
OCTOPUS

SECOND AIM VCT PLC

FINANCIAL HEADLINES

- 74.3p Net asset value per share as at 31 May 2013
(2012: 63.6p)
- 1.8p Interim dividend declared for the half-year to 31 May
2013 (2012: 1.6p)
- 5% Annualised Yield on share price for the half-year to
31 May 2013 (2012: 5%)

CONTENTS

2	About Octopus Second AIM VCT PLC
3	Financial Summary
5	Chairman's Statement
8	Investment Portfolio
11	Responsibility Statement of the Directors
12	Income Statement
14	Reconciliation of Movements in Shareholders' Funds
15	Balance Sheet
16	Cash Flow Statement
18	Notes to the Half-Yearly Report
21	Details of Advisers

ABOUT OCTOPUS SECOND AIM VCT PLC

Octopus Second AIM VCT PLC (the “Company” or “Fund”) is a venture capital trust (“VCT”) which aims to provide shareholders with attractive tax-free dividends and long-term capital growth.

The Investment Manager is Octopus Investments Limited (“Octopus” or “Manager”). The Company was launched as Close IHT AIM VCT PLC and raised £25 million in March 2006 through an offer for subscription.

On 12 August 2010 the Company acquired the assets and liabilities of Octopus Third AIM VCT plc (formerly Octopus Second AIM VCT plc) (“the merger”) and changed its name from Octopus IHT AIM VCT plc to Octopus Second AIM VCT plc. Shareholders of Octopus Third AIM VCT received 0.48356191 Ordinary shares in the Company for each Ordinary share they held prior to the merger. Prior to July 2009 Octopus Third AIM had two classes of shares, Ordinary and C shares. The C shares converted

into Ordinary shares in July 2009 and C shareholders received 2.4313 Ordinary shares for each C share held.

A Top-up offer launched on 6 February 2012 and which closed on 5 April 2012 raised £1.3 million for the Company. A Top-up offer launched on 25 April 2012 and which closed on 31 July 2012 raised a further £0.5 million for the Company.

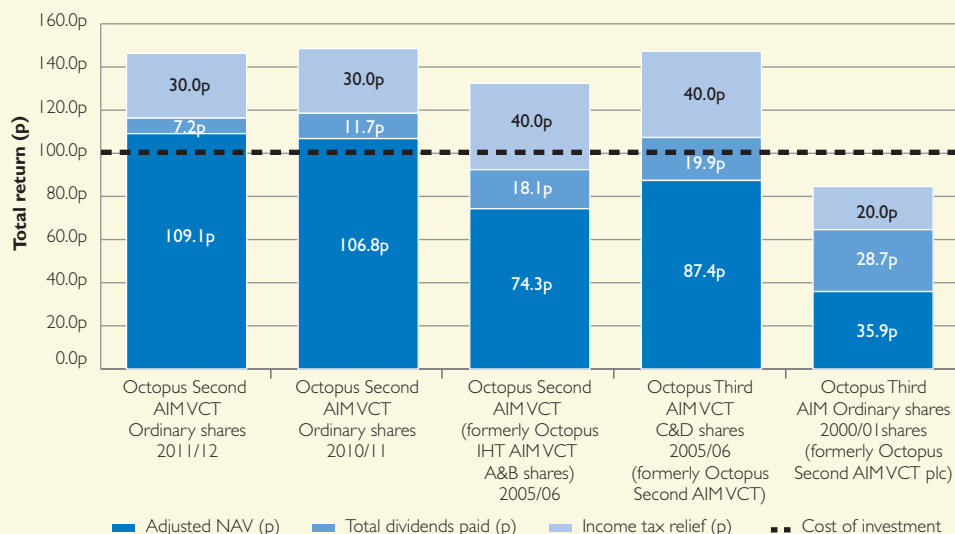
On 1 February 2013, the Board launched an offer for subscription with the target of raising £10.0 million for the Company. This had raised a total of £2.6 million at the date of this report and remains open until the end of January 2014.

