

UNICOM PRESS RELEASE

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WHAT RECESSION? SMALL BUSINESS INSOLVENCIES DOWN.

Small business, the barometer of the UK economy, appears to be shrugging off the doom and gloom surrounding the financial markets, according to business telephony provider Unicom.

"As a company reliant upon the performance of thousands of UK companies, we continuously monitor the usage levels and payment performance of our small business customers to ensure we spot any trends upon which we need to act," said Tony Eagleton, Finance Director of Unicom.

"The bottom line is that we had 263 customer insolvencies in the first 10 weeks of 2008, compared with 246 in the corresponding period of 2007 – growth of 6.9%

"However, this compares with growth in Unicom's invoiced customers from 56,189 in March 2007 to 68,860 in March 2008, i.e. 22.6%.

"In other words, the number of insolvencies has actually fallen as a proportion of our active customer base. This is good news on all fronts - less for small businesses to worry about and reduced bad debt costs for Unicom as we continue to generate rapid growth in customer numbers – every five minutes we see a business making the switch from BT to Unicom.

"We've been heading for recession for months now, according to some experts, but Unicom is seeing absolutely no sign of a downturn.

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About Unicom

Unicom, part of Universal Utilities PLC, is a telecommunications service provider specialising in the small business market. It currently provides telecom, broadband and website services to 70,000 small businesses throughout the UK. Unicom has an annual turnover of over £40m, with 10 regional offices situated around the UK.

Unicom has 70,000 customers, primarily small or owner-managed businesses with telephone bills of approximately £1,000 a year. The specialised nature of the telephony and broadband products offered by Unicom provides significant savings for its business users.

Based in Manchester, it has regional headquarters in Birmingham, Ipswich, Leeds, Milton Keynes, Newcastle-upon-Tyne, Nottingham, Sheffield and Stoke-on-Trent.

Unicom has attracted its small business customers by offering discounts of up to 60% off BT's prices, at the same time as keeping customers on the BT network. Unicom currently supplies in excess of 450 million minutes of call time to its small business customers each year. Unicom differentiates itself by offering a high standard of personal customer service, with no premium rate 0845 or 0870 numbers, no recorded messages or menus, and no overseas call centres. Unicom boasts one of the highest customer retention rates in the industry.

Unicom was ranked 26th in the Sunday Times Profit Track 100 listings in April 2006, 89th in the Sunday Times Fast Track 100 index in December 2006 and 96th in the Sunday Times Profit Track 100 listings in April 2007. In September 2007 it achieved a ranking of 95th in the Sunday Times Microsoft Tech Track 100 index. The company employs 500 people.

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