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20 November 2013

For immediate release

Telecom Plus PLC

Acquisition and Firm Placing and Placing and Open Offer

New supply agreement with Npower

Telecom Plus PLC ("Telecom Plus" or the "Company" or the "Group"), which supplies a wide range of utility services to both residential and business customers, has entered into a conditional agreement to acquire the entire issued share capital of Electricity Plus Supply Limited ("Electricity Plus") and Gas Plus Supply Limited ("Gas Plus") (together, the "Energy Companies") from Npower Limited ("Npower"), a subsidiary of RWE AG, for an aggregate consideration of £218 million (the "Acquisition"). As part of the Acquisition, the Group will be able to take advantage of a new 20 year energy supply agreement with Npower which will substantially increase the energy margins available to Telecom Plus, and enable it to provide even more competitive tariffs to its customers.

Highlights of the Acquisition

- Cash consideration of £218 million, £196.5 million payable on completion of the Acquisition and £21.5 million deferred for three years
- A strategic opportunity for the Group to extend the duration and improve the commercial terms of the energy supply arrangements currently in place with Npower, to increase the competitiveness of its retail energy tariffs and to enhance the Group's overall profitability
- The Board believes that overall, the acquisition of the Energy Companies will significantly strengthen the Group's existing business model and underpin its growth potential

Financing of the Acquisition

- The Acquisition and associated expenses will be funded from a combination of the Firm Placing and the Placing and Open Offer and a drawdown of approximately £100 million from the New Debt Facilities entered into with Barclays
- The Firm Placing and the Placing and Open Offer are fully underwritten by Peel Hunt and will raise approximately £130 million of gross proceeds at the Issue Price of 1475 pence per share (out of which approximately £100 million is being raised pursuant to the Firm Placing and approximately £30 million pursuant to the Placing and Open Offer)
- The Issue Price of 1475 pence per share represents a 2.1 per cent. discount to the closing middle market price on 19 November 2013 (being the last Business Day before the date of this announcement)

- The Open Offer Shares will be offered to Qualifying Shareholders on the basis of 1 Open Offer Share for every 35 Existing Ordinary Shares

Financial effects of the Acquisition

- Following completion of the Acquisition, the gross margin that the Group earns from supplying energy to the Group's customers will immediately increase by 4.25 per cent. and Npower will assume responsibility for certain metering costs currently borne by the Company
- On a pro forma basis, this would have delivered incremental gross profit to the Group of approximately £21.9 million for the year ended 31 March 2013 which, after interest costs and investment by the Group in lower energy tariffs, would have generated approximately £9.3m of incremental pro forma adjusted pre-tax profit in that year
- The Acquisition is expected to be materially earnings enhancing to the Group's earnings per share in the first full financial year following completion of the Acquisition, excluding any amortisation relating to intangible assets recognised as a result of the Acquisition¹

Half year results announced separately today

- Significant acceleration in organic growth and further improvement in customer quality
- £13.7m adjusted profit before tax up 10.1% (2012: £12.5m); interim dividend declared of 16p (2012: 13p) up 23.1%

Charles Wigoder, Executive Chairman of Telecom Plus, commented:

"This is a transformational deal for the Company, delivering significant earnings enhancement, a revised and improved 20 year supply agreement with Npower and the opportunity for us to provide even more competitive energy prices to our customers in future. The combination of these will play a major role in helping us to accelerate our current rate of high quality organic growth and to achieve our goal of supplying our unique, multi-utility proposition to more than one million customers over the medium term."

Paul Massara, CEO of RWE npower, said,

"In one move we have helped to create the biggest independent competitor in Britain's household energy supply market. This is good for competition and good for consumer choice. Today's announcement shows that Britain is well on the way to having a Big 7 rather than a Big 6.

"Both Electricity Plus and Gas Plus have expanded substantially over recent years and we are pleased to be able to provide long term support for an entrant which now has more than 770,000 customer accounts nationwide. This shows that there is a willingness to compete in Britain's energy market, and that the market is anything but broken.

