve the treatment and recovery of patients. CE marking has now been achieved for use of Tissuepatch in both pulmonary and dural applications, as a result of which distributors have been appointed in most European countries. The product is reported to be performing well in the operating theatre and post operation. In October 2007 Tissuemed raised £2.0 million to provide working capital for market development.

DxS Limited

Manchester
www.dxsgenotyping.com



DxS is a personalised medicine company providing molecular diagnostics to aid doctors and drug companies in selecting therapies for patients. During the year the company signed a number of landmark agreements including a global distribution agreement with Roche Diagnostics and an agreement for the use of the company's product in a study to assess tumour mutation status prior to treatment with Vectibix, a drug supplied by Amgen, a major US pharmaceutical company.

Income Statement

For the 6 months ended 30 June 2008

	Notes	Unaudited 6 months ended 30 June 2008 £000	Unaudited 6 months ended 30 June 2007 £000	Audited year ended 31 December 2007 £000
Income	2	180	152	339
Administrative expenses:				
Investment advisory fee		(193)	(205)	(404)
Other expenses		(111)	(113)	(213)
		(304)	(318)	(617)
Operating loss		(124)	(166)	(278)
Gains (losses) on realisation of investments		1,366	(30)	1,501
Losses on investments held at fair value		(341)	(149)	(1,426)
Profit (loss) on ordinary activities before taxation		901	(345)	(203)
Taxation	3	–	–	–
Profit (loss) for the period from continuing operations		901	(345)	(203)
Basic and diluted earnings (loss) per Ordinary share	5	5.41p	(2.07)p	(1.22)p

Balance Sheet

As at 30 June 2008

	Notes	Unaudited 30 June 2008 £000	Unaudited 30 June 2007 £000	Audited 31 December 2007 £000
Assets				
Non-current assets				
Financial assets at fair value through profit or loss		7,378	9,964	8,743
Current assets				
Trade and other receivables		253	241	228
Cash and cash equivalents		6,235	3,108	4,337
		6,488	3,349	4,565
Liabilities				
Current liabilities				
Trade and other payables		(64)	(55)	(157)
Net current assets		6,424	3,294	4,408
Net assets		13,802	13,258	13,151
Shareholders' equity				
Share capital		1,664	1,664	1,664
Share premium		69	69	69
Capital redemption reserve		88	88	88
Merger reserve		5,525	5,525	5,525
Other reserve		2	2	2
Retained earnings		6,454	5,910	5,803
Total Shareholders' equity		13,802	13,258	13,151
Net asset value per Ordinary share	6	82.9p	79.7p	79.0p
Total return per Ordinary share	7	94.9p	88.7p	89.5p

Signed on behalf of the Board

Richard Last
Chairman
20 August 2008

Unaudited Statement of Changes in Shareholders' Equity

For the 6 months ended 30 June 2008

	Share capital	Share premium account	Merger reserve	Other reserves*	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000
Balance at 31 December 2006	1,664	69	5,525	90	6,588	13,936
Loss for the period	–	–	–	–	(345)	(345)
Dividends paid	–	–	–	–	(333)	(333)
Balance at 30 June 2007	1,664	69	5,525	90	5,910	13,258
Profit for the period	–	–	–	–	143	143
Dividends paid	–	–	–	–	(250)	(250)
Balance at 31 December 2007	1,664	69	5,525	90	5,803	13,151
Profit for the period	–	–	–	–	901	901
Dividends paid	–	–	–	–	(250)	(250)
Balance at 30 June 2008	1,664	69	5,525	90	6,454	13,802

*Other reserves include the capital redemption reserve and other reserve, which is non-distributable.

Cash Flow Statement

For the 6 months ended 30 June 2008

	Unaudited 6 months ended 30 June 2008 £000	Unaudited 6 months ended 30 June 2007 £000	Audited year ended 31 December 2007 £000
Net cash outflow from operating activities	(239)	(273)	(314)
Cash flows from (used in) investing activities			
Purchase of financial assets at fair value through profit or loss	(226)	(1,061)	(2,852)
Proceeds from sale of financial assets at fair value through profit or loss	2,728	(134)	3,116
Net cash from (used in) investing activities	2,502	(1,195)	264
Cash flows used in financing activities			
Dividends paid	(250)	(333)	(582)
Net cash used in financing activities	(250)	(333)	(582)
Net increase (decrease) in cash and cash equivalents	2,013	(1,801)	(632)
Cash and cash equivalents at the beginning of the period	4,337	4,984	4,984
Effect of market value changes in cash equivalents	(115)	(75)	(15)
Cash and cash equivalents at the end of the period	6,235	3,108	4,337

Notes to the Financial Statements

For the 6 months ended 30 June 2008

1. These half year statements have been approved by the directors whose names appear at note 8, each of whom has confirmed that to the best of his knowledge the Interim Management Report includes a fair review of the information required by rules 4.2.7 and 4.2.8 of the Disclosure Rules and the Transparency Rules.

