

Statement on behalf of the Board

Oxford Technology 2 Venture Capital Trust plc raised a total of £6m in Spring 2000 with the objective of investing this in about 20 early stage and start-up technology companies, in general within 60 miles of Oxford.

Since the Spring, two investments have been completed and a further two agreed which are in the process of being completed. There continues to be a strong deal flow and the Board is pleased with progress so far. Details of the investments made and agreed are given in the accompanying newsletter.

On behalf of the Board.
John Jackson
1 October 2000

Unaudited Financial Information

Summarised statement of total return for the period

	Period from 18 Feb 00 to 31 Aug 00 £'000
Gain/(losses) on investments	(26)
Income	241
Expenses	(74)
	—
Net return before taxation	141
Tax on ordinary activities	(35)
	—
Return attributable to equity shareholders	106
Dividends in respect of equity shares	-
	—
Transfers to/(from) reserves	106
	=====
Revenue earnings per share	2.24p
	—
Capital return per share	(0.44)p
	—
Total return per share	1.80p
	=====

Summarised Balance Sheet

	31 Aug 00 £'000
Unquoted investments	350
Government stocks	4,119
Other net current assets	1,458
	—
Net assets	5,927
	=====
Capital and reserves	
Called up share capital	600
Share premium: Share issues	5,400
Expenses on share issues	(179)
	—
	5,821
Capital reserve - unrealised	(26)
Revenue reserve	132
	—
	5,927
	=====
Net asset value per share	99p
	=====

Cash Flow Statement for the period

	Period from 18 Feb 00 to 31 Aug 00 £'000
Net cash inflow / (outflow) from operating activities	(162)
Capital expenditure and financial investment	
Purchase of investments	(5,050)
Redemption of investments	760
	—
Net cash outflow for capital expenditure and financial investment	(4,290)
	—
Net cash flow before financing	(4,652)
Financing	
Issue of shares	6,000
Expenses paid in connection with share issue	(179)
	—
Net cash inflow from financing	5,821
	=====
Increase in cash	1,369
	=====

Company Information

Directors

John Jackson (Chairman)
Charles Breese
Lucius Cary
Michael O'Regan
Sir Martin Wood

Secretary

James Gordon

Investment Adviser

Seed Capital Ltd
Magdalen Centre
Oxford Science Park
Oxford
OX4 4GA

Investment Manager and Registered Office

Larpent Newton & Company Ltd
4th Floor
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London EC1Y 0UR

Registrars

IRG Plc
Balfour House
390/398 High Road
Ilford
Essex IG1 1NQ

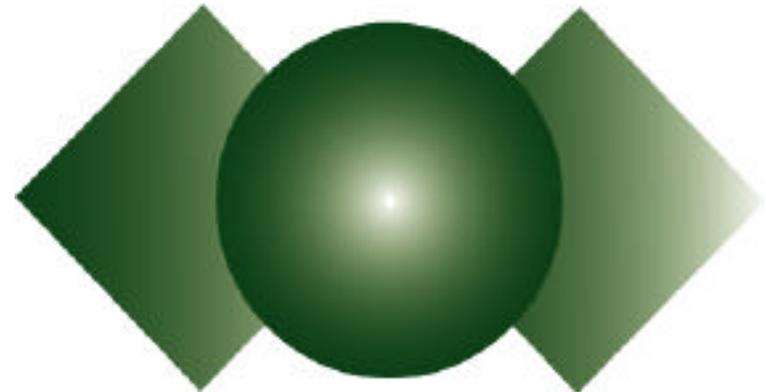
Brokers

Cazenove & Co
12 Tokenhouse Yard
London EC2R 7AN

Notes To The Unaudited Financial Information on pages 2 and 3

- 1 The financial information for the interim period ended 31 August 2000 is unaudited and does not constitute statutory accounts within the meaning of the Companies Act 1985. It has been prepared using accounting policies consistent with those to be adopted in the company's statutory accounts for the period ending 28 February 2001.
- 2 The calculation of earnings per share for the period is based on the return attributable to shareholders divided by the weighted average number of shares in issue during the period.
- 3 Listed investments are stated at market value based upon middle market prices at the accounting period end. The unrealised depreciation or appreciation on the valuation of investments and the gains and losses arising on the disposal of investments are dealt with in the capital reserve.
- 4 Copies of the Interim Statement are being sent to shareholders and further copies can be obtained from the Company's Registered Office.

Oxford Technology 2 Venture Capital Trust plc



Interim Statement

**For the period
18 February 2000 to 31 August 2000**