

SUMMARY

Foresight VCT plc & Foresight 2 VCT plc

This Summary, which is dated 7 October 2011, should be read as an introduction to the Prospectus which comprises this document, the Securities Note and the Registration Document. Any decision to invest in the offer ("Offer") for infrastructure ordinary shares ("Infrastructure Shares") in the capital of Foresight VCT plc ("Foresight 1") and Foresight 2 VCT plc ("Foresight 2") (Foresight 1 and Foresight 2 together "the Companies") should be based on a consideration of the Prospectus as a whole by the investor.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA states, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

Civil liability attaches to those persons who are responsible for the Summary including any translation of the Summary, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

| Indicative Offer timetable | |
|--|--|
| Offer opens | 7 October 2011 |
| Offer closes | 12 noon on 29 June 2012 |
| Existing Foresight 1 and Foresight 2 Shareholder Additional Infrastructure Shares | 2.5% to 20 December 2011, thereafter 1% to 29 February 2012 |
| New Investor Early Bird Additional Infrastructure Shares | 2% to 20 December 2011, thereafter 1% to 29 February 2012 |
| Allotments | first allotment following the minimum subscription level being achieved, thereafter monthly or as required |
| Effective date for the listing of the Infrastructure Shares and commencement of dealings | within three Business Days following allotment |
| Share certificates and tax certificates to be despatched | within ten Business Days of allotment |
| The Boards reserve the right to extend the closing date of the Offer or increase the size of the Offer at their discretion (such increase to be completed by, and subject to, the issue of a supplementary prospectus). The Offer will close earlier than the date stated above if it is fully subscribed or otherwise at the Directors' discretion. | |

The typical investor for whom investment in the Companies is designed is a retail investor who is an individual higher rate tax payer aged 18 or over and who is resident in the United Kingdom.

| Offer statistics | |
|---|-------------|
| Initial net asset value per Infrastructure Share* | 94.5p |
| Minimum investment by an investor | £5,000 |
| Maximum amount to be raised for each Company (unless increased) | £15,000,000 |
| Minimum amount to be raised for each Company | £3,000,000 |
| Maximum net proceeds of the Offer per Company (unless increased)* | £14,175,000 |
| Minimum net proceeds of the Offer per Company* | £2,835,000 |

* taking into account the expenses of the Offer of 5.5%, but excluding annual trail commission

| Costs and commissions relating to the Offer | |
|---|---|
| Offer costs as a percentage of the gross proceeds* | 5.5% |
| Existing Foresight 1 and Foresight 2 Shareholder Additional Infrastructure Shares | 2.5% to 20 December 2011, thereafter 1% to 29 February 2012 |
| New Investor Early Bird Additional Infrastructure Shares | 2.0% to 20 December 2011, thereafter 1% to 29 February 2012 |
| Initial commission to intermediaries | 3.0% |
| Annual trail commission to intermediaries (subject to a maximum cumulative payment of 3%) | 0.5% |

* including commission, Existing Foresight 1 and Foresight 2 Shareholder Additional Infrastructure Shares and New Investor Early Bird Additional Infrastructure Shares but excluding annual trail commission.

Offer

This is a joint offer for subscription to raise, in aggregate, up to £30 million in a new class of shares; Infrastructure Shares. The Offer provides an opportunity, both for existing holders of shares in Foresight 1 and Foresight 2 ("Existing Shareholders") and new investors, to benefit from the anticipated combination of recurring income, capital growth and potentially lower risk than traditional VCTs, in addition to the attractive tax benefits of a VCT.

Under the Offer each investor's investment will be split into two equal monetary amounts and used to purchase Infrastructure Shares in each Company at the price of £1 per share ("Offer Price").

Investing in infrastructure

Investing in infrastructure has the potential to deliver high levels of income, often in the region of 8.0% to 12.0% (assuming a high level of gearing which is common in this sector), which can be delivered tax-free to qualifying investors in VCTs. It is intended that the Infrastructure Shares fund invests in companies which own and operate essential assets and services. The investments are expected to involve long-term contracts with strong counter-parties, Governmental concession or other characteristics offering long-term stability. This may include the delivery of infrastructure between the public and private sectors through Private Finance Initiative ("PFI") contracts. Some infrastructure assets do not meet VCT qualification criteria, while Foresight Group has identified a range of opportunities which it expects to be qualifying including street lighting, waste recycling and photovoltaic solar systems.

