

Vertex and Marlborough Stirling Unite to Create Major Player for the Canadian Financial Services Industry

May 12, 2005 - Bill Pitkin, Marlborough Stirling Canada President and CEO, is pleased to confirm that Vertex, the UK's leading outsourced customer management company and the UK's third largest business process outsourcing (BPO) provider, has completed its acquisition of Marlborough Stirling, the market leading provider of software and services to the financial services sector. The acquisition creates a company with the skills, resources, technology and experience to become a major player in the fast growing outsourcing market within financial services.

Andy Hunt, newly appointed Managing Director of Marlborough Stirling, comments: "The appetite for our services among financial services companies is growing rapidly, fuelled by intensifying cost pressures and competition. The coming together of Vertex and Marlborough Stirling creates the only player able to offer the broad combination of technology, application service provision and outsourcing capability needed to effectively manage large scale portfolio administration and new business acquisition within both the mortgages and life and pensions markets. Marlborough Stirling's technology and financial services market experience, coupled with Vertex's physical resources and track record in winning and delivering on large scale contracts, will ensure our ability to gain market share."

In Canada, Marlborough Stirling's MorWEB, Omiga and Optimus technology platforms are recognized as function rich, reliable and cost effective, and are currently in use among many of Canada's leading mortgage providers.

"Marlborough Stirling is leading the field in the development of straight-through-processing (STP); a new way of conducting business within financial services that allows entire mortgage origination and administration processes to be conducted online," explains Bill Pitkin. "Marlborough Stirling Canada's outsourced environment allows this capability to bring substantive operational efficiencies and cost savings, as well as improving service to customers."

This strong technological advantage is complemented by Vertex's BPO experience and capability, along with the financial stability assured by its United Utilities parentage. Vertex has more than 10,500 people engaged in outsourced projects in more than 45 facilities across the UK, Europe, North America and India.

In North America, Vertex currently operates a long term customer services contract for Canadian utility provider Hydro One as well as owning a receivables business - First Revenue Assurance - based in Denver.

Andy Hunt adds: "Financial services providers are growing in size and require an increasingly complex combination of infrastructure, technology and transformational expertise. In Canada, Marlborough Stirling has brought proven efficiencies to its clients, and we expect to further expand our reach in this market. Vertex has a proven capability to manage multi-year deals of up to £500 million. At the same time, our heritage in customer service, unusual among BPO players currently operating within financial services, means we have a unique appreciation of the need to balance operating costs with service quality. This is vital in an environment where lenders are facing reduced profit margins while at the same time, customer service expectations are increasing in a more complex and competitive market."

Marlborough Stirling becomes the Financial Services Division of Vertex alongside Vertex's other three divisions in the UK and North America. Marlborough Stirling's Life and Pensions and Mortgages business units are expected to adopt the Vertex name and brand over the medium term. The Exchange will continue to operate under its own name.

Marlborough Stirling will continue to provide software and technology services to the financial services industry, in addition to the BPO services it will forge within Vertex. Vertex remains committed to sustained investment to maintain the company's best-of-breed technologies within The Exchange, Life and Pensions and Mortgages and to maintain and grow its traditional client base.



About Vertex

Vertex is an international business process outsourcer with particular expertise in customer management. The company develops and implements a range of outsourcing solutions for many leading organizations in the commercial, financial services, utility and public sectors. These include transformational outsourcing, combining Vertex's skills in consulting, technology and outsourced service provision to stimulate and facilitate business change and flexibility. Vertex has more than 10,500 employees in 45 locations across the UK, Europe, North America and India. Vertex is part of United Utilities plc, a FTSE 100 company. For more information, see www.vertex.co.uk



About United Utilities

United Utilities is one of the UK's leading utility infrastructure and business process management companies. It is the operator of the water and wastewater systems and the electricity distribution network for the North West of England. It also uses its core skills successfully to manage support services for others in the UK and overseas.

In the six months to the end of September 2004, United Utilities' profit before tax (before goodwill, amortization and exceptional items) and turnover, both increased by 13 per cent, to £193 million and £1.2 billion respectively. Its current market capitalization is around £5 billion.

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