FINANCIAL SUMMARY

	Six months to 31 May 2013	Six months to 31 May 2012	Year to 30 November 2012
Net assets (£'000s)	33,431	27,483	28,712
Net profit/(loss) after tax (£'000s)	4,244	1,045	2,862
Net asset value per share ('NAV')	74.3p	63.6p	66.3p

The tables below depict the Net Asset Value (NAV) per share and the dividends that have been paid since the launch of Octopus Second AIM VCT plc for the different share classes. The figures represent the NAV, rebased to assume

investment (including initial charge) at 100p, and adjusted in accordance with the relevant conversion factors. Investment has been assumed at the first allotment of each tax year:



FINANCIAL SUMMARY

(continued)

Dividends paid during financial year ending November	Octopus Second AIM VCT Ordinary shares 2011/12	Octopus Second AIM VCT Ordinary shares 2010/11	Octopus Second AIM VCT (formerly Octopus IHT AIM VCT A&B shares) 2005/06	Octopus Third AIM VCT C&D shares 2005/6 (formerly Octopus Second AIM VCT)	Octopus Third AIM Ordinary shares 2000/1 (formerly Octopus Second AIM VCT plc)
2003	—	—	—	—	1.6
2004	—	—	—	—	—
2005	—	—	—	—	—
2006	—	—	1.4	—	1.0
2007	—	—	2.0	0.8	7.0
2008	—	—	2.0	2.2	11.0
2009	—	—	2.0	2.0	2.0
2010	—	—	2.5	5.4	2.2
2011	—	4.7*	3.3	3.8*	1.6*
2012	4.7*	4.6*	3.2	3.8*	1.5*
2013	2.5*	2.4*	1.7	1.9*	0.8*
Cumulative dividends paid (p)	7.2*	11.7*	18.1	19.9*	28.7*
NAV as at 31 May 2013 (p)	109.1**	106.8**	74.3	87.4**	35.9**
NAV plus cumulative dividends paid (p)	116.3***	118.5***	92.4	107.3***	64.6***

Following the merger with Octopus Third AIM VCT plc and various share re-organisations, there is now only one share class, Ordinary shares. For Octopus Third AIM VCT Ordinary shares and 'C' & 'D' shares, the figures above represent a notionally adjusted NAV per share in accordance with the relevant conversion factors.

* Notional dividends assuming investment at 100p and adjusting for conversion of various share classes into Second AIM VCT plc Ordinary shares.

** NAV assuming investment at 100p and adjusting for conversion of various share classes into Second AIM VCT plc Ordinary shares.

*** NAV plus cumulative dividends adjusting for conversion, assuming investment at 100p showing the notional return to shareholders based on their original investment share class.

Notes

- Octopus Third AIM VCT 'D' shares converted into 'C' shares in May 2009, in accordance with a conversion factor of 1 'C' share for each 'D' share.
- Octopus Third AIM VCT 'C' shares converted into Octopus Third AIM VCT Ordinary shares in May 2009, in accordance with a conversion factor of 2.4313 Ordinary shares for each 'C' share.
- Octopus IHT AIM VCT 'B' shares converted into 'A' shares in May 2009, in accordance with a conversion factor of 1 'A' share for each 'B' share.
- In August 2010, Octopus IHT AIM VCT was renamed Octopus Second AIM VCT and Octopus Second AIM VCT was renamed Octopus Third AIM VCT.
- Octopus Third AIM Ordinary shares converted into Octopus Second AIM Ordinary shares in August 2010, in accordance with a conversion factor of 0.48356191 Octopus Second AIM Ordinary shares, for each Octopus Third AIM Ordinary share.

CHAIRMAN'S STATEMENT

Overview

The period under review reflected the increasing confidence of equity markets that growth is finally returning to the agenda and that although there are still economic issues to be overcome, the chances of a very serious upset has diminished. Smaller companies performed well in this environment, with the FTSE Smaller Companies Index (Ex. Investment Trusts) appreciating by 23.4% in the six months to 31 May 2013. AIM was still held back by resource stocks and so achieved a more pedestrian 5.4% growth.

