

THUS Group plc
AGM Update and Interim Management Statement

THUS Group plc today publishes its first Interim Management Statement as required by the revised Listing Authority Disclosure and Transparency rules. This statement relates to the period from 1 April 2007 to 24 July 2007.

Current Trading

Trading for the year to date has been in line with the Board's expectations, with revenue, EBITDA, EBIT and operating cash flows all improving year on year. Contracts worth over £110 million for next-generation services have been announced since 1 April 2007.

The remaining integration activities relating to the acquisition of Your Communications and Legend Communications continue to proceed ahead of original expectations. The company is confident of achieving, as expected, 90% at the end of this financial year of the £30m forecast annual synergy savings on a run rate basis.

Refinancing

In July 2007, following an extensive evaluation of financing options the Group refinanced its existing bank facility with a new five year £100 million facility provided by The Royal Bank of Scotland plc, acting as Underwriter and Mandated Lead Arranger. The renegotiation of the facility on more favourable terms than the existing arrangements demonstrates the increased strength and capability of our business.

Deferred tax

In the year ended 31 March 2007 the Group recognised a deferred tax asset of £60.6 million. This was based upon a corporation tax ("CT") rate of 30% as the proposed change in CT rate from 30% to 28%, announced on 21 March 2007, had not been enacted at the balance sheet date. The change in CT rate has now been enacted and has resulted in a reduction in the deferred tax asset of approximately £4 million.

Outlook

The Board is confident that trading for the full year remains in line with its expectations.

Financial Calendar

September 2007	Trading update
November 2007	Announcement of interim results for the six months ended 30 September 2007

For further information:

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