

UNICOM PRESS RELEASE

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UNICOM LOYALTY LEVELS STAY HIGH AS BT HIDES ANOTHER PRICE INCREASE.

Fast-growing Manchester-based telecoms independent Unicom, which specialises in services for small business, says BT is failing its small business customers both on competitive pricing and customer service – and continuing to hide price increases in the small print.

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

“Nobody likes a price increase but when the notification is hidden in the depths of BT’s website or in the small print of their marketing literature, their customers will inevitably think they’ve been hoodwinked,” said Tony Eagleton of Unicom.

“Owner-managers in the frantically-busy UK small business sector simply do not have the time to be scouring the internet every day just to find out whether the cost of their basic essential services has increased. Nor can they hang around trying to negotiate their way through a clunky automated call answering system that makes it virtually impossible to speak with a UK-based human being.

“At Unicom we believe these are major factors in the decision, made by one small business every 5 minutes, to switch to our services from BT. These factors also explain why we are experiencing unprecedented loyalty levels - our customers like the fact that, whenever they need to, they can speak to a real person, based here in the UK, who will answer their call in six seconds or less.

“Our customer retention rate stands at an industry-beating 86% and, of the of the 14% churn, only a third go to competitors - the remainder being businesses that close or move premises for one reason or another, which is obviously beyond our control.”

Unicom believes that businesses are increasingly recognising how its combination of low, fixed prices and high quality customer service compares very favourably with that of BT.

“From April 2008, BT has increased its standard business prices for national calls from 8p per minute to 9p per minute, and local calls from 4p per minute to 4.5p per minute,” said Tony Eagleton.

“These new BT prices represent an increase of 12.5% for these calls. Unicom charges 1.8p per minute for these calls, meaning that we now offer a discount of 80% off national calls and 60% off local calls.

“BT’s latest increases follow on the back of those in February 2008, when an estimated nine million BT residential customers saw their line rental charge go up by 75p a month to £11.75. Other increases in existing prices and brand new ways to charge customers were announced at the same time”

“Every five minutes a small business is turning its back on BT and moving to Unicom because of price increases or contractual changes hidden in the depths of their website, or because of falling service standards,” said Tony Eagleton.

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 attracted its small business customers by offering discounts of up to 80% 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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