

BT press release

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SUFFOLK HOMES SET TO JOIN THE SUPER-FAST BROADBAND HIGHWAY IN MAJOR BT INVESTMENT

BT announced today that around 16,000 homes and businesses in Bury St Edmunds, are to benefit from its £1.5 billion plans for super-fast broadband.

Today's announcement signals the biggest phase of the UK-wide project to date with 20 exchanges to be upgraded in the East of England between autumn 2010 and summer 2011.

Across the UK, more than 300 new super-fast broadband locations are announced today. The technology will be available on an open, wholesale basis to all companies providing broadband services.

It is the latest chapter in BT's longer-term programme to make super-fast fibre-based broadband available to at least 40 per cent of the UK – or some 10 million homes – by summer 2012. Four million premises will have been connected by the end of 2010 in the largest single commercial investment in fibre-based broadband ever undertaken in the UK.

Super-fast broadband offers much faster download speeds of up to 40Mb/s, potentially rising to 60Mb/s, and upstream speeds of 10Mb/s, with the chance of rising to 15Mb/s giving customers greater flexibility in how they use the internet including much easier uploads of photos and videos. These speeds also offer businesses major advantages, including new services and more sophisticated communications, such as high-quality videoconferencing.

BT's fibre plans build on existing initiatives such as its pioneering 21st Century Network (21CN), which has already placed faster speeds within reach of more than half of UK homes using the existing copper network.

Peter McCarthy-Ward, BT's East of England regional director, said: "Our major investment in super-fast fibre-based broadband combined with the roll-out of BT's 21st Century Network is giving this region the sophisticated technology to help it prosper in the future.

“Faster broadband continues to change the way we live and work, offering tremendous business, educational and entertainment opportunities for firms and households.

“BT would also like to roll-out the fibre networks to parts of the region where the economics are more challenging and where some public funding will be required. We are, of course, very open to holding discussions with public sector organisations, on how this could be achieved.”

Cllr Nigel Aitkens, St Edmundsbury Borough Council Deputy Leader and Cabinet member for Economy and Asset Management, said: "This is such a brilliant coup for Bury St Edmunds which I know will be tremendously welcomed by every business and organisation, big and small, as well as individuals. This will put Bury firmly on the economic map for businesses looking to start up or expand, with all the knock-on effects that will have on local job creation and prosperity. High speed broadband will give the town such a strong economic base – it is simply great news and St Edmundsbury's thanks go to BT for putting in this investment to make Bury the top town for business in Suffolk.

Now we'll try to go further and work with BT to see if we can expand it into some of the rural areas, where it could also make a massive difference to village economies."

Steve Robertson, chief executive of Openreach, the division of BT responsible for the roll-out, said: “Millions of homes and businesses will benefit from this investment in fibre technology. We are proud to be at the forefront of deploying fibre in the UK, and because, unlike other companies, we're making it available to all communications providers, people will have a choice of fibre broadband supplier.”

The super-fast speeds are more than enough to run multiple bandwidth-hungry applications at the same time. For example, some members of a family could be watching different high definition (HD) movies, while others are gaming or working on complex graphics or video projects. Music tracks could be downloaded in less than five seconds.

For businesses, the new network will underpin the introduction of many new services and applications. Computer processing and storage of files will become more sophisticated and secure using 'cloud computing' technology. There will be faster back-up of computer systems and wider use of high quality videoconferencing within firms and between them and their customers.

While BT estimates that the great majority of premises in these areas will be able to access fibre-based broadband, it is likely that a minority in the area will not initially be able to receive services due to a variety of technical and commercial reasons. Openreach is actively looking at alternative solutions for these locations.

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Questions and Answers:

Q. Will you be rolling out Fibre to the Premises (FTTP) or Fibre to the Cabinet (FTTC) to these areas?

A. BT will be rolling out a mix of the two technologies but we expect that FTTC will be the most widely deployed.

Q. What is FTTP?

A. Fibre to the premise (FTTP) is a solution whereby fibre-optic cable is deployed from the exchange directly into the customer premise supporting super-fast broadband. It delivers downstream speeds of up to 100Mb/s – and potentially up to 1000Mb/s in the future - and upstream speeds of up to 40Mb/s.

Q. What is FTTC?

A. Fibre to the cabinet (FTTC) is a solution whereby fibre optic cable is deployed from the exchange to the street cabinet with the remainder of the connection - from the cabinet to the premise - using copper wiring. This combination of fibre and copper can be used to support super-fast broadband with speeds of up to 40mb/s initially, potentially rising to 60Mb/s in the future. Initial upstream speeds will be between 5 and 10Mbit/s rising to 15Mb/s.

Q. How do these speeds compare with BT's 21st Century Network and first generation broadband speeds?

A. Speeds of up to 24Mb/s are available via the 21st Century Network, whilst first generation broadband delivers speeds up to 8 Mb/s

Q. What criteria has BT used to select the latest locations to benefit from fibre-based broadband?

A. A number of factors were considered in selecting these sites, including levels of anticipated demand (linked to interest from broadband service providers), predicted performance of the service, economics, topography, and the levels of interest from local and devolved government.

BT Group is investing in NGA rollout to at least 40 per cent of the country at its own risk and next generation access in the UK is in its infancy, with demand and take up yet unproven – this therefore affects the economics of investment.

Openreach is working closely with local, regional and central government to find ways of improving and developing the business case for further roll-out based on feedback from these parties and industry.

For further information

Enquiries about this news release should be made to the BT Regional Press Office on 0800 085 0660. All news releases can be accessed at our web site:

<http://www.btplc.com/News>

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 2009, BT Group's revenue was £21,390 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