

NETSERVICES PLC

PRE-CLOSE ANNOUNCEMENT & BOARD CHANGE

NetServices Plc (the 'Company') (AIM:NSV), the business-to-business telecommunications network provider, provides the following trading update before entering the close period prior to the release of its preliminary results for the year to August 31 2008, which are scheduled to be reported in November.

The Company is pleased to announce that it expects profit for the year ended 31 August 2008 to be in-line with market expectations, after margins were maintained and outstanding payments were recovered from certain customers.

We continue to be engaged in discussions with prospective partners. However, the difficult economic conditions that many companies are experiencing means that sales cycles are lengthening and contracts are taking longer to convert, increasing the uncertainty surrounding the timing of new business revenues. We would expect to provide further guidance and an update on current trading and outlook at the time of the release of our preliminary results in November.

Board Change

Separately, the Company announces that Philip Wedgwood has resigned from the Board with immediate effect and has left the Company to pursue fresh career opportunities.

Mark Vickers, Chief Executive of NetServices Plc, said: "Philip has made an important contribution to the Company. In particular, he has helped to secure key partnership opportunities in-line with our stated strategy. I wish to thank Philip for all of his efforts over four years with the Company and wish him well in the future."

Meanwhile, the Company is pleased to report that it has appointed Paul Foley, 43, as Director of Sales & Business Development. Paul joins from O2 UK Ltd where he spent four years as Head of Sales, leading the Business Sales division in the North of England. Paul has more than 20 years' experience in the business sales arena, and will add considerable strategic value in partnership and business development as we focus on the SMB market.

Mark Vickers added: "Paul's considerable experience at leading a sales division and in particular, his proven record in sales execution, will bring added strength to the Company as we continue to make progress."

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For further information, please contact:

NetServices plc
Mark Vickers, Chief Executive
Ian Winn, Finance Director

Tel No: 0870 753 0900

Arbuthnot Securities Limited
Tom Griffiths
Alasdair Younie

Tel No: 020 7012 2000

MC2 (Manchester) Limited
Samantha Lafferty

Tel No: 0161 236 1352