



Virgin Mobile launches contract without month-13 catch

- Guaranteed automatic savings at month 13 or customers can opt for a new phone
 - Half-price introductory offers and great choice of phones
- Any time, any network calls from 7.5p per minute on selected tariffs*
 - Award winning customer service
 - Free voicemail, free itemised bills and texts from 3p
- Exclusive three-month partnership with The Carphone Warehouse

29.04.05: Virgin Mobile today announces the launch of Britain's most consumer-friendly contract – Virgin Mobile Pay Monthly.

Virgin Mobile Pay Monthly comes with a pioneering feature that guarantees consumers a reduced monthly charge or the chance to opt for a brand new phone at the end of their term. Virgin Mobile customers will never get caught out by the 'month-13 catch' – a catch that unwittingly costs consumers hundreds of millions of pounds in wasted bills each year, as they pay more than necessary for their mobile service.

As well as offering contract customers a choice of the latest phones and great-value airtime, Virgin Mobile offers unique benefits by giving customers two clear options at the end of their contract. If they are happy to keep their existing phone they can choose to enjoy a reduced monthly charge, or they can renew their contract and get a new phone – no other network offers this fair choice.

The industry's month-13 catch

A standard monthly contract charge is designed to recover a network's costs of subsidising a phone as part of the deal. The 'line-rental' also buys a monthly airtime allowance. Usually, a customer will have paid back the subsidy on their phone over the life of a 12-month contract.

Yet other providers continue to charge customers exactly the same amount in month 13 and beyond - nor are customers told they are 'out of contract' and that they could cut their monthly fee by switching to another tariff. Exactly the same applies to customers in month 19 if they have chosen an 18-month contract.

Virgin Mobile: the only operator without the month-13 catch

Virgin Mobile guarantees to automatically cut a customer's regular monthly charge at the end of their contract term – saving them as much as 50%. Virgin Mobile does not continue to charge for a paid-off phone at the end of a contract term - instead customers pay only for their airtime.

Alternatively, at the end of their initial term, Virgin Mobile Pay Monthly customers can renew their contract and, for the same ongoing monthly fee, receive a new phone.

Virgin Mobile's new contract is available exclusively through The Carphone Warehouse's 600 UK stores, direct sales phone lines and www.carphonewarehouse.com for three months from 1st May.

Virgin Mobile Pay Monthly offers both new and existing customers three great value tariffs - with calls to any network at any time from 7.5p per minute*. All tariffs, available with the latest phones, come with free itemised monthly bills, free voicemail, plus £5 of bonus airtime on signing up. Out of bundled costs are at Virgin Mobile's standard rates, which include texts from 3p.

Customers can choose between a 12 or 18-month contract, and during the term any unused inclusive airtime will be rolled over to the next month. Customers opting for the 18-month contract benefit from even greater savings.

Also, some tariff combinations are being promoted with half price monthly charges for up to 15 months.

Line Rental Rescue Kit

Virgin Mobile is also introducing an alternative 'airtime only' deal designed for people whose contract on another network has just expired and who want to avoid the month-13 catch. By keeping their phone and switching with Virgin Mobile's 'Line Rental Rescue Kit' they can slash their monthly charge and continue to enjoy a similar inclusive airtime allowance to their old contract. See www.linerentalrescue.com.

Ending the catch

Tom Alexander, CEO of Virgin Mobile, said: "Virgin Mobile's Pay Monthly contract is unique: we are the only network to be upfront about monthly costs and, by having challenged convention, we guarantee our customers won't be unlucky at month 13. We'll tell them when their contract's up and cut their costs – we won't make them pay for their phone twice.

"This move is the latest Virgin Mobile example of putting the consumer first. We have continually developed new and innovative products that challenge the market, and this is one of our best yet. The three-month launch partnership with The Carphone Warehouse demonstrates the strong relationship we have with them, and their enthusiasm in our brand. This is only the start of much more to come."

Charles Dunstone, CEO of The Carphone Warehouse, said: " We are delighted that The Carphone Warehouse is the first and only retailer to offer Virgin Mobile's contract. This reiterates our position as the UK's leading independent mobile communications retailer offering customers the widest possible choice. Like Virgin Mobile, we always strive to innovate and their contract with a difference is a new and exciting proposition for our customers."