Intended returns and planned exit

The objective will be to pay annual dividends of 5p per Infrastructure Share, from 2013. If the planned level and timing of dividends and exit is achieved, a qualifying investor would achieve a gross annual cash yield of 10.6% (for a 40% tax payer) and 12.4% (for a 50% tax payer).

For investors who prefer to hold the Infrastructure Shares to generate long-term income, each Company intends to offer an Individual Roll-Over Option pursuant to which investors in the Infrastructure Shares fund may elect whether to remain invested or to sell their holdings after the five year minimum holding period. Foresight Group intends to manage the Infrastructure Shares fund with the necessary flexibility to meet individual investor's preferences.

Alignment of interests

Foresight Group will, in respect of each Company, receive an annual investment management fee equivalent to 1.75% of net assets of the Infrastructure Shares fund, plus a performance incentive of an amount equivalent to 15% of distributions in excess of 100p per Infrastructure Share. Performance incentive fees will not be paid to Foresight Group until investors have received total distributions in excess of 100p per Infrastructure Share.

Substantial tax benefits

Qualifying investors will have access to the following attractive VCT tax reliefs:

- up to 30% income tax relief on investment; and
- tax-free distributions

(subject to annual investment limits and qualifying holding periods).

Admission of Infrastructure Shares

Application has been made to the UK Listing Authority for the Infrastructure Shares to be admitted to the Official List and to the London Stock Exchange plc for the admission of such Infrastructure Shares to trading on its main market for listed securities.

Infrastructure Share Investment Objective and Policy

The investment objectives and investment policies for both Companies are the same and are set out below.

Infrastructure Shares Objective

The investment objective of the Infrastructure Shares fund is to invest in companies which own and operate essential assets and services which enjoy long term contracts with strong counterparties or Government concessions. To ensure VCT qualification, Foresight Group will focus on companies where the provision of services is the primary activity and which generates long term contractual revenues, and thereby facilitating the payment of regular predictable dividends to investors.

Summary of the Investment Policy for each Company

The Companies will target UK unquoted companies which they believe will achieve the objective of producing attractive returns for Shareholders.

Each Company invests in a range of securities including, but not limited to, ordinary and preference shares, loan stocks, convertible securities, and fixed-interest securities as well as cash. Unquoted investments are usually structured as a combination of ordinary shares and loan stocks, while AIM investments are primarily held in ordinary shares. Pending investment in unquoted and AIM listed securities, cash is primarily held in interest bearing money market open ended investment companies (OEICs) as well as a range of non-qualifying companies.

Investments are primarily made in companies which are substantially based in the UK, although many will trade overseas. The companies in which investments are made must have no more than £7 million of gross assets at the time of investment (or £15 million, depending on when the funds being invested were raised) to be classed as a VCT qualifying holding. Each Company aims to be significantly invested in growth businesses subject always to the quality of investment opportunities and the timing of realisations. Any uninvested funds are held in cash, interest bearing securities and a range of non-qualifying investments. It is intended that the significant majority (no less than 70%) of any funds raised by each Company will be invested in VCT qualifying investments.

Foresight 1

Foresight 1 was launched in November 1997 and is an established VCT. Foresight 1 had unaudited net assets of £37,005,000 as at 30 June 2011.

Foresight 2

Foresight 2 was launched in November 2004 and is an established VCT. Foresight 2 had unaudited net assets of £53,118,000 at 30 June 2011.

The Boards

The Board of each Company comprises three non-executive directors, all of whom are independent (except Peter Dicks), and have substantial experience of quoted and unquoted companies: The Directors of the Companies are:

- Foresight 1: John Gregory (Chairman), Peter Dicks and Gordon Humphries; and
- Foresight 2: Jocelin Harris (Chairman), Peter Dicks and David Quysner CBE.

Foresight Group

Foresight Group is the investment manager to Foresight 1 and Foresight 2. Foresight Group is an alternative asset manager with a 26 year track record and specific expertise in infrastructure and private equity. The team has over 200 years' of collective investment experience.