As with the previous period, the flow of investment opportunities was steady rather than spectacular in the first half of the year, although there is now a real sense of returning momentum, particularly of new issues. It is notable that all three qualifying investments made in the first half of the year were new issues. Your manager has made one further new investment in a private company, which is hoping to float towards the end of the calendar year, since the period end. The fact that so many flotations from 2012 have landed positively has encouraged both brokers and potential new candidates and it is very encouraging that the AIM market remains firmly open as a source of funding for small and growing companies.

Performance

Against the background of a steadily improving environment for smaller company shares, the NAV of the Fund rose in each of the first six months of the financial year, ending the period up 14.6% if the 1.7p dividend paid in May is added back. This was achieved as a result of positive news flow from individual investee

companies helped by definite signs of a more general enthusiasm for growth and smaller companies in the market.

The investments the fund has made over the past eighteen months have had a very positive impact on performance in the period. Mycelx, the water treatment group, announced results showing strong growth, new contract momentum and a move into profitability and was rewarded with a jump in its shares. WANDisco, a software company which floated on AIM a year ago was once again a very good performer in the period as the market became excited by the 'Big Data' opportunity for its technology. Among more recent investments Fusionex, DP Poland and Quixant were also significant contributors to performance in the period.

Among the larger, more established holdings, Advanced Computer Software and Breedon Aggregates were once again strong positive contributors to performance. Both made acquisitions in the period as well as showing good progress with their existing businesses. We have taken some profits in Advanced Computer Software in the period, although it remains the fund's largest position. Other established holdings which have done well for the fund include Netcall, Tasty, Judges Scientific, Futura Medical, Cello and Omega Diagnostics. In the non-qualifying part of the portfolio Staffline, Matchtech, Chime and SQS all performed well reflecting their good results and trading.

There have, inevitably, been some holdings which have had setbacks in the period. Brady, Idox and Plastics Capital all saw their shares settle back after a good run and Craneware, Corero and Enteq are still suffering from delays in their

CHAIRMAN'S STATEMENT (continued)

growth plans caused by customer deferrals in orders. Things are expected to improve as the year progresses.

In the period, the Company made three new qualifying investments totalling £1.1 million. All of these were new issues. Fusionex is a profitable enterprise software solutions provider based in Malaysia with a consequent low cost advantage in its international markets. Cambridge Cognition specialises in brain health diagnostics and has developed a new mobile test for Alzheimer's which can be easily used by doctors in surgery. Quixant manufactures a specialist computer which sits inside gaming slot machines and enables the machine to meet local regulations in different markets. It also allows players to switch between games more quickly than existing technologies.

Your managers have continued to use non-qualifying investments with the objective of enhancing performance. In the period they added to existing holdings in Cello, GB Group and Mycelx as well as selling the entire holding in Hargreaves, where a series of setbacks had left the shares struggling with investor confidence.

There were a number of disposals in the six months realising £1,237,000 in total. Following strong runs in their shares, we took some profits in Advanced Computer Software, WANDisco and Mycelx although all three remain significant holdings. The size of the holding in Omega was reduced and in addition to Hargreaves Services, the holding in Daisy was disposed of in its entirety.

Share Buy-backs

In January 2013 the Company announced that pursuant to the policy of managing the discount at which your shares stand in the market and to

assist in providing some liquidity in your shares, the Company would now buy back at a 5% discount rather than the 10% previously. The Company continues to buy back shares. Details of the shares bought back can be found on page 19 of this report.

Enhanced Buy-Back (EBB)

In October last year your Board offered shareholders the opportunity to participate in an Enhanced Buy Back Facility. Some 52% of shareholders who had already held their shares for at least five years took advantage of this facility.

Dividend

The object of the Board's dividend policy, when it was set at the time of the merger in 2010, was that shareholders should benefit as the NAV rose. With the rise in the NAV over the last year, the Board has declared progressively higher dividends, and I am delighted to say that this trend continues. The Board, in line with its annualised 5% yield target, has declared an interim dividend of 1.8p. This will be paid on 18 October 2013 to shareholders on the register on 20 September 2013.

