

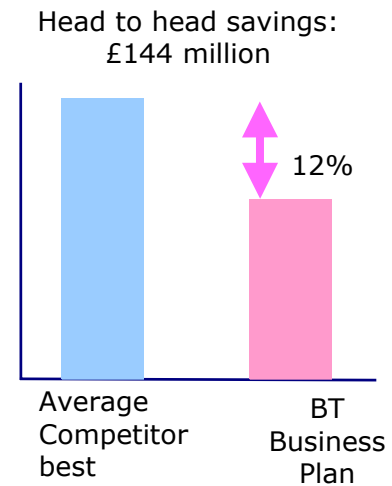
Business telephony fact sheet

Deloitte & Touche Enterprise Risk Services conducted a comprehensive study of the UK business telephony market in May and June 2003. The study analysed 1.7 million *actual* telephone bills.

This model was then used to compare 58 business telephony packages on a *best versus best* basis from providers which between them account for at least 72% of the market.

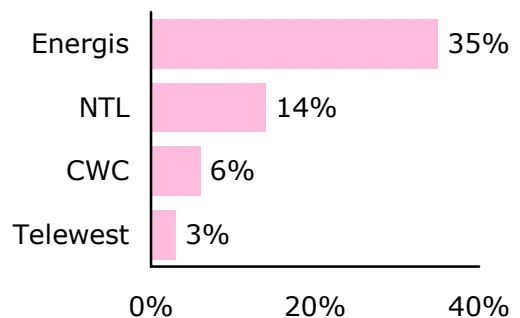
Looking at the average cost of calls for businesses which spend between £500 and £7 million per year on calls, it found:

- BT Business Plan is 12 per cent cheaper than the average of its competitors
- This would amount to a total saving of £144 million against the average competitor's best rates.



Major competitors are more expensive than BT Business Plan:

- Energis 35% more expensive
- ntl 14% more expensive
- CWC 6% more expensive
- Telewest 3% more expensive

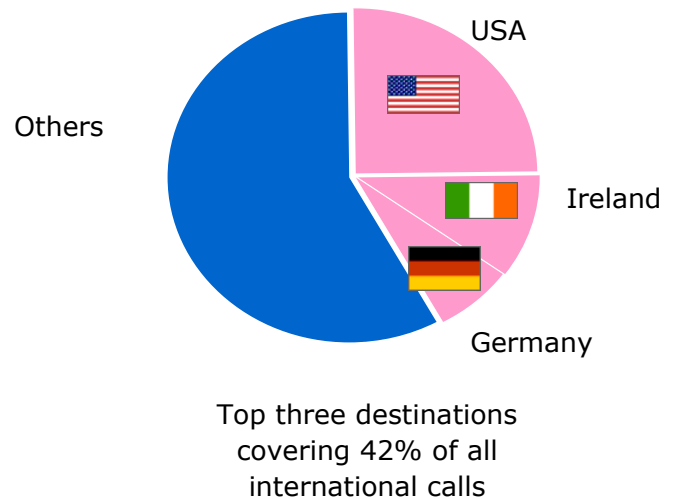


The average saving for businesses spending £250 to £50,000 a year on telephony with the cheapest provider is just £5 per month

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On what has traditionally been the more expensive international routes, BT Business Plan is:

- 38% cheaper than the nearest rival on calls to the USA: the most popular route accounting for 23% of international calls
- the cheapest provider for the typical spend across the top three international destinations: USA, Ireland and Germany – accounting for 42% of international calls
- the cheapest provider to Bangladesh, Hong Kong, Portugal, Greece and South Korea



These comparisons are based on:

- actual business call bills
- "total calls" rather than a selective "pence per minute" basis
- comparisons of the "best available" published tariffs from other providers, correct at 30 June 2003, made with BT Business Plan to be introduced on 1 August 2003