

Portfolio of strong brands



UK's leading provider of fixed and mobile telecommunications and related secure digital products, solutions and services

- 93% superfast coverage; 11.9m ultrafast FTTP¹ premises
- Voted best mobile network by RootMetrics for the 19th time
- Able to serve customers in 180 countries

Five clear priorities to drive sustainable growth

Drive **Consumer** growth through **converged propositions** and **services**

Capitalise on **Business's unrivalled assets** to restore growth

Deliver **Openreach growth** and **strong returns on FTTP**

Digitise, automate and **reskill to transform** our cost base and improve productivity

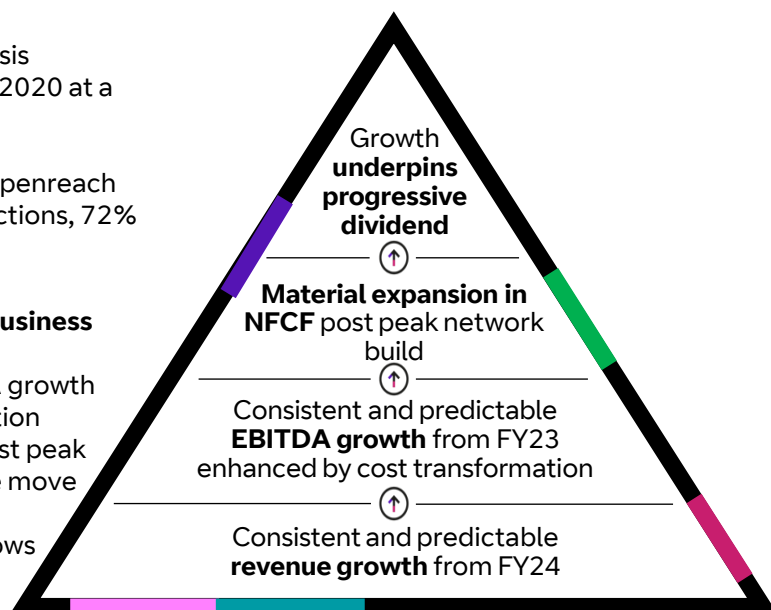
Optimise our **business portfolio** and **capital allocation**

In H1 FY24 BT Group delivered

- Revenue and EBITDA growth on a pro forma² basis
- £2.5bn gross annualised cost savings since April 2020 at a cost of £1.3bn
- Interim dividend of 2.31 pence per share
- Strong operational momentum including 33% Openreach FTTP take-up, 48% growth in retail FTTP connections, 72% 5G population coverage

Looking forward, BT Group will become a leaner business with a brighter future and will deliver

- Consistent and predictable revenue and EBITDA growth driven by CPI linked pricing and cost transformation
- Material expansion of NCF³ by at least £1bn post peak network build and £0.5bn from lower costs as we move towards an all-IP and all-FTTP network
- Progressive dividend policy that maintains or grows the dividend each year



Key financial measures and outlook³

Full year to 31 March	FY22	FY23	FY24 Outlook
Adjusted revenue ⁴	£20,306m	£20,431m	Growth on a pro forma basis
Adjusted EBITDA ⁴	£7,782m	£7,999m	Growth on a pro forma basis
Cash capital expenditure	£(4,829)m	£(5,307)m	c.£(5.0) ⁵
Normalised free cash flow	£1,392m	£1,328m	Toward top end of £1.0bn - £1.2bn
Dividend	7.70pps ⁶	7.70pps	Progressive
Net financial (debt)/cash	£(12.2)bn	£(13.5)bn	-
Pension deficit ⁷	£(1.1)bn	£(3.1)bn	-

Long term credit ratings | Moody's Baa2 | S&P BBB | Fitch BBB | Target rating: BBB+

¹ Fibre-to-the-premises | ² Pro forma numbers reflect the formation of Sports Joint Venture between BT Sport and Eurosport UK |

³ Normalised free cash flow | ⁴ Before specific items | ⁵ Outlook is for Reported capital expenditure | ⁶ Pence per share | ⁷ IAS 19 Gross Pension deficit

H1 FY24	Adjusted revenue	Adjusted EBITDA	KPIs ¹	Customers	Products
Consumer	£4,903m	£1,347m	Broadband churn: 1.1% Postpaid mobile churn: 1.0%	UK consumers	Lines, mobile, broadband, TV, TNT Sports
Business	£4,100m	£806m	External broadband lines: 1.3m Mobile customers: 4.0m	UK SMBs, Corporates, Public Sector, Communications Providers, MNCs ²	Broadband, networking, voice, mobile, IT services, Ethernet, secure multi-cloud access, security
Openreach	£3,053m	£1,936m	FTTP deployment: 11.9m premises FTTP connections: 3.9m	Communications Providers	Fibre and copper broadband, Ethernet



BT Group of the future – we connect for good

 openreach The leading UK-wide fixed access wholesaler	 Consumer: The UK's leading connectivity and digital services platform	 Business: The leading connectivity and digital services platform
Networks Nationwide FTTP Best Ethernet Simple exchange footprint	Best performing fixed connectivity Market-leading mobile connectivity Most reliable converged core network	
Customer Fast, flexible, industry-leading service for CPs ³ and end-customers	Trusted, secure and personalised omni-channel customer experiences with leading digital touch-points	
Efficiency	Lean and agile organisation with superior digital, AI and automation capabilities Responsible, inclusive and sustainable business	

		Actuals			Future BT Group
		FY19	FY23	H1 FY24	FY28-FY30
Networks	Openreach FTTP premises passed	1.2m	10.3m	11.9m	25m-30m
	Openreach FTTP take up	25%	30%	33%	40-55%
	5G UK population coverage	0%	68.1%	71.8%	>98%
Customer	Retail FTTP take up ⁴	284k	1.8m	2.2m	6.5m-8.5m
	5G connections ⁴	0m	8.6m	9.9m	13.0m-14.5m
	Convergence households	23%	23%	23%	30-50%
	Group NPS	+11.7	+22.1	+22.7	+30.0-35.0
Efficiency	Units on legacy networks	>16m ⁵	10.6m	9.1m	<500k
	Total headcount	130k ⁶	130k	123k	75k-90k

¹ Selected KPIs | ²Multinational corporations | ² Communications Providers | ⁴ Consumer and Business retail connections | ⁵ Formal tracking began in FY20 with a baseline of 16.2m | ⁶ Formal tracking of subcontractors began after FY19