"This is good news for Utility Warehouse customers, for npower, and for the energy industry."

The Acquisition is conditional on shareholder approval and subject to the Office of Fair Trading not referring the Acquisition to the Competition Commission. The Acquisition is expected to complete by late December 2013.

¹ This should not be construed as a profit forecast or interpreted to mean that the future earnings per share, profits, margins or cashflows of the Group will necessarily be greater than the historic published figures.

A prospectus relating to the Acquisition and the Issue (the "Prospectus") is expected to be published and posted to Shareholders today, provided that it will not be posted or sent into any Excluded Territory where to do so might constitute a violation of local securities law or regulation, including, but not limited to, the United States, Australia, Canada, New Zealand, Japan or South Africa. The Prospectus, when published, will be made available on Telecom Plus's website and will be submitted to the National Storage Mechanism and be available for inspection at: <http://www.morningstar.co.uk/uk/nsm.do>.

Analyst call

Telecom Plus will host an analyst and institutional investor call at 9.00 a.m. today. Please contact MHP Communications for dial-in details at telecomplus@mhpc.com.

Copies of this announcement will be made available on the Telecom Plus website (www.utilitywarehouse.co.uk) today.

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This summary should be read in conjunction with the full text of this announcement.

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The distribution of this announcement and/or the Prospectus and/or the Application Form and/or the offering of the New Ordinary Shares in jurisdictions other than the United Kingdom may be restricted by law. Such persons should inform themselves about and observe any application requirements. No action has been taken by the Company or Peel Hunt that would permit an offering of such rights or shares or possession or distribution of this announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required.

Persons into whose possession this announcement comes are required by the Company and Peel Hunt to inform themselves about, and to observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This announcement is for information and background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its accuracy or completeness. The information in this announcement is subject to change.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

This announcement is an advertisement and is not a prospectus and investors should not subscribe for or purchase any securities referred to in this announcement except on the basis of information to be contained in the Prospectus expected to be published on or around 20 November 2013 by the Company in connection with the Issue and the Acquisition. Copies of the Prospectus will be available from the Company's registered office at Network HQ, 333 Edgware Road, London NW9 6TD.

Peel Hunt, which is authorised and regulated in the UK by the Financial Conduct Authority, is acting for the Company and no one else in connection with the Firm Placing and the Placing and Open Offer and will not regard any other person as a client in relation to the Firm Placing and the Placing and Open Offer and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Peel Hunt or for providing advice in relation to the matters.

This announcement contains certain forward-looking statements which reflect the Group's or, as appropriate, the Directors' current views with respect to financial performance, business strategy, plans and objectives of management for future operations (including development plans relating to the Company's products and services). These statements include forward-looking statements both with respect to the Group and the sectors and industries in which the Group operates. Forward-looking statements can be identified by the use of words such as "may", "will", "should", "predict", "assurance", "risk", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue", or other similar expressions that are predictive or indicative of future events.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Group's actual results to differ materially from those indicated in these statements. Any forward looking statements in this announcement reflect the Group's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity.

These forward-looking statements speak only as of the date of this announcement. Except as required by the Listing Rules, the Disclosure and Transparency Rules, the Prospectus Rules and any law, the Company does not have any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, further events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting for and on behalf of the Company are expressly qualified in their entirety by this paragraph. Prospective investors should specifically consider the factors identified in the Prospectus which could cause actual results to differ before making an investment decision.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. Any indication in this announcement of the price at which the Ordinary Shares

of the Company have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this announcement is intended to be a profit forecast.

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Introduction

The Board today announces that the Company has entered a conditional agreement to acquire the entire issued share capital of the Energy Companies from Npower, a subsidiary of RWE AG, for an aggregate consideration of £218 million. The consideration payable under the terms of the Acquisition is to be satisfied as to £196.5 million on completion of the Acquisition and £21.5 million on the third anniversary of completion.

