

DC14-260

16 June 2014

## **BT PROVIDES REVISED FINANCIAL INFORMATION AND KPIs REFLECTING ORGANISATIONAL CHANGES**

BT Group has today published revised line of business financial information and key performance indicators (KPIs) to reflect organisational changes which came into effect on 1 April 2014.

BT Conferencing has moved from BT Business into BT Global Services. This will help us simplify the way we provide integrated collaboration solutions to our global customers. BT Security has moved from our central group functions into BT Global Services. Security is of increasing importance to our customers, and we believe that this move will help us better compete in the market and take full advantage of global opportunities.

The organisational changes do not impact the results of BT Consumer, BT Wholesale or Openreach. There is no impact on the total group results.

The financial impact and restated financial information, prepared on a consistent basis, for the years ended 31 March 2014, 31 March 2013 and 31 March 2012 is shown below. The updated KPI document is available at [www.bt.com/results](http://www.bt.com/results)

Results for the first quarter to 30 June 2014 (which are expected to be announced on Thursday 31 July 2014) will be presented on this revised basis.

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### **Notes to editors**

#### **About BT**

BT is one of the world's leading providers of communications services and solutions, serving customers in more than 170 countries. Its principal activities include the provision of networked IT services globally; local, national and international telecommunications services to its customers for use at home, at work and on the move; broadband, TV and internet products and services; and converged fixed/mobile products and services. BT consists principally of five lines of business: BT Global Services, BT Business, BT Consumer, BT Wholesale and Openreach.

For the year ended 31 March 2014, BT Group's reported revenue was £18,287m with reported profit before taxation of £2,312m.

British Telecommunications plc (BT) is a wholly-owned subsidiary of BT Group plc and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on stock exchanges in London and New York.

For more information, visit [www.btplc.com](http://www.btplc.com).

**Appendix – impact of restatements on 2013/14<sup>1</sup>**

£m	As previously reported - 2013/14					Adjustments					Restated - 2013/14					
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	
<b>BT Global Services</b>																
Revenue	1,696	1,694	1,794	1,857	7,041	56	49	53	70	228	1,752	1,743	1,847	1,927	7,269	
EBITDA	182	201	263	286	932	28	21	27	33	109	210	222	290	319	1,041	
Free cash flow	(280)	74	78	517	389	18	17	33	42	110	(262)	91	111	559	499	
<b>BT Business</b>																
Revenue	863	871	880	895	3,509	(78)	(72)	(72)	(74)	(296)	785	799	808	821	3,213	
EBITDA	262	268	281	287	1,098	(26)	(21)	(24)	(25)	(96)	236	247	257	262	1,002	
Free cash flow	125	240	247	280	892	(16)	(23)	(29)	(25)	(93)	109	217	218	255	799	
<b>BT Consumer</b>																
Revenue	950	987	1,014	1,068	4,019	-	-	-	-	-	950	987	1,014	1,068	4,019	
EBITDA	231	158	175	269	833	-	-	-	-	-	231	158	175	269	833	
Free cash flow	146	11	99	216	472	-	-	-	-	-	146	11	99	216	472	
<b>BT Wholesale</b>																
Revenue	638	624	589	571	2,422	-	-	-	-	-	638	624	589	571	2,422	
EBITDA	157	159	146	152	614	-	-	-	-	-	157	159	146	152	614	
Free cash flow	(31)	154	30	219	372	-	-	-	-	-	(31)	154	30	219	372	
<b>Openreach</b>																
Revenue	1,245	1,271	1,274	1,271	5,061	-	-	-	-	-	1,245	1,271	1,274	1,271	5,061	
EBITDA	605	642	660	694	2,601	-	-	-	-	-	605	642	660	694	2,601	
Free cash flow	269	311	452	460	1,492	-	-	-	-	-	269	311	452	460	1,492	
<b>Other</b>																
Revenue	28	14	26	63	131	(10)	4	(12)	(31)	(49)	18	18	14	32	82	
EBITDA	3	6	12	17	38	(2)	0	(3)	(8)	(13)	1	6	9	9	25	
Free cash flow	(289)	(180)	(352)	(346)	(1,167)	(2)	6	(4)	(17)	(17)	(291)	(174)	(356)	(363)	(1,184)	
<b>Intra-group items</b>																
Revenue	(971)	(970)	(978)	(977)	(3,896)	32	19	31	35	117	(939)	(951)	(947)	(942)	(3,779)	
<b>TOTAL</b>																
Revenue	4,449	4,491	4,599	4,748	18,287	-	-	-	-	-	4,449	4,491	4,599	4,748	18,287	
EBITDA	1,440	1,434	1,537	1,705	6,116	-	-	-	-	-	1,440	1,434	1,537	1,705	6,116	
Free cash flow	(60)	610	554	1,346	2,450	-	-	-	-	-	(60)	610	554	1,346	2,450	

<sup>1</sup> Before specific items. Free cash flow is before purchases of telecommunications licences, pension deficit payments and the cash tax benefit of pension deficit payments

