

Telecom *plus* PLC (the “Company”)

Pre-Close Trading Update – 31 March 2008

The last quarter of the current financial year, which ends today, has seen a continuation of the positive trends referred to in our Interim Management Statement for the third quarter to 31 December 2007, which was issued on 7 February 2008. This reflects our unique sales proposition and high levels of confidence within our distribution channel.

Our rate of growth has shown a further increase, with over 22,000 net new services added during the fourth quarter. This is a substantial improvement on the 16,000 net new services added during the third quarter, and represents an annualised growth rate of more than 15%.

We remain on target to achieve record pre-tax profits of not less than £16.5 million (2007: £11.6 million) when we report our preliminary results for the year ended 31 March 2008, which are expected to be announced on 22 May 2008.

For further information, please contact:

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