



PRESS RELEASE

Date: 17 November 2006

Arqiva to acquire BT's satellite broadcast business

- **£25 million cash deal agreed, subject to regulatory approval**
- **Arqiva to acquire customers and operations in France and the USA**
- **Long-term security for customers and staff alike**

Arqiva has today announced the signing of a Sale & Purchase Agreement (SPA) with BT to acquire the full-time service components of BT's Satellite Broadcast Services business for £25 million in cash. The deal will include long-term customer contracts, operations and personnel located in the USA, France, Italy and the Netherlands, as well as the UK. Deal completion is subject to regulatory approval in the UK and Germany.

BT's Satellite Broadcast Services business currently provides both full-time and occasional-use satellite services from six teleports, three of which are in the UK, two in the US and one in France. Arqiva will acquire the full-time business, including the US and French teleports and one in the UK, while BT will retain the occasional-use part of the business.

Nick Thompson, managing director of Arqiva's Satellite Media Solutions division, said: "This acquisition gives us an international footprint with a significant presence in France and the US as well as increasing the scale of our activities in the UK. It will give us improved satellite reach and the ability to serve customers on a world-wide basis. It is an important strategic step for Arqiva."

Barry Bonnett, CEO of BT Media & Broadcast, added: "We're delighted to have reached this agreement with Arqiva and believe it's an excellent outcome for customers and staff alike. This is core business for Arqiva and they have previously demonstrated successful integration capabilities. A feature of the deal is that Arqiva will become a partner to BT in providing Satellite Broadcast Services to integrate into media solutions for our customers. We expect a smooth transition with no disruption for customers and excellent prospects for staff transferring."

-Ends-

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More on Arqiva

Arqiva has a 50-year history in transmission and has helped pioneer the technologies of the digital age. The company has five operating divisions:

- **Satellite Media Solutions** – provides high quality and flexible solutions to a diverse range of international customers. Includes permanent and occasional broadcast services as well as IP, voice, data and digital media networks. Operational bases in London, Gerrards Cross, Winchester, Feltham and Bedford.
- **Terrestrial Media Solutions** – provides national transmission for UK commercial television including ITV, Channel 4, Five and associated digital multiplexes, playing a leading role in the run-up to digital switchover. Transmission services also provided to vast majority of UK independent radio stations, both analogue and digital.
- **Mobile Media Solutions** – new division dedicated to establishing mobile broadcasting networks. Arqiva is platform-neutral and has mounted pioneering technical and commercial mobile broadcasting trials with partners such as Microsoft, O2 and Nokia.
- **Wireless Solutions** – provides market-leading, multi-operator infrastructure systems and services to wireless telecoms, transport and interior public space businesses. This is done through a portfolio of over 2400 towers, masts and managed sites, plus InBuilding (indoor coverage) and CityCell (urban coverage) products
- **Public Safety** – provides frontline communications for the UK emergency services, government agencies and commercial organisations including design and installation, system maintenance and fully managed services for mobile radio, telecommunications and mobile data solutions.

www.arqiva.com

More on BT

BT is one of the world's leading providers of communications solutions and services operating in 170 countries. Its principal activities include networked IT services, local, national and international telecommunications services, and higher-value broadband and internet 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 2006, BT Group plc's revenue was £19,514 million with profit before taxation of £2,040 million.

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

www.bt.com/aboutbt

For more information please contact:

Bruce Randall

Arqiva

Tel: +44 (0)1962 822582

Fax: +44 (0)1962 822374

email: bruce.randall@arqiva.com

Emma Hutchinson/Harriet Otoo

Nelson Bostock Communications

Tel: +44 (0)20 7229 4400

Fax: +44 (0)20 7792 7411

email: emma.hutchinson@nelsonbostock.com

BT Group Newsroom: +44 (0)20 7356 5369.