

9 July 2003
Embargoed until 7am

THUS Group plc
Annual General Meeting Trading Update

In his address to THUS Group plc's Annual General Meeting of shareholders in Glasgow, William Allan, Chief Executive, will today confirm that trading for the first quarter of the current financial year has been consistent with the Company's expectation to generate sustainable positive cash flow after interest and capital expenditure in the fourth quarter ending 31 March 2004.

"We continue to focus on winning quality recurring revenue and building valuable and lasting relationships with our customers. That focus has delivered growth within a number of our existing corporate accounts and enabled us to add new accounts which are expected to contribute to our performance over the remainder of the year. These new accounts include GWR Group (the national radio broadcaster), The Funding Corporation and Kwikfit Group. Broadband services continue to show strong growth and our recently launched metropolitan and national Ethernet services are also attracting significant interest in the target corporate market.

"In addition, we have reduced our banking facility to £60 million and secured an ongoing 2% interest rate reduction.

"Overall, we continue to be cautious on the general economic outlook but remain comfortable with market expectations for the full year."

Ends

For further information, please contact:

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