



MARCONI AND TELKOM TAKE BROADBAND TO THE HOME

Marconi to power the Telkom ADSL roll out

London and Johannesburg – 26 September 2002 – Marconi (London: MONI) is to play a key role in the deployment of broadband communications and services in South Africa. The company is to supply and install Telkom South Africa's first commercial Asymmetric Digital Subscriber Line (ADSL) network under a frame contract that will run initially for two years with a value that will depend on subscriber demand.

The ADSL deployment is a key phase in Telkom's preparations for its imminent initial public offering and the deregulation of the South African telecommunications market. Telkom is targeting residential, small and medium-sized enterprises and the small-office home-office market with new ADSL services, including high-speed Internet access with always-on connections on an incremental basis. ADSL will enable faster downloads, file-sharing across remote IT networks and the ability to access Internet-based broadband entertainment services, including games, video and music.

Richard Bicker Caarten, Managing Director, Marconi SA, said: "Marconi is proud to be able to partner with Telkom in providing a world-class broadband network and its associated services to South Africa. We believe broadband services can offer South Africans a plethora of valuable applications — from commercial uses to distance learning, telemedicine to online gaming. This contract is in line with Marconi's drive to supply Africa with broadband networks capable of providing services that can benefit the continent both socially and economically."

Under the contract, Marconi will supply and install its Access Hub high-density DSLAM (Digital Subscriber Line Access Multiplexer) along with its ServiceOn Access network management platform. DSLAMs, usually located in an operator's central office, are network devices that connect multiple customer Digital Subscriber Lines (DSLs) to a high-speed backbone using multiplexing techniques. The ServiceOn Access platform allows for efficient network management. When a fault is detected, ServiceOn Access signals an alarm and automatically re-routes the traffic (be it voice, data or otherwise) to avoid service disruption. The fault alarms



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are routed directly to the person accountable for that section of the network and from there the fault is immediately forwarded via e-mail, fax or even SMS to the nearest technician, along with comprehensive instructions for rectification of the fault. This maintains the integrity and reliability of network service levels.

Marconi's Access Hub

Marconi's Access Hub high-density DSLAM and ServiceOn Access management system are core to Telkom's broadband role out. They will enable Telkom to:

- Provide a high-speed access network for delivery of broadband multi-services
- Remotely manage all elements of the network (wired, wireless, copper and fibre) on a single platform, eliminating time-consuming manual intervention
- Aggregate all traffic types into a single solution that includes Asynchronous Transfer Mode
 (ATM) switching and Internet Protocol (IP) routing.

"This agreement demonstrates the flexibility and competitive strengths of Access Hub high-density DSLAM," said Graham Sykes, VP Product Marketing and Business Development, Broadband Systems. "It indicates that Marconi technology assists customers in generating significant new revenue streams by cost effectively delivering value-added high-speed services. This follows Marconi's contract wins with Telecom Italia, where we are supplying 700,000 ADSL and SHDSL lines (Asymmetrical and Symmetrical High-density Digital Subscriber Lines)."

ENDS/

Notes to Editors

The Access Hub - AXH series of high density DSLAMs combines the functionality of Digital Subscriber Line Access Multiplexers — along with the ability to aggregate all traffic types — with one of the industry's highest port densities. With a 32-line xDSL line card, the Access Hub supports up to 576 xDSL lines in a single shelf and can also act as a wireless or fibre aggregation point. The Access Hub supports up to 40Gbit/s of bandwidth on the backplane.



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The Access Hub platform is completely managed by Marconi's ServiceOn Access. ServiceOn Access is able to manage all Marconi's access solutions from a single, unified platform providing operators the advantage of a common look and feel for all the different technologies deployed in an access network.

About Telkom SA

Telkom is the only fixed-line operator in South Africa. During the past years the Company has transformed itself into a streamlined, refocused and efficient organisation, and has expanded into the realm of total communications solutions (the full spectrum of digital communications including voice, data, video, internet and e-commerce) alongside wireless telephony.

From 1997 to March 2001, the Company invested R34 billion primarily in network modernisation and expansion. Telkom has already begun evolving to a next generation network which involves the movement to a scalable Internet-protocol-based network with the capacity to deliver intelligent, value-added products and services. Packet Mode Architecture, which has the ability to carry all types of traffic and offer quality of service on par with traditional voice, has been introduced.

With its 50% holding in Vodacom, South Africa's largest mobile provider, the Group is continuing its expansion into Africa with investments in Tanzania, Lesotho and the DRC.

For more information, please visit Telkom's Web site at www.telkom.co.za.

About Marconi plc

Marconi plc is a global telecommunications equipment and solutions company headquartered in London. The company's core business is the provision of innovative and reliable optical networks, broadband routing and switching and broadband access technologies and services. The company's aim is to help fixed and mobile telecommunications operators worldwide reduce costs and increase revenues.

The company's customer base includes many of the world's largest telecommunications operators. The company is listed on the London Stock Exchange under the symbol MONI. Additional information about Marconi can be found at www.marconi.com.

This press release contains forward-looking statements with respect to products, partners, customers, future growth and other matters. Please refer to the Form 20-F report and Form 6-K reports filed by Marconi plc with the United States Securities and Exchange Commission for a discussion of risks that could cause actual results to differ materially from such statements.

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