

UNICOM PRESS RELEASE

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UNICOM FILES RECORD SALES AND PROFITS.

Photographs available at www.unicomimages.co.uk

Unicom, the business-to-business telecoms provider, has filed accounts showing a 12% increase in sales and a 29% rise in pre-tax profits to the end of April 2008, its ninth trading year.

The Manchester-based business saw turnover increase from £37.1m million in 2007 to £41.6 million in 2008, with pre-tax profits up from £7.6 million to £9.8 million.

"2007/08 has been another excellent year of trading and forecasts for 2008/09 are equally positive – we're expecting turnover to reach £45 million and profits are projected to rise to more than £11 million," said Mark Whelton, Unicom's Company Secretary.

"We win most of our business customers from BT. We are cheaper than BT and provide a better customer experience. We continue to win huge numbers of customers from BT, and we retain them. BT's recent price increases and negative press make it easier and easier for us to do so.

"Our customer retention levels remain the highest in the telecoms industry at around 86%, and of those with whom we do part company, only a third go to competitors – the remainder are either retiring, closing or moving premises."

This positive news from Unicom follows BT's recent profits warning, which saw its share price collapse, and its announcement that it will shed 10,000 jobs before March 2009.

Unicom's 70,000 business customers are primarily small or owner-managed businesses. The specialised nature of the telephony and broadband products offered by Unicom provides significant savings for its business users.

About Unicom

Unicom, a trading name 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 £42m, and employs 500 people at its 10 regional offices situated around the UK.

Unicom has attracted its 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 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.

This year Unicom launched a new directory enquiry service, 118 777. Based on calls from a BT or Unicom telephone line, 118 777 is 34% cheaper than 118 118, and 30% cheaper than 118 500 and 118 247. Calls from other networks may vary.

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, and in September 2008 a ranking of 88th, in the Sunday Times Microsoft Tech Track 100 index. In October 2008 Unicom became ISO 9001 certified.

For the year ending April 2008, Unicom reported pre-tax profits of £9.8m on a turnover of £41.6m (with profits up 29.2% and turnover up 12.3% from April 2007). Unicom expects profits to be in excess of £11m on a turnover of more than £45m for this year.

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