This is the second consecutive rise in the dividend and is the result of the rising NAV. The Board would expect that the dividend amount will continue to increase as the NAV rises further.

It is now three years since the merger of the two AIM VCTs, which make up this Company, and the portfolio is beginning to mature. It is therefore the Board's intention to maintain a minimum annual dividend payment of 3.6p per share, which we would expect to pay in two instalments each year.

Fundraising

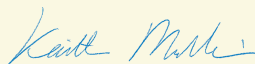
In February your Company also issued a prospectus to raise up to £10 million by the issue of new shares. This had raised a total of £2.6 million at the date of this report and remains open until the end of January 2014 for all shareholders wishing to subscribe, unless fully subscribed earlier.

Outlook

Your Board believes there remains great potential within AIM. The proposal in this year's budget to exempt AIM quoted shares from stamp duty from 2014 and the current consultation on including AIM shares in ISAs, which appears to be moving towards a favourable conclusion, should help to focus attention back onto smaller companies and the benefits that can be derived from investing in them. It should also help to provide welcome capital to small and growing businesses and benefit the VCT by expanding the pool of qualifying companies seeking investment.

It is now approaching three years since this VCT was formed by a merger of two existing VCTs

and many of the companies in your portfolio have already grown to a substantial size. In fact 80% of the holdings by value have forecast average profits in 2013 of more than £7 million, demonstrating the maturing of some of the earlier investments in the portfolio which are now being supplemented by newer holdings funded from profit-taking, and the proceeds of new share issues. Many of our investee companies have continued their good progress of the past few years and we are optimistic that this can translate into further share price gains as their profits grow. The pick-up in new issue activity should also provide attractive opportunities to invest additional capital.



Keith Mullins

Chairman
29 July 2013

INVESTMENT PORTFOLIO

Investee Company	Sector	Book cost as at 31 May 2013 (£'000)	Cumulative change in fair value (£'000)	Fair value as at 31 May 2013 (£'000)	% equity held by Second AIMVCT	% equity held by all Funds managed by Octopus
Advanced Computer Software plc	Software & Computer Services	681	1,241	1,922	0.5%	3.3%
MyCelx Technologies plc	Oil Equipment	580	884	1,464	2.1%	7.3%
Idox plc	Software & Computer Services	356	1,012	1,368	1.1%	3.8%
EKF Diagnostics plc	Healthcare Equipment	870	470	1,340	1.7%	6.0%
Breedon Aggregates Limited	Construction & Materials	602	727	1,329	0.5%	1.3%
Animalcare Group plc	Pharmaceuticals & Biotech	870	442	1,312	4.6%	8.1%
Brooks MacDonald Group plc	General Financial	609	438	1,047	0.6%	2.5%
Sinclair Pharma plc	Pharmaceuticals & Biotech	920	113	1,033	0.8%	1.2%
Escher Group Holdings plc	Software & Computer Services	752	242	994	2.4%	5.5%
Netcall plc	Software & Computer Services	421	500	921	2.1%	5.1%
WANdisco plc	Software & Computer Services	178	739	917	0.5%	2.7%
Tasty plc	Travel & Leisure	335	468	803	2.3%	4.9%
Quixant plc	Technology Hardware	479	291	770	1.6%	6.2%
Vertu Motors plc	General Retailers	777	(27)	750	0.9%	8.7%
Matchtech Group plc	Support Services	442	302	744	1.0%	11.1%
Chime Communications plc	Media	541	146	687	0.3%	0.5%
TLA Worldwide plc	Media	538	148	686	3.1%	11.4%
Omega Diagnostics Group plc	Healthcare Equipment	439	224	663	4.1%	9.0%
GB Group plc	Software & Computer Services	329	328	657	0.6%	2.0%
Vianet Group plc	Support Services	867	(221)	646	2.6%	4.6%
Plastics Capital plc	Chemicals	485	144	629	2.6%	17.0%
Craneware plc	Software & Computer Services	479	123	602	0.6%	1.2%
RWS Holdings plc	Support Services	249	300	549	0.2%	3.9%
Futura Medical plc	Pharmaceutical & Biotech	408	118	526	0.9%	4.3%
Staffline Recruitment Group plc	Support Services	225	289	514	0.5%	12.4%
Brady plc	Software & Computer Services	394	113	507	0.8%	2.0%
DP Poland plc	Travel & Leisure	364	85	449	2.5%	6.4%
Cambridge Cognition Holdings plc	Healthcare Equipment	400	40	440	3.4%	18.1%
Judges Scientific plc	Electronic & Electrical	200	235	435	0.6%	1.6%
Enteq Upstream plc	Oil Equipment	687	(261)	426	1.2%	3.8%
Gooch & Housego plc	Electronic & Electrical	326	70	396	0.4%	3.5%
Hasgrove plc	Media	436	(69)	367	2.1%	13.2%
Lombard Medical Technologies plc	Healthcare Equipment	589	(230)	359	0.7%	0.7%
Adept Telecom plc	Telecommunications	501	(154)	347	1.7%	4.1%
Fusionex International plc	Software & Computer Services	186	145	331	0.3%	1.4%
Access Intelligence plc	Software & Computer Services	544	(217)	327	4.7%	10.0%