**Appendix – impact of restatements on 2012/13<sup>1</sup>**

£m	As previously reported - 2012/13					Adjustments					Restated - 2012/13				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>BT Global Services</b>															
Revenue	1,731	1,757	1,748	1,934	7,170	60	52	51	59	222	1,791	1,809	1,799	1,993	7,392
EBITDA	171	182	215	264	832	26	27	31	34	118	197	209	246	298	950
Free cash flow	(263)	(119)	140	454	212	21	20	28	33	102	(242)	(99)	168	487	314
<b>BT Business</b>															
Revenue	849	870	875	922	3,516	(74)	(73)	(73)	(76)	(296)	775	797	802	846	3,220
EBITDA	244	252	267	284	1,047	(24)	(25)	(28)	(30)	(107)	220	227	239	254	940
Free cash flow	140	183	280	304	907	(19)	(18)	(25)	(29)	(91)	121	165	255	275	816
<b>BT Consumer</b>															
Revenue	959	952	953	982	3,846	-	-	-	-	-	959	952	953	982	3,846
EBITDA	246	238	228	256	968	-	-	-	-	-	246	238	228	256	968
Free cash flow	100	147	190	218	655	-	-	-	-	-	100	147	190	218	655
<b>BT Wholesale</b>															
Revenue	678	616	645	669	2,608	-	-	-	-	-	678	616	645	669	2,608
EBITDA	163	143	153	161	620	-	-	-	-	-	163	143	153	161	620
Free cash flow	(8)	63	115	178	348	-	-	-	-	-	(8)	63	115	178	348
<b>Openreach</b>															
Revenue	1,270	1,283	1,286	1,276	5,115	-	-	-	-	-	1,270	1,283	1,286	1,276	5,115
EBITDA	633	664	662	683	2,642	-	-	-	-	-	633	664	662	683	2,642
Free cash flow	289	328	448	410	1,475	-	-	-	-	-	289	328	448	410	1,475
<b>Other</b>															
Revenue	19	19	21	42	101	(13)	(10)	(7)	(17)	(47)	6	9	14	25	54
EBITDA	(5)	9	14	16	34	(2)	(2)	(3)	(4)	(11)	(7)	7	11	12	23
Free cash flow	(382)	(286)	(366)	(263)	(1,297)	(2)	(2)	(3)	(4)	(11)	(384)	(288)	(369)	(267)	(1,308)
<b>Intra-group items</b>															
Revenue	(1,002)	(1,004)	(1,001)	(1,010)	(4,017)	27	31	29	34	121	(975)	(973)	(972)	(976)	(3,896)
<b>TOTAL</b>															
Revenue	4,504	4,493	4,527	4,815	18,339	-	-	-	-	-	4,504	4,493	4,527	4,815	18,339
EBITDA	1,452	1,488	1,539	1,664	6,143	-	-	-	-	-	1,452	1,488	1,539	1,664	6,143
Free cash flow	(124)	316	807	1,301	2,300	-	-	-	-	-	(124)	316	807	1,301	2,300

<sup>1</sup> Before specific items. Free cash flow is before purchases of telecommunications licences, pension deficit payments and the cash tax benefit of pension deficit payments

**Appendix – impact of restatements on 2011/12<sup>1</sup>**

£m	As previously reported - 2011/12					Adjustments					Restated - 2011/12				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>BT Global Services</b>															
Revenue	1,906	2,015	1,895	1,996	7,812	49	61	60	60	230	1,955	2,076	1,955	2,056	8,042
EBITDA	189	210	196	240	835	22	26	33	32	113	211	236	229	272	948
Free cash flow	(9)	(4)	186	218	391	8	25	34	35	102	(1)	21	220	253	493
<b>BT Business</b>															
Revenue	884	903	895	912	3,594	(70)	(75)	(76)	(79)	(300)	814	828	819	833	3,294
EBITDA	250	253	264	270	1,037	(21)	(24)	(26)	(27)	(98)	229	229	238	243	939
Free cash flow	177	218	209	252	856	(3)	(22)	(29)	(27)	(81)	174	196	180	225	775
<b>BT Consumer</b>															
Revenue	979	981	985	980	3,925	-	-	-	-	-	979	981	985	980	3,925
EBITDA	216	214	214	238	882	-	-	-	-	-	216	214	214	238	882
Free cash flow	140	140	100	212	592	-	-	-	-	-	140	140	100	212	592
<b>BT Wholesale</b>															
Revenue	759	737	734	713	2,943	-	-	-	-	-	759	737	734	713	2,943
EBITDA	172	171	168	156	667	-	-	-	-	-	172	171	168	156	667
Free cash flow	(16)	88	10	177	259	-	-	-	-	-	(16)	88	10	177	259
<b>Openreach</b>															
Revenue	1,269	1,294	1,313	1,311	5,187	-	-	-	-	-	1,269	1,294	1,313	1,311	5,187
EBITDA	617	648	672	681	2,618	-	-	-	-	-	617	648	672	681	2,618
Free cash flow	256	431	385	442	1,514	-	-	-	-	-	256	431	385	442	1,514
<b>Other</b>															
Revenue	13	13	18	22	66	(9)	(10)	(14)	(15)	(48)	4	3	4	7	18
EBITDA	(16)	(8)	2	17	(5)	(1)	(2)	(7)	(5)	(15)	(17)	(10)	(5)	12	(20)
Free cash flow	(347)	(310)	(256)	(392)	(1,305)	(5)	(3)	(5)	(8)	(21)	(352)	(313)	(261)	(400)	(1,326)
<b>Intra-group items</b>															
Revenue	(1,022)	(1,026)	(1,044)	(1,038)	(4,130)	30	24	30	34	118	(992)	(1,002)	(1,014)	(1,004)	(4,012)
<b>TOTAL</b>															
Revenue	4,788	4,917	4,796	4,896	19,397	-	-	-	-	-	4,788	4,917	4,796	4,896	19,397
EBITDA	1,428	1,488	1,516	1,602	6,034	-	-	-	-	-	1,428	1,488	1,516	1,602	6,034
Free cash flow	201	563	634	909	2,307	-	-	-	-	-	201	563	634	909	2,307

<sup>1</sup> Before specific items. Free cash flow is before purchases of telecommunications licences, pension deficit payments and the cash tax benefit of pension deficit payments