

Virtual Network – Real Savings

London, 2 April 2007 – Vanco, the pioneering global Virtual Network Operator (VNO), today released the cost saving figures of its industry unique Active Negotiating Process (ANP) for the UK, France, Germany and the Netherlands. Vanco's ANP is a contractual commitment to review the underlying carrier costs for its customers annually. If cost savings can be found Vanco takes responsibility to migrate to the new supplier and/or technology. On average customers' savings on monthly networking costs during last year are as follows with many of them also getting much more bandwidth.

- UK: 22 per cent average saving
- Germany: 19 per cent
- France: 20 per cent
- Netherlands: 21 per cent

One such customer is engineering company Smiths Group that originally selected Vanco five years ago to deliver an IP-Secure network solution to around 100 sites, focusing on hard-to-reach locations that traditional Asset Based Carriers were unable to support on a global scale. In 2005 Smiths signed a contract extension over two years, incorporating sites in four continents and supporting all four of Smiths' business divisions (aerospace systems, detection systems, medical devices, mechanical seals and interconnect products).

"Staying competitive is of utmost importance and having the right underlying network is the first step in that direction," says John Lytle, CTO Smiths Group. "Vanco's ANP and customer focus ensures we get all the advantages of new technology when it matters."

Not every site has the same requirements and over time these are likely to change too. Vanco has acknowledged the demands of organisations and developed its ANP as a way for companies to be flexible and benefit from ongoing developments in the telecoms offerings.

"Since deregulation the industry has seen a constant price erosion for bandwidth and technology on a substantial scale year on year", comments Andy Sumner, managing director Vanco UK. "In return, enterprises should be able to gain from these reduced prices for their global networks.

"In reality, they are trapped in long term contracts with little or no chance to adapt them to technology or price changes. In a fast moving environment this approach will affect and hinder business growth."

– ENDS –

About Smiths Group

Smiths Group designs and manufactures safety critical systems and products and has market-leading positions in aerospace systems, detection systems, medical devices, mechanical seals and interconnect products.

Smiths Group has four divisions - Aerospace, Detection, Medical and Specialty Engineering. Its businesses are highly competitive and operate in sectors with excellent growth prospects. Strong cash-flow allows Smiths to invest in future growth, through both acquisitions and research and development. This focus on growth is balanced by a respect for the environment and the communities in which it works.

Smith's customers range from civilian and military aircraft manufacturers to governments, petrochemical companies and hospitals. All Smiths businesses share a common philosophy of anticipating and satisfying customer needs through innovation, partnership and global scale.

About Vanco

Established in 1988, Vanco plc (FTSE: VAN) is the pioneering and leading global Virtual Network Operator. Vanco does not own telecoms assets and therefore has the freedom to source infrastructure from the most suitable Asset Based Carriers (ABCs) on a global basis. It provides enterprise clients, directly or through partners, with cost-effective, optimized and fully managed network solutions. Carriers can also extend their off-net reach by accessing, through Vanco, other carrier networks around the world.

With solutions available in 230 countries and territories, Vanco is selected by the world's largest organizations to provide strategic network solutions. Its clients include Accor Hotels, Avis Europe, British Airways, Ford Motor Company, IBM/Lloyds TSB, Siemens, Pilkington and Virgin Retail.

Through the Vanco network solution clients get access to the greatest geographic coverage available through a single provider. Vanco offers incomparable flexibility to customize and adapt the solution in line with market changes and business priorities.

Vanco is recognized by the industry for its financial success and world class customer service delivery. A significant proportion of its investment capital goes into customer care which is reflected by the awards won, independent market research and client retention.

For further press information, please contact:

Harry Pirrwitz, Vanco
Tel: +44 (0) 20 8636 2942
Email: harry.pirrwitz@vanco.co.uk

Edward Courtenay, Pleon
Tel: +44 (0) 20 7298 7098
Email: edward.courtenay@pleon.com