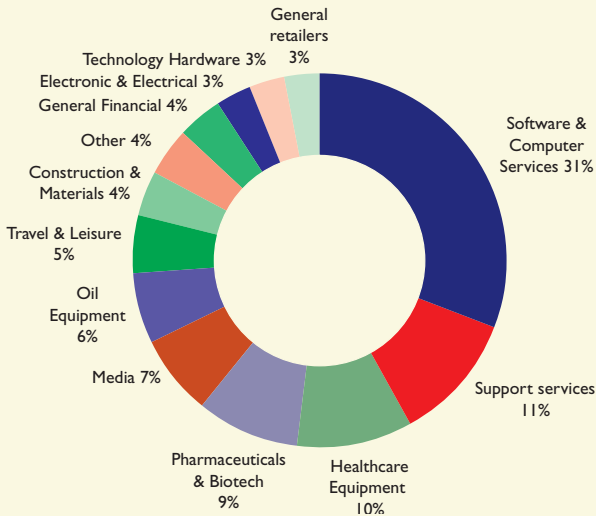
Investee Company	Sector	Book cost as at 31 May 2013 (£'000)	Cumulative change in fair value (£'000)	Fair value as at 31 May 2013 (£'000)	% equity held by Second AIM VCT	% equity held by all Funds managed by Octopus
SQS Software plc	Software & Computer Services	207	112	319	0.3%	10.3%
Augean plc	Support Services	291	14	305	1.0%	5.3%
Bond International Software plc	Software & Computer Services	303	(35)	268	1.1%	3.4%
Tangent Communications plc	Support Services	385	(145)	240	1.4%	6.0%
Cello Group plc	Media	205	30	235	0.5%	7.2%
Active Risk Group plc	Software & Computer Services	535	(301)	234	3.3%	8.6%
Immunodiagnostic Systems plc	Healthcare Equipment	454	(234)	220	0.2%	2.6%
Corac plc	Industrial Engineering	252	(42)	210	0.5%	1.8%
Goals Soccer Centres plc	Travel & Leisure	148	42	190	0.3%	2.4%
Mattioli Woods plc	General Financial	96	37	133	0.3%	3.4%
Corero Network Security plc	Software & Computer Services	360	(243)	117	1.0%	3.2%
Marwyn Management plc	Investment Companies	670	(560)	110	1.2%	1.9%
Jelf Group plc	General Financial	122	(19)	103	0.1%	0.8%
Woodspeen plc	Support Services	250	(167)	83	3.9%	11.4%
Mears Group plc	Support Services	51	17	68	0.0%	0.2%
In-Deed Online plc	General Retailers	201	(148)	53	2.3%	5.8%
Altitude Group plc	Support Services	24	18	42	0.6%	4.5%
Work Group plc	Support Services	473	(435)	38	2.1%	6.3%
Datong plc	Electronic & Electrical	29	8	37	0.6%	3.4%
Snacktime plc	Food & Drug Retailers	367	(339)	28	1.5%	7.5%
		23,482	6,808	30,290		
Fully realised investments still held		573	(573)	—		
Total investments		24,055	6,235	30,290		
Money market funds				1,833		
Total fixed asset investments and money market funds				32,123		
Cash at bank				1,224		
Debtors less creditors				84		
Total net assets				33,431		

