

Northern 2 VCT PLC

Time Central 32 Gallowgate Newcastle upon Tyne NE1 4SN

T 0191 244 6000 F 0191 244 6001 E n2vct@nvm.co.uk

www.nvm.co.uk

To shareholders in Northern 2 VCT PLC

12 June 2015

Dear Shareholder

Results for the year ended 31 March 2015

I am pleased to enclose your copy of the company's annual report for the year ended 31 March 2015, together with details of our annual general meeting which will take place at 12.30pm on Tuesday 14 July 2015 at the City of London Club, 19 Old Broad Street, London EC2N 1DS. I also enclose updated documentation in respect of the company's Dividend Investment Scheme, whereby dividends may be re-invested in new ordinary shares with the benefit of the tax reliefs normally available on new VCT subscriptions.

Final dividend and special dividend

An interim dividend of 2.0p per share in respect of the year ended 31 March 2015 was paid in January 2015 and a final dividend of 3.5p is proposed by the directors, taking the total for the year to 5.5p. However in view of the exceptional investment realisations in the year, which have added to the company's already extremely strong cash reserves, the directors have decided to pay an additional special dividend of 10.0p per share, which will take the form of a second interim dividend for the year ended 31 March 2015, payable on 24 July 2015 to shareholders on the register on 26 June 2015. The proposed final dividend of 3.5p per share will, subject to approval by shareholders at the annual general meeting, also be payable on 24 July to shareholders on the register on 26 June. This means that the aggregate dividend payment on 24 July will be 13.5p per share.

Dividend Investment Scheme

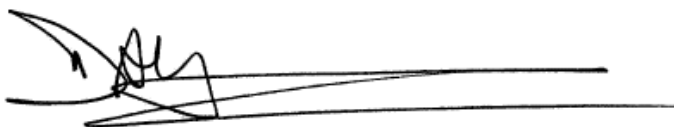
The enclosed documentation in respect of the company's Dividend Investment Scheme has been updated to allow shareholders participating in the Scheme to re-invest all future dividends (including annual dividends and special dividends), or, if preferred, just the aggregate dividend payment of 13.5p per share payable on 24 July 2015. The Scheme rules have also been amended to give greater flexibility for participation in the Scheme by shareholders whose shares are registered in the name of a nominee. **Any shareholder who wishes to join the Scheme prior to payment of the dividends on 24 July 2015 should complete the enclosed Mandate Form and return it to the company's registrars, Equiniti Limited, so that they receive it by 10 July 2015. Shareholders who have already elected to re-invest their dividends through the Scheme do not need to return a new Mandate Form unless they wish to amend their existing participation in the Scheme.**

Electronic communications

The company continues to provide the option to shareholders to receive communications from the company electronically rather than by paper copy. Shareholders who wish to join the scheme, which is operated by the company's registrars, Equiniti Limited, should visit www.shareview.co.uk, register for a Shareview portfolio and select 'Email' as their preferred method of delivery of company communications.

Thank you for your continuing support of Northern 2 VCT PLC.

Yours sincerely



David Gravells
Chairman