

The Depository Trust Company

IMPORTANT

B#: 2636

DATE: November 13, 2001

TO: All Participants

CATEGORY: Dividends

FROM: Nilesh Desai, Supervisor, Dividend Department

ATTENTION: Dividend Managers, Cashiers & Reorganization Managers

SUBJECT: Subscription Offering: Colt Telecom Group PLC ADS
ADR CUSIP#: 196877104 R/D: 10/2/01
Expires: 11/27/01 (11:00 A.M. Eastern Standard Time)

*****WARNING TIME CRITICAL*****

Colt Telecom Group PLC is offering to its qualifying shareholders (“Qualifying Shareholders”) of American Depositary Shares (“ADSs”) of record as of October 2, 2001, the opportunity to subscribe for additional ADSs (the “U.S. Offer”). Each Qualifying Shareholder is entitled to purchase 23 additional ADSs for every 25 ADSs held on record date. ADS holder’s opportunity to participate in the U.S. Offer is not transferable.

The Depository Trust Company (“DTC”) WILL NOT BE ALLOCATING ENTITLEMENTS TO PARTICIPANTS’ ACCOUNTS TO BE USED TO SUBSCRIBE IN THE U.S. OFFER. DTC participants cannot exercise this U.S. Offer through DTC’s Reorganization Department. The Bank Of New York (the “Subscription Agent”) has informed DTC that due to the nature of the U.S. Offer, DTC will not be involved in this transaction. Participants who wish to exercise their subscription privileges for ADSs must do so directly with the Subscription Agent.

It is imperative that participants carefully read the offering documents sent to them by the Bank of New York (the “Subscription Agent”) on 10/30/01, as they contain important information for the U.S. Offer. DTC forwarded the Subscription Agent a record date listing of participants to ensure that participants were mailed the offering documents.

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In order to subscribe in the U.S. Offer, the Subscription Agent requires that the “Form of Conditional Offer To Purchase” must be received by them no later than 11:00 a.m. Eastern Standard Time on November 27, 2001.

If participants have any questions regarding the procedures for subscribing to additional ADSs, they must contact the Subscription Agent at 1-800-507-9357. If offering documents have not been received or additional documents are needed, participants need to contact the Subscription Agent.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENT INQUIRY (DIVA) FUNCTION, SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY.

If participants have any questions concerning this Important Notice, please contact Mr. Raymond Lew or Ms. Susan Alvino of DTC’s Stock Divided Department at (212) 855-4523/4532.