

## BT Pre Q1 2013/14 Consensus

€m unless stated	2013/14				2013/14				2014/15				2015/16				2016/17			
	Q1 Consensus Mean	Median	High	Low	Full Year Consensus Mean	Median	High	Low	Full Year Consensus Mean	Median	High	Low	Full Year Consensus Mean	Median	High	Low	Full Year Consensus Mean	Median	High	Low
<b>Revenue<sup>1</sup></b>																				
BT Global Services	1,666	1,660			6,936	6,937			6,863	6,863			6,879	6,912			6,935	7,009		
BT Retail	1,781	1,781			7,290	7,289			7,345	7,372			7,381	7,413			7,420	7,455		
BT Wholesale	633	636			2,472	2,475			2,402	2,405			2,359	2,377			2,342	2,339		
Openreach	1,240	1,239			5,008	5,013			5,020	5,020			5,078	5,167			5,133	5,256		
Other	17	17			79	97			80	97			87	97			88	97		
Eliminations	(962)	(963)			(3,835)	(3,836)			(3,783)	(3,792)			(3,772)	(3,824)			(3,761)	(3,817)		
<b>Total</b>	<b>4,375</b>	<b>4,372</b>	<b>4,423</b>	<b>4,337</b>	<b>17,950</b>	<b>17,925</b>	<b>18,131</b>	<b>17,857</b>	<b>17,927</b>	<b>17,924</b>	<b>18,145</b>	<b>17,596</b>	<b>18,012</b>	<b>17,954</b>	<b>18,474</b>	<b>17,691</b>	<b>18,157</b>	<b>18,090</b>	<b>18,948</b>	<b>17,431</b>
Change in U/L ex transit (%)	(2.4)				(1.6)				0.0				0.8				1.0			
<b>EBITDA<sup>1</sup></b>																				
BT Global Services	181	180			890	890			944	945			979	974			1,005	1,016		
BT Retail	468	470			1,924	1,946			1,988	2,017			2,033	2,094			2,024	2,138		
BT Wholesale	157	158			619	620			614	620			600	605			589	598		
Openreach	608	606			2,576	2,580			2,620	2,614			2,663	2,672			2,702	2,726		
Other	(1)	(3)			25	25			33	30			40	30			67	30		
<b>Total</b>	<b>1,413</b>	<b>1,413</b>	<b>1,428</b>	<b>1,400</b>	<b>6,034</b>	<b>6,054</b>	<b>6,077</b>	<b>5,894</b>	<b>6,199</b>	<b>6,219</b>	<b>6,428</b>	<b>5,945</b>	<b>6,315</b>	<b>6,356</b>	<b>6,711</b>	<b>5,770</b>	<b>6,387</b>	<b>6,451</b>	<b>6,851</b>	<b>5,494</b>
Depreciation and amortisation	(697)	(697)			(2,770)	(2,768)			(2,721)	(2,725)			(2,680)	(2,667)			(2,639)	(2,635)		
<b>Operating profit<sup>1</sup></b>	<b>716</b>	<b>720</b>			<b>3,264</b>	<b>3,281</b>			<b>3,478</b>	<b>3,488</b>			<b>3,635</b>	<b>3,700</b>			<b>3,748</b>	<b>3,838</b>		
Net finance expense	(157)	(156)			(622)	(615)			(564)	(559)			(496)	(504)			(434)	(448)		
Share of post tax profits/losses of associates & joint ventures	0	0			0	0			0	0			0	0			0	0		
<b>Profit before tax<sup>1</sup></b>	<b>559</b>	<b>559</b>	<b>587</b>	<b>532</b>	<b>2,642</b>	<b>2,659</b>	<b>2,727</b>	<b>2,513</b>	<b>2,914</b>	<b>2,912</b>	<b>3,151</b>	<b>2,672</b>	<b>3,139</b>	<b>3,157</b>	<b>3,516</b>	<b>2,691</b>	<b>3,314</b>	<b>3,392</b>	<b>3,722</b>	<b>2,558</b>
Specific items	(107)	(100)			(371)	(365)			(45)	(45)			(11)	0			(11)	0		
Net interest on pensions	(60)	(60)			(242)	(240)			(183)	(235)			(168)	(230)			(163)	(230)		
Total specific items: net gains (losses)	(167)	(160)			(613)	(605)			(228)	(266)			(179)	(240)			(174)	(234)		
<b>Reported profit before tax<sup>1</sup></b>	<b>392</b>	<b>396</b>			<b>2,029</b>	<b>2,040</b>			<b>2,686</b>	<b>2,656</b>			<b>2,960</b>	<b>2,962</b>			<b>3,140</b>	<b>3,200</b>		
