

British Smaller Companies VCT plc
Interim Management Statement
For the quarter ended 31 December 2017

British Smaller Companies VCT plc (the “Company”) presents its interim management statement for the quarter ended 31 December 2017. The statement also includes relevant financial information between the end of the quarter and the date of this statement. A copy of this interim management statement can be found at www.bscfunds.com.

Overview

The Company has continued to make good progress with total return rising to 214.8 pence per ordinary share; Net Asset Value (“NAV”) stood at 78.4 pence per ordinary share. This is an increase of 1.4 pence per ordinary share in the quarter equivalent to 1.8% growth in the period.

Performance

	31 December 2017	Movement	30 September 2017
Net Assets (£m)	85.1	1.1	84.0
NAV per share (PPS)	78.4p	1.4p	77.0p
Cumulative dividends paid (PPS)	136.4p	-	136.4p
Total Return (PPS)	214.8p	1.4p	213.4p
Shares in issue	108,607,183	(500,000)	109,107,183

The total return at 31 December 2017, calculated by reference to the NAV per ordinary share and the cumulative dividends paid per ordinary share, was 214.8 pence per ordinary share compared to 213.4 pence per ordinary share at 30 September 2017.

The unaudited NAV per ordinary share as at 31 December 2017 was 78.4p pence per ordinary share (30 September 2017: 77.0 pence per ordinary share). Cumulative dividends paid were unchanged at 136.4 pence per ordinary share (30 September 2017: 136.4 pence per ordinary share).

Shares in issue

On 19 December 2017 the Company purchased 500,000 ordinary shares of 10 pence each at a price of 73.65 pence per ordinary share. These shares were placed in treasury.

The number of ordinary shares in issue at 31 December 2017 was 108,607,183 (30 September 2017: 109,107,183). In addition, at 31 December 2017 the Company held 4,807,999 ordinary shares in treasury (30 September 2017: 4,307,999).

Net assets

Net assets at 31 December 2017 comprised the following:

	£000	% of net assets
Unquoted investments at fair value	54,459	64.0
Quoted investments at bid price	2,205	2.6
Total investments	56,664	66.6
Fixed income government securities	708	0.8
Quoted funds	1,893	2.2
Cash and cash equivalents	24,378	28.6
Other net current assets	1,477	1.8
Net assets	85,120	100.0

The investment portfolio at 31 December 2017 was comprised as follows:

	Valuation £000	Valuation as a % of net assets
Intelligent Office	4,960	5.8
ACC Aviation	4,672	5.5
Mangar Health Limited	3,962	4.7
GTK (Holdco) Limited	2,964	3.5
Springboard Research Holdings Limited	2,896	3.4
Matillion Limited	2,728	3.2
Business Collaborator Limited	2,703	3.2
Gill Marine Holdings Limited	2,569	3.0
Deep-Secure Limited	2,550	3.0
KeTech Enterprises Limited	2,336	2.7
	32,340	38.0
Other investments	24,324	28.6
Total investments	56,664	66.6

There were no investments during the period.

In the quarter to 31 December 2017 the realisation and repayment of investments generated proceeds of £1.4 million.

Portfolio Performance

Over the quarter to 31 December 2017 aggregate unrealised portfolio valuations have increased by £1.6 million. There were strong performances in the quarter from the investments in GTK, Matillion, Deep-Secure and Business Collaborator, offset by reductions from RMS, Sipsynergy and DisplayPlan.

The Board continues to follow its policy of maintaining a diversified portfolio. At 31 December 2017, only two investments represented more than 5 per cent of the Company's NAV.

Outlook

Your Board remains encouraged by the increase in investment opportunities that it is seeing, although the conversion of this pipeline to new investments continues to be hampered by the slow granting of advance assurance from HMRC. The Company has just received advance assurances for two new investments (£3.3 million) which it is hoped will complete in the near future, and is awaiting assurance on one further investment of £1.3 million.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU No. 596/2014). Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.

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