The Acquisition represents a significant strategic opportunity for the Group to extend the term of the energy supply arrangements currently in place with Npower, to improve the competitiveness of its retail energy tariffs, and to enhance the Group's overall profitability.

The Acquisition and associated expenses will be funded from a combination of the net proceeds of a Firm Placing and a Placing and Open Offer (the "Issue") and a drawdown of the New Debt Facilities entered into as part of the Acquisition. The Group is proposing to raise gross proceeds of approximately £130 million through the Issue (£122.7 million net of all expenses), which has been fully underwritten by Peel Hunt, subject to certain conditions. In addition, the Group will drawdown approximately £100 million under the New Debt Facilities for the purposes of funding the Acquisition. The New Debt Facilities are conditional upon the Acquisition and the Issue becoming unconditional in all respects.

The Acquisition represents a Class 1 transaction (as defined in Chapter 10 of the Listing Rules) for the Company and therefore requires the approval of Shareholders, pursuant to the Listing Rules. The Acquisition is also conditional upon the Office of Fair Trading not referring the Acquisition to the Competition Commission. In addition, the Directors are seeking the authority of Shareholders to increase the Company's authorised share capital contained in its articles of association and to allot the New Ordinary Shares pursuant to the Issue.

Admission of the New Ordinary Shares to the premium listing segment of the Official List and to trading on the Main Market will follow the satisfaction of these conditions, at which point the Issue and the New Debt Facilities will become unconditional.

The Board considers the Issue and the Acquisition to be in the best interests of the Company and its Shareholders as a whole and unanimously recommends that Shareholders vote in favour of all of the Resolutions, as they have irrevocably committed to do in respect of 18,235,130 Ordinary Shares representing 25.7 per cent. of the Company's issued share capital as at 19 November 2013.

Background to, reasons for, and expected benefits of, the Acquisition

The Energy Companies were originally sold by the Group to Npower in March 2006 in order to eliminate the Group's exposure to volatile wholesale energy prices at that time. The basis of this transaction was that the Group would remain responsible for managing the customer relationships under the Utility Warehouse brand, with Npower becoming responsible for supplying gas and electricity to the underlying customers, under the terms of a management services contract. This trading relationship has proved highly successful, with both

parties benefitting financially as the number of energy services being supplied by the Energy Companies has grown from around 180,000 to approximately 800,000 since that date.

One of the key proposals contained in the recent Retail Market Review (“RMR”) published by Ofgem is that each energy supplier will be restricted to offering a maximum of four tariffs to domestic consumers. This means that if the Energy Companies continued to remain part of the Npower group after implementation of the RMR changes, the ability of the Group and Npower to offer a full range of competitive tariffs under both the Npower and Utility Warehouse brands would have been significantly restricted.

The Company and Npower have therefore agreed that the Company will acquire the Energy Companies, which will enable both the Company and Npower to continue competing effectively against other retail energy suppliers (and each other), pursuing their own customer acquisition strategies and each offering up to four tariffs under their respective retail brands.

Under the terms of the Acquisition, there will be no material change in the responsibilities of either party compared with the current arrangements. The Group will remain responsible for customer acquisition and management (including pricing and all customer service related activities), and Npower will remain responsible, under a new 20 year supply agreement, for the wholesale supply of energy and any associated commodity price risks, in addition to funding most of the working capital required to run the Group’s domestic energy supply business.

