



PRESS RELEASE

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BT increases holding in Net2S S.A.

Following BT Group plc's ("BT") public tender offer for the entire issued share capital of Net2S S.A. ("Net2S") during March 2008, through which BT increased its holding to 91.11%¹ of the issued share capital, BT announces that it has further increased its holding today through the acquisition of Trafalgar Catalyst Fund's entire holding of 746,040 shares in Net2S at a price of €5.27 per share in cash. As a result of this acquisition, BT now holds 12 791 476 shares of Net2S corresponding to 97.25% of the issued share capital of Net2S¹ and 97.14 % of the voting rights².

A further announcement will be made in due course regarding the conditions of any applicable buyout offer and/or compulsory acquisition over the Net2S shares, and any effects on the reorganisation announced on 16 December 2008.

About BT

BT is one of the world's leading providers of communications solutions and services operating in 170 countries. Its principal activities include the provision of networked IT services globally; local, national and international telecommunications services to our customers for use at home, at work and on the move; broadband and internet products and services and converged fixed/mobile products and services. BT consists principally of four lines of business: BT Global Services, Openreach, BT Retail and BT Wholesale.

In the year ended 31 March 2008, BT Group's revenue was £20,704 million with profit before taxation and specific items of £2,506 million.

British Telecommunications plc (BT) is a wholly-owned subsidiary of BT Group plc and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on stock exchanges in London and New York.

For more information, visit: www.bt.com/aboutbt

¹ Based on an issued share capital of Net2S of 13,153,845 as of 31 December 2008.

² Based on 13 168 450 voting rights of Net2S as of 31 December 2008