INVESTMENT PORTFOLIO

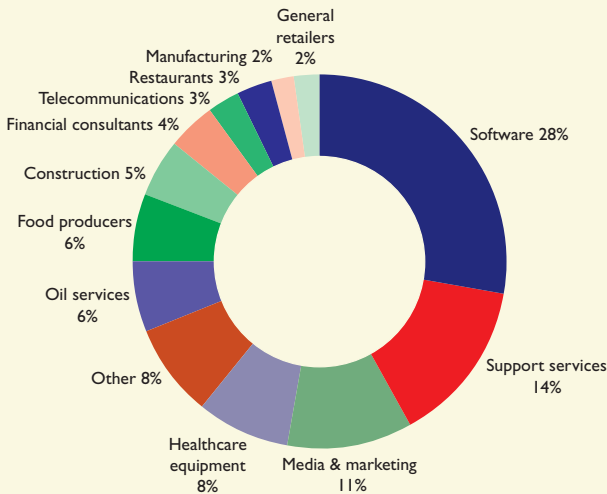
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SECTOR ANALYSIS

The graph below shows the sectors the Fund is invested in by value as at 31 May 2013:



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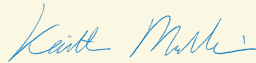


RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF-YEARLY REPORT

We confirm that to the best of our knowledge:

- the half-yearly financial statements have been prepared in accordance with the statement "Half-Yearly Financial Reports" issued by the UK Accounting Standards Board;
- the half-yearly report includes a fair review of the information required by the Financial Services Authority Disclosure and Transparency Rules, being:
 - an indication of the important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements.
 - a description of the principal risks and uncertainties for the remaining six months of the year; and
 - a description of related party transactions that have taken place in the first six months of the current financial year; that may have materially affected the financial position or performance of the Company during that period and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board



Keith Mullins
Chairman
29 July 2013

INCOME STATEMENT

	Six months to 31 May 2013		
	Revenue £'000	Capital £'000	Total £'000
Gain/(loss) on disposal of fixed asset investments	–	217	217
Gain/(loss) on valuation of fixed asset investments	–	4,292	4,292
Income	154	–	154
Investment management fees	(74)	(222)	(296)
Other expenses	(123)	–	(123)
Profit/(loss) on ordinary activities before tax	(43)	4,287	4,244
Taxation on profit/(loss) on ordinary activities	–	–	–
Profit/(loss) on ordinary activities after tax	(43)	4,287	4,244
Return per share – basic and diluted	(0.1)p	9.9p	9.8p

- The 'Total' column of this statement is the profit and loss account of the Company; the supplementary revenue return and capital return columns have been prepared under guidance published by the Association of Investment Companies.
- all revenue and capital items in the above statement derive from continuing operations.
- the accompanying notes are an integral part of the half-yearly report.
- The Company has no recognised gains or losses other than those disclosed in the income statement.