Share capital

At the date of this document, the issued share capital of Foresight 1 was 28,694,271 Foresight 1 Ordinary Shares (£286,942.71) and 6,179,833 Foresight 1 Planned Exit Shares (£61,798.33).

At the date of this document, the issued share capital of Foresight 2 was 21,088,348 Foresight 2 Ordinary Shares (£210,883.48), 24,699,440 Foresight 2 C Shares (£246,994.40) and 6,179,833 Foresight 2 Planned Exit Shares (£61,798.33).

If the Offer is fully subscribed, the existing 34,874,104 Foresight 1 Shares would represent 69.9% of the enlarged issued Foresight 1 Share capital.

If the Offer is fully subscribed, the existing 51,967,621 Foresight 2 Shares would represent 77.6% of the enlarged issued Foresight 2 Share capital.

Financial review

There has been no significant change in the financial or trading position of Foresight 1 since 30 June 2011, the date to which the last unaudited Foresight 1 Half Yearly Report has been published.

There has been no significant change in the financial or trading position of Foresight 2 since 31 March 2011, the date to which the last unaudited Foresight 2 Half Yearly Report has been published.

Risk factors

An investment in the Companies is subject to a number of risks (the material risks being set out below) which could materially and adversely affect its value. The value of shares could decline due to any of these risk factors, and investors could lose part or all of their investment.

- The Offer is conditional on receiving applications for Infrastructure Shares for, in aggregate, a minimum of £3 million per Company (which would result in the Minimum Net Proceeds per Company being raised of £2,835 million). If less than £3 million per Company is applied for by the closing date (which may be extended) the Offer will lapse.
- Should applications for only the minimum level of £6 million, in aggregate, be received (which would result in the Minimum Net Proceeds per Company being raised) or to the extent that a relatively small amount of funds is raised for a Company, the portfolio of the Infrastructure Shares fund of the relevant Company will be less diversified and fixed costs would be proportionately higher and, therefore, a lower proportion of the applicant's monies would be available to be invested in accordance with the stated investment policy.
- The value of Infrastructure Shares and the income from them can fluctuate and investors may not get back the amount they invested. There is no certainty that the market price of the Infrastructure Shares will fully reflect the underlying net asset value or that dividends will be paid. Investment in the Companies should be seen as a long term investment.
- The net asset value of the Infrastructure Shares will reflect the values and performance of the underlying assets in the respective portfolios. The value of the investments and income derived from them can rise and fall.
- The past performance of the Companies or other funds managed by Foresight Group is not necessarily an indication of the future performance of the Companies and there is no guarantee that either Company will meet its objective.
- Although the existing shares issued by the Companies have been (and it is anticipated that the Infrastructure Shares in the Companies to be issued pursuant to the Offer will be) admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange's

market for listed securities, it is unlikely that there will be a liquid market and investors may find it difficult to realise their investments.

- While it is the intention of each Board that its Company will be managed so as to continue to qualify as a venture capital trust, there can be no guarantee that a Company's status will be maintained. A failure to meet the qualifying requirements could result in the loss of tax reliefs previously obtained.
- The information, including tax rules, in the Prospectus is based on existing legislation but this may change during the life of the Companies and any changes could be retrospective. Changes in legislation concerning VCTs (pursuant to the consultation document published by HM Treasury on 6 July 2011 or otherwise), in particular, in relation to qualifying holdings and qualifying trades, may limit the number of qualifying investment opportunities and/or reduce the level of returns which might otherwise have been achievable.
- If a qualifying investor who subscribes for Infrastructure Shares under the Offer disposes of those shares within five years, the investor will be subject to clawback by HM Revenue & Customs of any income tax relief originally obtained on subscription.
- Investment in unquoted companies, AIM-traded and PLUS Markets-traded companies by its nature involves a higher degree of risk than investment in companies traded on the main market of the London Stock Exchange and there may be difficulties in valuing and disposing of investments in such companies. In addition, such companies and smaller companies generally may have limited product lines, markets or financial resources and may be more dependent on their management or key individuals than larger companies.
- Any change of governmental, economic, fiscal, monetary or political policy and, in particular any spending cuts or material increases in interest rates could materially affect, directly or indirectly, the operation of the Companies and/or the performance of the Companies and the value of and returns from shares and/or their ability to achieve or maintain VCT status.