

Keydata AIM VCT 2 plc

Ordinary Shares

Background

The Keydata AIM VCT 2 plc is the second VCT from Keydata Investment Services, launched in December 2006. Initial subscription raised £4.6 million from 278 investors. The VCT benefits from an investment management team led by Giles Hargreave, recognised as one of the leading smaller companies managers in the UK.

Investment objective

The strategy of Keydata AIM VCT 2 plc is to: Construct a diversified portfolio of equity investments in small UK based VCT qualifying companies; Make targeted non-qualifying equity investments on an opportunistic basis to boost the fund's performance; Invest in a range of other non-qualifying investments such as gilts, other fixed interest securities and bank deposits; Remain flexible in its approach, adapting the fund's position to reflect market conditions; and Seek to maximise tax free dividend distributions to Shareholders.

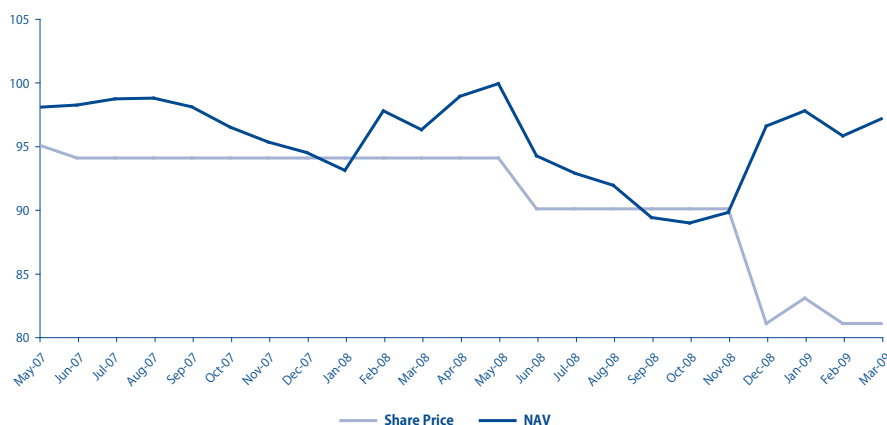
The Investment Manager will not invest in 'in-house funds', other unit trusts, investment trusts or hedge funds.

The investment team

The investment management team at Hargreave Hale, led by Giles Hargreave, is specialist investors in smaller companies. Giles began his career in investments in 1969, joining James Capel as an analyst. Having established himself as a successful manager of private client portfolios, he formed his own investment management business in 1985, Hargreave Investment Management. Giles became widely recognised across the industry through the performance of his smaller companies unit trust and microcap fund. The success of his fund management is attributable to his dynamic style and the support from his highly experienced team.

Performance

The Net Asset Value rose to 97.09p, taking the total return to 101.09p. During the month of March, the Investment Manager made disposals of various holdings.



Trust Details

Launch Date	December 2006
Initial Offer Price	100p
Current Trading Price*	81p
Last Published Net Asset Values (NAV)	97.09p
(Discount)/Premium	(16.5%)
Number of shares	4,590,340
Initial Subscription	£4.6 million
Market Cap	£3.7 million
Charges	1.8% Annual Management Charge
Total annual running costs	2.7% capped at 3.5%
Annual General Meeting	June
SEDOL Number	B1GDY55
ISIN Number	GB00B1GDY553

Dividend policy

Target is to pay out as much as possible. Dividends will be a combination of profits and cash.

Buyback policy

10% discount on NAV

Performance fee

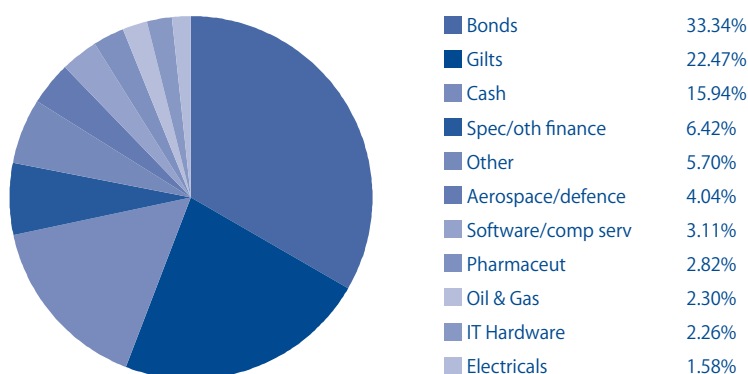
20% of any dividends paid to shareholders in excess of 6p. Payment kicks in after third year provided minimum of 6p equivalent per annum has been met.

Keydata Investment Services

Keydata is one of the fastest growing asset managers in the UK, recognised in the asset management industry for innovation and value added investments. As at 31 March 2009 the company had over £2.8bn of invested assets through its own products and through third party administration.

* Source: London Stock Exchange (31 March 2009)

Sector Breakdown (based on valuation price)



Top 10 Holdings (based on valuation price)

Cash	15.94%
Lloyds TSB Bank 4% 2011	13.97%
Nationwide BS 3.75% 2011	13.90%
Treasury 2.25% TSY Gilt Mar 2014	11.06%
Treasury 2.5% Index-linked Stock 2020	5.76%
Treasury 2.5% Index-linked Stock 2016	5.66%
Chemring group plc	3.19%
Relax	2.79%
Animal Care	2.77%
Intercede Group	2.67%