The half year statements are unaudited and have not been reviewed by the auditors pursuant to the Auditing Practices Board (APB) guidance on Review of Interim Financial Information. They do not constitute full financial statements as defined in section 240 of the Companies Act 1985. The comparative figures for the year ended 31 December 2007 do not constitute full financial statements and have been extracted from the Company's financial statements for the year ended 31 December 2007. Those accounts were reported upon without qualification by the auditors and have been delivered to the Registrar of Companies.

The half year statements comply with IAS 34 'Interim financial reporting' and the accounting policies and methods of computation followed in the half year statements are the same as those adopted in the preparation of the audited financial statements for the year ended 31 December 2007.

The financial statements for the year ended 31 December 2007 were prepared in accordance with the International Financial Reporting Standards (IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB) and the International Accounting Standards Committee (IASC) as adopted by the European Union and those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

2. Income

	Unaudited 6 months ended 30 June 2008 £000	Unaudited 6 months ended 30 June 2007 £000	Audited year ended 31 December 2007 £000
Income from investments			
– Dividends from unquoted companies	3	14	57
– Interest on loans to unquoted companies	53	45	69
– Fixed interest Government securities	117	87	184
<hr/>			
Income from investments held at fair value through profit or loss	173	146	310
Interest on bank deposits	7	6	29
<hr/>			
	180	152	339
<hr/>			

Notes to the Financial Statements

For the 6 months ended 30 June 2008

3. Taxation

	Unaudited 6 months ended 30 June 2008 £000	Unaudited 6 months ended 30 June 2007 £000	Audited year ended 31 December 2007 £000
Profit (loss) on ordinary activities before taxation	901	(345)	(203)
Profit (loss) on ordinary activities multiplied by standard small company rate of corporation tax in the UK of 21% (June 2007: 19%, December 2007: 20%)	189	(66)	(41)
Effect of:			
UK dividends received	(1)	(3)	(11)
Non taxable (profits) losses on investments	(215)	34	(15)
Excess management expenses	27	35	67
Current tax charge for period	–	–	–

The Company has no provided, or unprovided, deferred tax liability in either year.

Deferred tax assets in respect of losses have not been recognised as management do not currently believe that it is probable that sufficient taxable profits will be available against which the assets can be recovered.

Due to the Company's status as a venture capital trust, and the continued intention to meet the conditions required to comply with Chapter 3 Part 6 of the Income Tax Act 2007, the Company has not provided deferred tax on any capital gains or losses arising on the revaluation or realisation of investments.

4. Dividends

	Unaudited 6 months ended 30 June 2008 £000	Unaudited 6 months ended 30 June 2007 £000	Audited year ended 31 December 2007 £000
Final paid – 2.0p per Ordinary share paid 25 May 2007	–	333	333
Interim paid – 1.5p per Ordinary share paid 30 November	–	–	250
Final paid – 1.5p per Ordinary share paid 16 May 2008	250	–	–
Dividends paid	250	333	583

Notes to the Financial Statements

For the 6 months ended 30 June 2008

4. Dividends (cont)

A dividend of 4p per Ordinary share, amounting to £666,000, is proposed, comprising an interim dividend of 2p and a special dividend of 2p per Ordinary Share. The dividend has not been recognised in these half year financial statements as the obligation did not exist at the balance sheet date.

5. The earnings (loss) per Ordinary share is based on the net profit from ordinary activities after tax of £901,000 (30 June 2007: net loss of £345,000 and 31 December 2007: net loss of £203,000) and on 16,641,000 shares (30 June 2007 and 31 December 2007: 16,641,000 shares) being the weighted average number of shares in issue during the period.

The Company has no securities that would have a dilutive effect and hence basic and diluted earnings (loss) per Ordinary share are the same.

6. The net asset value per Ordinary share is calculated on attributable assets of £13,802,000 (30 June 2007: £13,258,000 and 31 December 2007: £13,151,000) and 16,641,000 (30 June 2007 and 31 December 2007: 16,641,000 shares) shares in issue at the period end.

The Company has no securities that would have a dilutive effect and hence basic and diluted net asset value per Ordinary share are the same.

7. Total return per share is calculated on cumulative dividends paid of 12 pence per Ordinary share (30 June 2007: 9 pence per Ordinary share and 31 December 2007: 10.5 pence per Ordinary share) plus the net asset value at those dates as calculated per note 6.

8. The directors of the Company are: Mr R Last, Mr PS Cammerman and Mr RM Pettigrew.

9. Copies of the interim report can be obtained from the Company's registered office: Saint Martins House, 210-212 Chapeltown Road, Leeds, LS7 4HZ or from the Fund Manager's website: www.yfmgroup.co.uk

Directors and Advisers

Directors

Richard Last
Philip Simon Cammerman
Robert Martin Pettigrew

Fund Manager

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Fixed Interest Securities Adviser

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VCT Status Adviser

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Bankers

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