Following completion of the Acquisition, the gross margin that the Group earns from supplying energy to the Group’s customers will immediately increase by 4.25 per cent. and Npower will assume responsibility for certain metering costs currently borne by the Company, which amounted to around £1.0 million during the year to 31 March 2013. Although a significant proportion of this incremental profit will: (a) be invested in making the Group’s energy tariffs more competitive (in order to generate faster organic growth in the more competitive environment which the RMR has been designed to encourage); and (b) be used to fund the interest and other costs associated with the New Debt Facilities, subject to unforeseen circumstances, the Board anticipates that the Acquisition will be materially earnings accretive for the full financial year to 31 March 2015, excluding any amortisation relating to intangible assets recognised as a result of the Acquisition.² The gross margin will increase by a further 0.25 per cent. in the future, conditional upon the Energy Companies supplying not less than 1,100,000 energy services.

On a pro forma basis, if the Group had owned the Energy Companies for the year ended 31 March 2013 and had the new energy supply agreement been in place during that period, the additional 4.25 per cent. of gross margin would have delivered incremental gross profit to the Group of approximately £20.9 million and the additional gas meter rental costs borne by Npower would have delivered approximately a further £1 million. Assuming that the Energy Companies had been bought on exactly the same terms as is proposed under the Acquisition, this £21.9 million of incremental gross profit would have been reduced by approximately £3.3 million of net finance cost under the terms of the New Debt Facilities and it is estimated that approximately 50 per cent. of the balancing £18.6 million of incremental profit would have been invested by the Group in lower energy tariffs. On this basis, the Directors believe that the pro forma adjusted incremental pre-tax profit acquired as part of the acquisition of the Energy Companies would have been approximately £9.3 million for the year ended 31 March 2013.

In summary, the Board believes that the Acquisition will deliver the following key benefits to the Group:

- (i) it will enable the Group to have its own range of energy tariffs following implementation of the RMR, and full flexibility in setting these tariffs;
- (ii) it will enable the Group to improve the competitiveness of its energy tariffs, with the objective of reducing customer churn and stimulating faster growth;

² This should not be construed as a profit forecast or interpreted to mean that the future earnings per share, profits, margins or cashflows of the Group will necessarily be greater than the historic published figures

- (iii) it secures access to the wholesale energy markets for up to 20 years on attractive terms;
- (iv) it retains the working capital benefits of the existing relationship with Npower; and
- (v) it is expected to be materially earnings accretive, subject to unforeseen circumstances and excluding any amortisation relating to intangible assets recognised as a result of the Acquisition.

As a demonstration of their belief in the benefits of the Acquisition, the Directors are, in aggregate, committed to acquiring at least £1 million of New Ordinary Shares under the Firm Placing and Placing and Open Offer.

Principal terms and conditions of the Acquisition

The Company has agreed to acquire the entire issued share capital of the Energy Companies for an initial cash consideration of £196.5 million and a deferred cash consideration of £21.5 million payable on the third anniversary following completion of the Acquisition.

As part of the Acquisition, the Company, the Energy Companies, Npower and Plus Shipping will replace the existing management services agreement between them with a new wholesale supply and services agreement ("SSA"). This new agreement is on substantially the same commercial basis as the existing management services agreement, but contains a higher margin for the Company and a further contribution by Npower towards certain metering costs, and includes a requirement for Npower to provide wholesale gas and electricity to the Energy Companies for a period of 20 years.

In the event that the SSA is terminated by Npower in certain circumstances, including on a material breach by the Company or on the insolvency of the Company, an additional consideration of up to £201 million may become payable by the Company to Npower. However, given the SSA termination rights are either, in the Board's view, very unlikely to occur or entirely within the control of the Company, the Board believes the likelihood of this type of termination event is remote.

The shares in the Energy Companies will be acquired by the Company fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including voting rights.

In addition to shareholder approval, the Acquisition is subject to the Office of Fair Trading not referring the Acquisition to the Competition Commission. Although there can be no certainty, the Board is confident that this condition should be satisfied. The timing of completion of the Acquisition and Issue is dependent on the Office of Fair Trading clearance which it is hoped will be obtained by 17 December 2013.

The Acquisition is expected to complete on or around 20 December 2013, following Admission, and no later than 31 January 2014, albeit that this timing is subject to the Office of Fair Trading review. On this basis, it is expected that dealings in the New Ordinary Shares will commence on or around 20 December 2013.