Tax - excluding specific items	(127)	(127)			(603)	(612)			(630)	(636)			(657)	(658)			(692)	(695)		
Tax on specific items	36	36			137	141			46	39			38	38			37	35		
Tax rate	22.7%	23.0%			22.8%	23.0%			21.6%	21.3%			20.9%	21.0%			20.9%	20.0%		
Memo: Minorities	0	0			0	0			0	0			0	0			0	0		
<b>Net income</b>	<b>301</b>	<b>309</b>			<b>1,563</b>	<b>1,567</b>			<b>2,102</b>	<b>2,097</b>			<b>2,341</b>	<b>2,333</b>			<b>2,485</b>	<b>2,525</b>		
<b>EPS<sup>1</sup> (p)</b>	<b>5.5</b>	<b>5.5</b>			<b>26.0</b>	<b>26.1</b>			<b>28.7</b>	<b>28.3</b>			<b>30.9</b>	<b>31.3</b>			<b>32.7</b>	<b>33.5</b>		
<b>Reported EPS (p)</b>	<b>3.8</b>	<b>3.9</b>			<b>19.9</b>	<b>20.0</b>			<b>26.4</b>	<b>26.6</b>			<b>29.1</b>	<b>29.4</b>			<b>31.0</b>	<b>31.7</b>		
<b>Dividend per share (p)</b>	<b>0.0</b>	<b>0.0</b>			<b>10.9</b>	<b>10.9</b>			<b>12.4</b>	<b>12.6</b>			<b>14.3</b>	<b>13.9</b>			<b>15.7</b>	<b>15.3</b>		
Average number of shares in issue (m)	7,844	7,837			7,837	7,848			7,972	7,950			8,040	8,052			8,020	8,046		
<b>Group free cash flow</b>																				
EBITDA <sup>1</sup>	1,413	1,413			6,034	6,054			6,199	6,219			6,315	6,356			6,387	6,451		
Capital expenditure	(620)	(616)			(2,431)	(2,433)			(2,423)	(2,428)			(2,408)	(2,410)			(2,396)	(2,389)		
Interest	(202)	(207)			(623)	(613)			(562)	(559)			(496)	(505)			(440)	(448)		
Tax (excluding cash tax benefit of pension deficit payment)	(141)	(138)			(564)	(569)			(614)	(615)			(651)	(672)			(680)	(705)		
Change in working capital	(576)	(600)			(131)	(144)			(51)	(35)			(39)	(33)			(25)	(32)		
Other	4	9			18	40			37	40			21	25			17	15		
<b>Normalised free cash flow<sup>2</sup></b>	<b>(122)</b>	<b>(132)</b>			<b>2,303</b>	<b>2,302</b>			<b>2,586</b>	<b>2,604</b>			<b>2,742</b>	<b>2,726</b>			<b>2,863</b>	<b>2,790</b>		
Cash tax benefit of pension deficit payments	19	19			75	75			90	69			67	62			66	62		
<b>Free cash flow<sup>1</sup></b>	<b>(103)</b>	<b>(113)</b>			<b>2,378</b>	<b>2,377</b>			<b>2,676</b>	<b>2,680</b>			<b>2,809</b>	<b>2,785</b>			<b>2,929</b>	<b>2,822</b>		
Specific items	(100)	(96)			(377)	(360)			(75)	(50)			(44)	0			(44)	0		
<b>Free cash flow (pre gross pension deficit payments)</b>	<b>(203)</b>	<b>(194)</b>			<b>2,001</b>	<b>2,023</b>			<b>2,601</b>	<b>2,618</b>			<b>2,765</b>	<b>2,785</b>			<b>2,885</b>	<b>2,802</b>		
Gross pension deficit payment	0	0			(408)	(325)			(321)	(295)			(346)	(295)			(347)	(295)		
<b>Reported free cash flow</b>	<b>(203)</b>	<b>(194)</b>			<b>1,593</b>	<b>1,698</b>			<b>2,280</b>	<b>2,308</b>			<b>2,419</b>	<b>2,465</b>			<b>2,538</b>	<b>2,507</b>		
<b>Net debt</b>	<b>8,067</b>	<b>8,048</b>			<b>7,201</b>	<b>7,180</b>			<b>6,013</b>	<b>6,023</b>			<b>4,783</b>	<b>4,853</b>			<b>3,648</b>	<b>3,863</b>		

<sup>1</sup> before specific items

<sup>2</sup> before specific items, pension deficit payments and the cash tax benefit of pension deficit payments