

Telecom *plus* PLC
31 March 2009

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 2009.

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 2008, which was issued on 17 February 2009.

Record numbers of new distributors are joining the business, which is in turn driving a record number of new customer applications. Distributor confidence, already at a high level, has been further boosted by recent additional endorsements in *Which?* magazine and our recognition as Company of the Year at the recent PLC awards dinner. We now have over 26,800 distributors, representing an increase of around 3,100 during the last three months.

We added more than 66,000 net new services during the final quarter taking the total to over 789,000. This is a further improvement on the previous quarter, which was in itself a record, and represents an annualised growth rate of more than 36%. Customer numbers have increased to almost 280,000, an increase of around 63,000 during the year.

We remain on target to report record pre-tax profits for the year ended 31 March 2009, despite absorbing rising growth related costs. As expected we have seen a substantial seasonal cash outflow during this quarter, mainly due to the impact of customers paying by budget plan during what has been an exceptionally cold winter. Year end net cash is nonetheless expected to be in excess of £20m.

We plan to issue our full year results on 20 May 2009.

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