Financing the Acquisition

The Board has given careful consideration as to the mix of acquisition financing, including the impact on gearing and the structure of the proposed Issue. The Board has concluded that the Acquisition and associated expenses totalling approximately £7.3 million should be funded from a combination of:

- the Issue at a price of 1475 pence per New Ordinary Share, raising gross proceeds of approximately £130 million of which £96.5 million will be used to partially fund the Acquisition; and
- a drawdown amounting to £100 million under the New Debt Facilities.

The Group has entered into the New Debt Facilities with Barclays which provide term loans of £100 million to part fund the Acquisition and a further £25 million in revolving credit facilities to provide working capital for the Group.

Information on the Issue

The Group intends to raise gross proceeds of approximately £130 million in total pursuant to the Firm Placing and the Placing and Open Offer at the Issue Price. The Issue Price of 1475 pence per New Ordinary Share represents a 2.1 per cent. discount to the closing middle market price of 1507 pence on 19 November 2013 (being the last Business Day before this announcement). This discount has been set by the Board following careful consideration.

Qualifying Shareholders are being offered the right to subscribe for Open Offer Shares in accordance with the terms of the Placing and Open Offer. Qualifying Shareholders are not being offered the right to subscribe for the Firm Placing Shares.

The Issue is being fully underwritten by Peel Hunt, subject to certain conditions.

Firm Placing

Peel Hunt has placed the Firm Placing Shares at the Issue Price raising gross proceeds of approximately £100 million pursuant to the Placing Agreement. The Firm Placing Shares represent approximately 77 per cent. of the New Ordinary Shares and have been placed with certain institutional investors. The Firm Placing Shares are not subject to clawback. The Firm Placing is conditional, *inter alia*, upon the passing, without amendment, of the Resolutions and Admission becoming effective.

Placing and Open Offer

The Directors recognise the importance of pre-emption rights to Shareholders and consequently up to 2,024,717 of the New Ordinary Shares are being offered to existing Shareholders by way of the Open Offer. The Open Offer provides an opportunity for Qualifying Shareholders to participate in the fundraising by subscribing for their respective Open Offer Entitlements.

These 2,024,717 New Ordinary Shares are being allocated to Placees pursuant to the Placing and Open Offer and these allocations will be scaled back in order to satisfy valid applications under the Open Offer.

Qualifying Shareholders are being offered the opportunity to subscribe at the Issue Price for Open Offer Shares on the following basis:

1 Open Offer Share for every 35 Existing Ordinary Shares

registered in their name at the close of business on the Record Date.

Open Offer Entitlements under the Open Offer will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will not be allocated and will be disregarded.

The Open Offer is not a rights issue and any Open Offer Shares not applied for by Qualifying Shareholders under their Open Offer Entitlement will not be sold in the market on behalf of, or placed for the benefit of Qualifying Shareholders.

The Open Offer will proceed, subject to Shareholder approval of the Resolutions and the other conditions of the Open Offer being satisfied.

General

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, save that they will not rank for any interim dividend in respect of the year ending 31 March 2014. The Issue is not being made to Overseas Shareholders in Excluded Territories.

If the conditions of the Placing Agreement are not fulfilled on or before 8.00 a.m. on the third business day following the General Meeting or receipt of the OFT clearance, whichever is the later (or such later time and date as the Company and Peel Hunt may agree), the Open Offer will not become unconditional and application monies will be returned to applicants, without interest, as soon as practicable thereafter.

Listing, dealing and settlement of the New Ordinary Shares

Applications will be made to the FCA for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective and that dealings for normal settlement in the New Ordinary Shares will commence on the London Stock Exchange at or shortly after 8.00 a.m. (London time) on or around 20 December 2013, subject to the timing of the Office of Fair Trading. The Existing Ordinary Shares are already admitted to the premium listing segment of the Official List and to trading on the Main Market. It is expected that all of the New Ordinary Shares, when issued and fully paid, will be capable of being held and transferred by means of CREST.

