

Telecom *plus* PLC (the “Company”)

Year End Trading Update

Telecom *plus* PLC (trading as the Utility Warehouse), which supplies a wide range of utility services (gas, electricity, fixed line telephony, mobile telephony and broadband internet) to both residential and business customers, today issues a trading update for its financial year ending 31 March 2010.

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 2009, which was issued on 15 February 2010.

We remain comfortable with consensus market expectations for our financial performance to 31 March 2010 and, in the absence of unforeseen circumstances, it remains our intention to recommend a final dividend of 14p per share, which would bring the total dividend for the year to 22p per share. This would represent an increase of 25% on the 17.5p per share total dividend for the year to 31 March 2009.

Due to the exceptionally cold weather conditions experienced throughout the UK over the last few months, we have experienced a substantial seasonal cash outflow, which means we will be reporting a small cash positive position at the year end. This is primarily a function of the timing differences between when we receive payments from our customers (who we encourage to spread their energy bills across the year in equal monthly instalments) and our payments to npower for the energy they have used (which are based on actual consumption each month). This cash outflow will be recovered progressively as we move into the summer months, and as customer payments are adjusted for the higher levels of energy usage this winter.

Our main distributor sales conference this year is being held over the weekend of 17/18 April, and we expect a record attendance of over 5,000 distributors. Based on our experience of previous years, we anticipate that the enthusiasm generated by this event will underpin additional activity and strong growth during the coming financial year.

We will be reporting our results for the year ending 31 March 2010 on Tuesday 25 May 2010.

For more information please contact:

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About Telecom *plus* PLC:

Telecom *plus*, which owns and operates the Utility Warehouse brand, is the UK's only fully integrated provider of a wide range of competitively priced utility services spanning both the Communications and Energy markets.

Customers benefit from the convenience of a single monthly bill, consistently good value across all their utilities and exceptional levels of customer service. The Company does not advertise, relying instead on “word of mouth” recommendation by existing satisfied customers in order to grow its market share.

Telecom *plus* also has a wholly owned subsidiary called TML purchased in 2002, which supplies predominantly fixed line telephony to small and medium sized business customers through a network of authorised resellers and dealers.

Telecom *plus* is listed on the London Stock Exchange (Ticker: TEP LN). For further information please visit: www.telecomplus.co.uk.