	Six months to 31 May 2012			Year to 30 November 2012		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain/(loss) on disposal of fixed asset investments	–	148	148	–	318	318
Gain/(loss) on valuation of fixed asset investments	–	1,080	1,080	–	2,920	2,920
Income	175	–	175	363	–	363
Investment management fees	(66)	(199)	(265)	(138)	(412)	(550)
Other expenses	(93)	–	(93)	(189)	–	(189)
Profit/(loss) on ordinary activities before tax	16	1,029	1,045	36	2,826	2,862
Taxation on profit/(loss) on ordinary activities	–	–	–	–	–	–
Profit/(loss) on ordinary activities after tax	16	1,029	1,045	36	2,826	2,862
Return per share – basic and diluted	0.0p	2.4p	2.4p	0.1p	6.5p	6.6p

- The 'Total' column of this statement is the profit and loss account of the Company; the supplementary revenue return and capital return columns have been prepared under guidance published by the Association of Investment Companies.
- all revenue and capital items in the above statement derive from continuing operations.
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RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Six months to 31 May 2013 £'000	Six months to 31 May 2012 £'000	Year to 30 November 2012 £'000
Shareholders' Funds at start of period	28,712	26,590	26,590
Profit/(loss) on ordinary activities after tax	4,244	1,045	2,862
Purchase of own shares	(7,935)	(689)	(1,074)
Issue of shares	9,174	1,238	1,736
Shares to be issued	—	—	—
Dividends paid	(764)	(701)	(1,402)
Shareholders' Funds at end of period	33,431	27,483	28,712

BALANCE SHEET

	As at 31 May 2013		As at 31 May 2012		As at 30 November 2012	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		30,290		23,081		25,652
Current assets:						
Investments*	1,833		3,330		2,850	
Debtors	142		42		274	
Cash at bank	1,224		1,408		135	
	3,199		4,780		3,259	
Creditors: amounts falling due within one year	(58)		(378)		(199)	
Net current assets		3,141		4,402		3,060
Net assets		33,431		27,483		28,712
Called up equity share capital		4		5		4
Share premium		10,929		1,257		1,756
Special distributable reserve		22,672		30,992		30,607
Capital redemption reserve		1		–		–
Capital reserve						
– realised		(6,772)		(5,176)		(6,363)
– unrealised		6,808		593		2,876
Revenue reserve		(211)		(188)		(168)
Total equity shareholders' Funds		33,431		27,483		28,712
Net asset value per share		74.3p		63.6p		66.3p

*Held at fair value through profit and loss

The statements were approved by the Directors and authorised for issue on 29 July 2013 and are signed on their behalf by:



Keith Mullins
Chairman
Company Number: 05528235

CASH FLOW STATEMENT

	Six months to 31 May 2013 £'000	Six months to 31 May 2012 £'000	Year to 30 November 2012 £'000
Net Cash (outflow)/inflow from operating activities	(274)	464	(140)
Taxation: UK Corporation tax paid	—	—	—
Financial investment:			
Purchase of fixed asset investments	(1,366)	(1,246)	(2,409)
Disposal of fixed asset investments	1,238	1,136	1,737
Management of liquid resources:			
Purchase of current asset investments	(2,201)	(1,375)	(5,159)
Disposal of current asset investments	3,217	1,945	6,210
Equity dividends paid:			
Dividends paid	(764)	(701)	(1,402)
Financing:			
Proceeds from issue of shares	9,174	1,238	1,736
Purchase of own shares	(7,935)	(689)	(1,074)
Increase/(decrease) in cash at bank	1,089	772	(501)

RECONCILIATION OF OPERATING PROFIT BEFORE TAXATION TO CASH FLOW FROM OPERATING ACTIVITIES

	Six months to 31 May 2013 £'000	Six months to 31 May 2012 £'000	Year to 30 November 2012 £'000
Gain/(loss) on ordinary activities before tax	4,244	1,045	2,862
(Gain)/loss on disposal of fixed asset investments	(217)	(148)	(318)
(Gain)/loss on valuation of fixed asset investments	(4,292)	(1,080)	(2,920)
Decrease/(increase) in debtors	132	464	232
(Decrease)/increase in creditors	(141)	183	4
Net cash (outflow)/inflow from operating activities	(274)	464	(140)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH RESOURCES

	Six months to 31 May 2013 £'000	Six months to 31 May 2012 £'000	Year to 30 November 2012 £'000
Increase/(decrease) in cash at bank	1,089	772	(501)
Movement in cash equivalents	(1,017)	(571)	(1,051)
Opening net cash resources	2,985	4,537	4,537
Net cash resources at end of period	3,057	4,738	2,985

