News Release



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BT EXPANDS FURTHER IN HIGH GROWTH REGIONS

Investment in people, infrastructure, network and services to help customers expand in Turkey, the Middle East and Africa

BT today announced a series of initiatives aimed at doubling its business across Turkey, the Middle East and Africa. Global companies investing in these regions, as well as local companies expanding further afield, will be supported by additional highly qualified staff, including professional services specialists. They will also gain access to a richer portfolio of innovative services, leveraging BT's network breadth and depth.

These initiatives build on similar programmes in Asia Pacific and Latin America, where orders in the first nine months of this financial year were up over 50 per cent.

According to BT's research, the addressable market in Turkey, the Middle East and Africa was worth a combined £5.4bn in 2011. IT spending growth across the regions is expected to top 10 per cent in 2012¹.

BT already serves around 600 large organisations in the regions, including many of the world's leading global companies.

Jeff Kelly, CEO BT Global Services said, "The Middle East already hosts some of the world's main business hubs, and is a crucial region for many of our customers. New opportunities are rapidly emerging in the region, and we are now expanding from our thriving base in the United Arab Emirates. Turkey is a key business bridge between Europe, Asia and the Middle East and is growing rapidly. Sub-Saharan Africa remains largely a new frontier for ambitious businesses and is currently showing strong growth rates in a number of countries. We are extending our network capabilities in that region beyond our strong South African operation, with the ambition of serving our customers wherever they seek new opportunities. We are also seeing the emergence of a new generation of local companies in these regions, eager to expand globally. Our new initiatives show that when we talk about global ambitions, we truly mean global."

¹ Source : IDC - Middle East, Africa, and Turkey Top 10 Predictions, 2012

As part of the new programme, BT will hire around 170 new employees across the three regions, including highly skilled professional services specialists to provide local support to customers and deliver consulting, integration and managed services.

Customers in the regions will be able to access a wider range of "intelligent" network services provided by the BT Connect portfolio. Local companies with global aspirations will fully benefit from BT Connect's ability to provide services in 197 countries and territories. Leveraging this infrastructure, new propositions will be launched in the regions, providing innovative networked IT services.

Network reach and access options are being improved in Sub-Saharan Africa. These include the recently announced international routing facility in South Africa and a new network connection between Cape Town and Johannesburg. These will make BT the first global operator with its own network infrastructure in the country. Specific interconnection agreements with local partners extend BT's network reach into Sub-Saharan Africa.

Three new network nodes are being launched in the Middle East, while additional network interconnections will be rolled out in Turkey.

Today's announcement is part of a wider investment programme supporting BT's global strategy. Previous announcements include similar programmes in Asia Pacific and in Latin America, improvements to BT's global portfolio and network capabilities, investments in highly skilled professional services resources, and the development of strategic global sector teams to better serve multinational customers.

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Note to Editors – BT in MEA

BT has been present with direct sales operations in Middle East and Africa since 1985. It provides one of the most advanced and secure networked IT services to multinational organisations in the region, helping them meet their mission-critical requirements. It also enables the region's telecoms operators to achieve their competitive and expansion objectives. BT has business relationships with more than 90 per cent of mobile and fixed line operators (national PTTs) across the region.

On the back of this latest expansion programme, BT is launching new networked IT services into the region, covering key portfolio areas such as BT Assure (security services delivering secure networking, business continuity and identity and access management), BT One (unified communications services such as One managed IP telephony, One Voice MPLS and TDM, One Voice Anywhere, One Video, One Cloud), BT Contact (contact centre and customer relationship management services such as Cloud Contact and Inbound Contact), and BT Compute (operational efficiency IT solutions such as BT On Demand Compute).

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Sector-specific knowledge and propositions will be deployed more widely in the MEA region, focusing on global banking and financial markets, government and health, consumer packaged goods, logistics, manufacturing and pharmaceuticals.

About BT

BT is one of the world's leading providers of communications services and solutions, serving customers in more than 170 countries. Its principal activities include the provision of networked IT services globally; local, national and international telecommunications services to its 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, BT Retail, BT Wholesale and Openreach.

In the year ended 31 March 2011, BT Group's revenue was \pounds 20,076m with profit before taxation of \pounds 1,717m.

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 <u>www.btplc.com</u>