- Ends –

Virgin Mobile Pay Monthly Tariff Table

MINUTES ALLOWANCE	VIRGIN MOBILE 60		VIRGIN MOBILE 100		VIRGIN MOBILE 200	
MONTHLY CHARGE	£20.00	£18.00	£24.00	£22.00	£32.00	£30.00
INCLUSIVE ANY MINUTES	60	60	100	100	200	200
CONTRACT LENGTH (MONTHS)	12	18	12	18	12	18
VOICEMAIL	FREE					
ROLLOVER OF UNUSED MINUTES	FREE					
ITEMISED BILLING	INCLUSIVE					
OUT OF BUNDLE RATES	15p/5p VM to VM & landline, 35p to other network, 10p texts to other network 3p text to VM mobiles					
MONTHLY CHARGE POST THE END OF THE CONTRACT	£10.00		£14.00		£24.00	
CUSTOMER SAVING IN MONTH 13/19 IF AIRTIME ONLY	50%	£44%	42%	36%	25%	20%

HANDSET	RRP*	VIRGIN MOBILE 60		VIRGIN MOBILE 100		VIRGIN MOBILE 200		HALF PRICE PROMOTIONS
		12 MONTHS	18 MONTHS	12 MONTHS	18 MONTHS	12 MONTHS	18 MONTHS	
MOTOROLA V220	119.99	FREE	FREE	FREE	FREE	FREE	FREE	
MOTOROLA V3	299.99	119.99	29.99	49.99	FREE	FREE	FREE	12 months half price on 200 minute, 18 month contract
MOTOROLA V635	249.99	99.99	19.99	29.99	FREE	FREE	FREE	15 months half price on 200 minute, 18 month contract
NOKIA 6230	219.99	79.99	FREE	FREE	FREE	FREE	FREE	12 months half price on 200 minute, 18 month contract
NOKIA 6610i	149.99	FREE	FREE	FREE	FREE	FREE	FREE	
SAMSUNG E800	199.99	79.99	FREE	FREE	FREE	FREE	FREE	15 months half price on 200 minute, 18 month contract
SAMSUNG D500	349.99	119.99	49.99	59.99	FREE	FREE	FREE	12 months half price on 200 minute, 18 month contract
SONY ERICSSON K700i	219.99	39.99	FREE	FREE	FREE	FREE	FREE	12 months half price on 200 minute, 18 month contract
SONY ERICSSON T610	119.99	FREE	FREE	FREE	FREE	FREE	FREE	
SONY ERICSSON T630	129.99	FREE	FREE	FREE	FREE	FREE	FREE	

*CORRECT AS OF MAY 2005 (CPW CATALOGUE)

Notes to editors:

7.5p per minute applies to Virgin Mobile's Pay Monthly 200 18-month term introductory offer on certain phones.

For further information please contact:

Virgin Mobile

Virgin Mobile Press Office: 0845 600 6272 or press.office@virginmobile.com
 Steven Day: 07931 777777 or steven.day@virginmobile.com
 Joanne Baker: 07941 233300 or joanne.baker@virginmobile.com

Lansons Communications

Shellie Wells: 020 7294 3627 or shelliew@lansons.com
 Liz Willder: 020 7294 3677 or lizw@lansons.com

Carphone Warehouse

Vanessa Tipple: 07947 000021 or tipplev@cpwplc.com

About Virgin Mobile:

Virgin Mobile Holdings (UK) plc, the UK's largest mobile virtual network operator, is majority owned by Sir Richard Branson's Virgin Group and uses T-Mobile's network. Since its launch in November 1999, Virgin Mobile has attracted more than 5 million customers.

In the UK, Virgin Mobile phones are available direct on 0845 6000 600; on the web at www.virginmobile.com or on the High Street at approximately 5,000 outlets including Virgin Mobile Stores within Virgin Megastores.

Virgin Mobile employs approximately 1,400 staff at three sites, Trowbridge, London and Daventry, and has an outsourced customer service centre operated by approximately 200 staff in Middlesbrough.

Virgin Mobile is in 'The Sunday Times 100 Best Companies to Work For' 2005 and is part of the FTSE4Good Index.

About Carphone Warehouse:

The Carphone Warehouse Group PLC was set up in 1989 by Charles Dunstone with £6,000. Today it is Europe's leading independent mobile communications retailer, generating annual turnover of £2,300m (y/e March 05), offering customers impartial and expert advice, the widest choice of the latest product and unbeatable service. The company operates across 10 markets and employs over 12,000 people working across the stores, the support centres, the call centres, the online teams and the direct sales teams (telesales). UK market share is over 22%.

The vision and core values first introduced by Dunstone remain unchanged and the company continues to be driven by a total dedication to customer satisfaction. The Carphone Warehouse prides itself on creating the best working environment possible for its employees, and has recently been awarded the following accolades in the past two months:

Innovative Employee of the Year at the Retail Week Awards 2005

Fourth place in The Sunday Times Best Big Companies to Work For 2005

Best Large Mobile Retailer for 11 years running at Mobile News Awards 2005