British Smaller Companies VCT2 plc (the "Company") Temporary suspension of buy-back policy and DRIS

The Company announces that due to the current market conditions it has suspended its dividend re-investment scheme ("DRIS") and buyback policy for the time being.

The situation will remain under review and a further announcement made when appropriate.

For further information please contact:

David Hall YFM Private Equity Limited Tel: 0113 244 1000 Alex Collins Panmure Gordon (UK) Limited Tel: 0207 886 2767