NOTES TO THE HALF-YEARLY REPORT

1. Basis of preparation

The unaudited half-yearly results which cover the six months to 31 May 2013 have been prepared in accordance with the Accounting Standard Board's (ASB) statement on half-yearly financial reports (July 2007) and adopting the accounting policies set out in the statutory accounts of the Company for the year ended 30 November 2012, which were prepared under UK GAAP and in accordance with the Statement of Recommended Practice for Investment Companies issued by the Association of Investment Companies in January 2009.

2. Publication of non-statutory accounts

The unaudited half-yearly results for the six months ended 31 May 2013 do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985. The comparative figures for the year ended 30 November 2012 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditor's report on those financial statements under Section 235 of the Companies Act 1985 was unqualified. This half-yearly report has not been reviewed by the Company's auditor.

3. Earnings per share

The earnings per share at 31 May 2013 are calculated on the basis of 43,522,952 (31 May 2012: 42,481,048 and 30 November 2012: 43,151,333) shares, being the weighted average number of Ordinary shares in issue during the period.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted returns per share figures are relevant.

4. Net asset value per share

The net asset value per share is based on net assets as at 31 May 2013 divided by 45,000,517 (31 May 2012: 43,225,974 and 30 November 2012: 43,331,328) Ordinary shares in issue at that date.

5. Dividends

The Directors have declared a dividend of 1.8 pence per Ordinary share, payable from capital reserves. This dividend will be paid on 18 October 2013 to those shareholders on the register at 20 September 2013.

A final dividend for the year ended 30 November 2012 of 1.7 pence per Ordinary share was paid from capital reserves on 24 May 2013 to shareholders who were on the register on 26 April 2013.

6. Buybacks/shares issued

During the six months ended 31 May 2013 the Company repurchased the following shares:

Date	No. of shares	Price (p)
19 December 2012	115,430	60.75
10 January 2013	68,510	61.0
28 February 2013	30,000	69.0
1 March 2013	300,885	69.0
25 March 2013	157,108	68.25
15 May 2013	75,567	70.25

The weighted average price of all buybacks during the period was 67.0 pence per share.

During the six months ended 31 May 2013 the Company issued the following shares:

Date	No. of shares	Price (p)
5 April 2013	2,612,275	76.2
3 May 2013	301,305	77.0

The weighted average price of all shares issued during the period was 67.0 pence per share.

On 1 February 2013, existing shareholders were notified of an offer to subscribe for Ordinary shares aimed to raise a further £10 million of funds for this VCT.

On 20 February 2013, as part of the Enhanced Buyback, in total 10,470,985 shares were sold back to the Company and 9,974,094 shares were reissued.

7. Principal risks and uncertainties

The Company's assets consist of equity, cash and liquid resources. Its principal risks are therefore market risk, credit risk and liquidity risk. Other risks faced by the Company include economic, loss of approval as a VCT, investment and strategic, regulatory, reputational, operational and financial risks. These risks, and the way in which they are managed, are described in more detail in the Company's Annual Report and Accounts for the year ended 30 November 2012. The Company's principal risks and uncertainties have not changed materially since the date of that report.

8. Related party transactions

Octopus acts as the investment manager of the Company. Under the management agreement, Octopus receives a fee of 2.0 per cent per annum of the net assets of the Company for the investment management services. During the period, the Company incurred management fees of £296,000 (31 May 2012: £265,000 and 30 November 2012: £550,000).

9. Copies of this statement are being made available to all shareholders. Copies are also available from the registered office of the Company at 20 Old Bailey, London, EC4M 7AN, and will also be available to view on the Investment Manager's website at www.octopusinvestments.com.

DIRECTORS AND ADVISERS

Board of Directors

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Andrew Paul Raynor FCA
Elizabeth Anita Kennedy
Alastair James Ritchie

Secretary and Registered office

Patricia Standaloft ACIS
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Investment Manager

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