Expected timetable of principal events

Record Date for entitlements under the Open Offer	close of business on 18 November
Announcement of the Issue	20 November
Publication and posting of the Prospectus, Form of Proxy and Application Form	20 November
Ex-entitlement date for the Open Offer	20 November
CREST Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders into CREST	as soon as possible after 8.00 a.m. on 21 November
Recommended latest time for requesting withdrawal of CREST Open Offer Entitlements into CREST	4.30 p.m. on 29 November
Latest time for depositing CREST Open Offer Entitlements into CREST	3.00 p.m. on 2 December
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 3 December
Latest time and date for receipt of Forms of Proxy and receipt of electronic proxy appointments via the CREST system	10.00 a.m. on 4 December
Latest time and date for receipt of completed Application Form and payment in full under the Open Offer or settlement of relevant CREST Instruction	11.00 a.m. on 5 December
General Meeting	10.00 a.m. on 6 December
Date of announcement of results of the General Meeting and the Issue through a Regulatory Information Service	6 December
Date of OFT approval of the Acquisition	on or around 17 December
Date of Admission and commencement of dealings in New Ordinary Shares and CREST Members' accounts credited in respect of New Ordinary Shares in uncertificated form	by 8.00 a.m. on 20 December
Date of despatch of definitive share certificates for New Ordinary	no later than 31 December

Shares in certificated form

Effective date of the Acquisition

1 December

Completion date of the Acquisition

on or around 20 December

Definitions

The following definitions apply throughout this announcement, unless the context otherwise requires

Acquisition	the acquisition pursuant to the Acquisition Agreement of the entire issued share capital of the Energy Companies by the Company
Acquisition Agreement	the agreement dated 20 November 2013 between the Company and Npower relating to the Acquisition
Act	Companies Act 2006 (as amended from time to time)
Admission	the admission of the New Ordinary Shares to the premium listing segment of the Official List becoming effective in accordance with the Listing Rules and the admission of the New Ordinary Shares to trading on the Main Market becoming effective in accordance with the Admission and Disclosure Standards
Admission and Disclosure Standards	the admission and disclosure standards of the London Stock Exchange containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the Main Market
Application Form	the application form accompanying the Prospectus on which Qualifying Non-CREST Shareholders may apply for Open Offer Shares under the Open Offer
Articles	the articles of association of the Company
Barclays	Barclays Bank PLC
Board or Directors	the executive directors and non-executive directors of Telecom Plus PLC
Business Day	a day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in the City of London for the transaction of normal banking business
certificated or in certificated form	not in uncertificated form (that is, not in CREST)
Closing Price	the closing middle market quotation as derived from the Daily Official List of the London Stock Exchange on a particular day
Company or Telecom Plus PLC	Telecom Plus PLC, a company incorporated in England and Wales with registered company number 3263464
CREST	the relevant system, as defined in the CREST Regulations (in respect of which Euroclear is the operator as defined in the CREST Regulations)
Daily Official List	the daily record setting out the prices of all trades in shares and other securities conducted on the London Stock Exchange

Electricity Plus	Electricity Plus Supply Limited
Energy Companies	Electricity Plus and Gas Plus together
Enlarged Share Capital	the issued share capital of the Company immediately following completion of the Issue
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST
Excluded Territories	Australia, Canada, Japan, New Zealand, the Republic of South Africa and the US and any other jurisdiction where the availability of the Issue would breach any applicable laws or regulations, and “Excluded Territory” shall mean any of them
Existing Ordinary Shares	the 70,865,116 Ordinary Shares in issue at the date of this document
Financial Conduct Authority or FCA	the Financial Conduct Authority of the United Kingdom
Firm Placing	the placing of the Firm Placing Shares by Peel Hunt, on behalf of the Company on the terms and subject to the conditions contained in the Placing Agreement
Firm Placing Shares	the 6,788,843 New Ordinary Shares which are to be issued pursuant to the Firm Placing
FSMA	the Financial Services and Markets Act 2000
Gas Plus	Gas Plus Supply Limited
General Meeting	the general meeting of the Company to be held at the offices of the Company located at Network HQ, 333 Edgware Road, London NW9 6TD at 10.00 a.m. on 6 December 2013
Group or Telecom Plus PLC Group	Telecom Plus PLC and its subsidiaries from time to time
Issue	the issue of 8,813,560 New Ordinary Shares pursuant to the Firm Placing and the Placing and Open Offer
Issue Price	1475 pence per New Ordinary Share
Listing Rules	the Listing Rules made by the FCA under Part VI of FSMA
London Stock Exchange	London Stock Exchange plc
Main Market	London Stock Exchange’s main market for listed securities
Npower	Npower Limited
New Debt Facilities	the £70 million term loan A facility and the £30 million term loan B facility and £25 million revolving credit facility entered into by the Company and others and Barclays
New Ordinary Shares	the 8,813,560 Ordinary Shares to be issued pursuant to the Issue comprising the Firm Placing Shares and the Open Offer Shares

Official List	the Official List of the FCA
Open Offer or Placing and Open Offer	the conditional invitation to Qualifying Shareholders to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Application Form
Open Offer Entitlement	the <i>pro rata</i> entitlement of Qualifying Shareholders to subscribe for 1 Open Offer Share for every 35 Existing Ordinary Shares registered in their name as at the Record Date, on and subject to the terms of the Open Offer
Open Offer Shares or Placing Shares	the 2,024,717 New Ordinary Shares which have been conditionally placed by Peel Hunt, on behalf of the Company, subject to clawback to satisfy valid applications by Qualifying Shareholders, and which are to be issued pursuant to the terms of the Open Offer
Ordinary Shares	ordinary shares of 5 pence each in the share capital of the Company
Overseas Shareholders	Shareholders with registered addresses outside the United Kingdom or who are citizens or residents of countries outside the United Kingdom
Peel Hunt	Peel Hunt LLP, in its capacity as sponsor, financial adviser, broker and bookrunner to the Company
Placee	any person who has agreed to subscribe for New Ordinary Shares pursuant to the Firm Placing and/or the Placing
Placing	the placing of the Open Offer Shares (subject to clawback to satisfy valid applications by Qualifying Shareholders under the Open Offer) by Peel Hunt, on behalf of the Company, on the terms and subject to the conditions contained in the Placing Agreement
Placing Agreement	the placing and open offer agreement dated 20 November 2013 between the Company and Peel Hunt relating to the Firm Placing and the Placing and Open Offer
Plus Shipping	Plus Shipping Services Limited, the company which is a subsidiary of Npower which operates as the gas shipper in respect of the provision of gas to the Group's customers
Pounds Sterling or £	the lawful currency of the United Kingdom
Qualifying CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in uncertificated form on the Record Date
Qualifying Non-CREST Shareholders	Qualifying Shareholders holding Ordinary Shares in certificated form on the Record Date
Qualifying Shareholders	holders of Ordinary Shares on the register of members of the Company at the Record Date with the exclusion of Overseas Shareholders with a registered address or resident in any Excluded Territory
Resolutions	the resolutions to be proposed at the General Meeting set out in the Notice of General Meeting (each a "Resolution")

RMR	the Retail Market Review recently concluded by Ofgem
RWE AG	RWE AG, a company incorporated in Germany with registration number HRB14525
SSA	the Supply and Services Agreement dated 20 November 2013 between the Company, Npower, the Energy Companies and Plus Shipping
Telecom Plus PLC Shareholder or Shareholder	a holder of Ordinary Shares
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America
US Securities Act	the US Securities Act 1933, as amended