Regulatory Financial Statements

For the Financial Year ended 31 March 2024



Ofcom Statement on BT's Regulatory Financial Statements 2024

Ofcom statement

Introduction

In March 2021 we published our decisions on the regulation of fixed telecoms and voice markets for the period April 2021 to March 2026. These decisions included regulatory financial reporting requirements on BT. This year's regulatory financial statements (RFS) cover the third year of this 5-year market review period.

BT is required to publish any statement we make commenting on the data in the RFS. We believe it is helpful to draw users' attention to the following aspects of the 2024 RFS.

Impact of inflation on BT's returns

In previous statements, we noted that returns reported in BT's 2022 and 2023 RFS appeared relatively high as they had been affected by the impact of inflation on reported asset values. Due to reductions in inflation, total returns in the 2024 RFS are lower than they were in 2023.

As the RFS are prepared on a current cost accounting basis, BT must revalue its assets each year, based on an estimate of the cost to replace them. For some assets, we set out how this should be done; for example, BT is required to revalue duct, copper, and pole assets by reference to RPI at the year end. The estimated cost of replacing these assets and the reported mean capital employed will therefore increase each year in line with inflation. This increase, or "holding gain," is recognised in the income statement for the year and has the effect of reducing reported net costs and increasing reported returns.

The use of RPI on 31 March 2023 (when annual inflation was around 13.5%) and 31 March 2022 (when annual inflation was around 9%) resulted in significant increases in the reported value of duct, copper and pole assets and contributed to the increase in reported returns in both years. The values of these assets in this year's RFS are based on RPI as of 31 March 2024, of around 4.3%. While this increases the reported value of these assets, the holding gain is significantly smaller than last year, resulting in lower returns for Openreach overall and for SMP markets that make the greatest use of these assets, in particular WLA Area 2 and WLA Area 3.

Future regulation of fixed telecoms and voice markets

We have started the market reviews into the regulation of fixed telecoms and voice markets from March 2026 and intend to publish a consultation by March 2025 on our proposals. The financial information within this year's RFS (in particular the 2023 restated results) will help to inform some of our analysis.

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Section 1 - Introduction to the Regulatory Financial Statements

1.1 Regulatory Financial Reporting Obligations

The ultimate holding company of British Telecommunications plc ('the Company') is BT Group plc. The terms 'the Group', 'the Company', 'BT', 'we', 'us' or 'our' refer collectively to BT Group plc and its subsidiary undertakings. The form and content of our Regulatory Financial Statements (RFS) are based on the reporting obligations set by Office of Communications (Ofcom). We refer to these obligations as the Final Statements (see Section 2.4 'Final Statements set out by Ofcom').

1.1.1 Openreach Reporting

In line with Sections 20.3 to 20.6 of the Commitments, we are required to disclose the financial results of Openreach (OR) separately and to reconcile the financial results to the Openreach segmental information shown in BT Group plc's Annual Report. We have included this information in Section 5 of these statements.

1.1.2 Markets with Significant Market Power (SMP Markets)

We are directed, under Ofcom's 'Promoting competition and investment in fibre networks: Wholesale Fixed Telecoms Market Review 2021-26' (WFTMR), to report on the following markets and services where we are considered to have Significant Market Power (SMP), in the FY24 RFS:

- Physical Infrastructure (PI)
- Wholesale Local Access Area 2 (WLA Area 2)
- Wholesale Local Access Area 3 (WLA Area 3)
- Leased Line Access Area 2 (LLA Area 2)
- Leased Line Access Area 3 (LLA Area 3)
- Leased Line Access High Network Reach (LLA HNR)
- Inter-exchange Connectivity BT only exchanges (IEC BT only)
- Inter-exchange Connectivity BT+1 exchanges (IEC BT+1)
- Shared Ancillaries

We are also directed, under Ofcom's 'Wholesale Voice Markets Review 2021–26' (WVMR), to report summary information on the following markets and services:

- Wholesale Call Termination (WCT)
- Time Division Multiplex (TDM) Interconnection
- Internet Protocol (IP) Interconnection

1.2 Regulatory Market Review Cycle

1.2.1 Overview of Market Review Cycle

Ofcom periodically reviews the communications markets, in accordance with the Communications Act 2003, as amended.

The process involves three analytical stages:

- Market Definition Ofcom identifies and defines each relevant market, in terms of its products and geographic scope.
- Market Power Analysis Ofcom assesses whether BT or any other Communication Provider (CP) has a position of SMP in any of these relevant markets.
- SMP Remedies Ofcom consults on market definitions, SMP designation and proposed regulatory remedies on BT or any other CP, to address competition concerns that arise from the identification of SMP.

This is followed by consultations with stakeholders, after which Ofcom concludes and potentially imposes SMP remedies for the next period. BT and other stakeholders then have two months to appeal Ofcom's decision.

Prior to the expiry of the market review, where the remedies are in place, the market review cycle will start again. The review cycle spans five years, with the most recent reviews (WFTMR and WVMR) effective from 1 April 2021 to 31 March 2026.

1.2.2 Wholesale Fixed Telecoms Market Review (WFTMR)

Ofcom published the final WFTMR statement in March 2021, which covers the period from 1 April 2021 to 31 March 2026.

Ofcom's statement set out a clear and long-term framework to promote network investment by all parties. It also ensured that consumers continue to have access to affordable broadband as new networks and services become available. The regulatory framework has five-year market review periods and looks across all wholesale fixed telecoms markets.

1.2.3 Wholesale Voice Market Review (WVMR)

Similarly, in March 2021, Ofcom published the final statement for the WVMR. This statement set out the regulation of the wholesale markets that underpin landline and mobile telephone calls in the UK for the period from 1 April 2021 to 31 March 2026.

Section 1 - Introduction to the Regulatory Financial Statements

1.3 Summary of Market Updates and Financial Performance

1.3.1 SMP Markets

Ofcom market regulations through WFTMR and WVMR became effective from 1 April 2021. SMP markets reported in the FY24 RFS are consistent with those reported in FY23.

Overall Market Update

We are continuing with our vision to provide full fibre connections to 25m premises across the UK by December 2026 – a target we are well over halfway towards completing. From rural villages to city centres, we've now passed more than 13.8 million homes and businesses – equivalent to over 40% of UK premises.

A combination of UK Government tax policy and Ofcom's Wholesale Fixed Telecoms Market Review (WFTMR) have driven investment and fierce competition across our industry. An alt-net community – with access to our ducts and poles – has added to an already strong retail market. This is leading to better outcomes and giving customers an even wider choice of offers, products and services.

Meanwhile, technology change keeps getting faster and there'll be increasing challenges to reach more rural, isolated communities. Our focus will be on upgrading as many customers as possible, including playing our part in the Government's Project Gigabit programme.

We attach the highest priority to delivering the best level of service for our customers and have seen improvements to our customer satisfaction scores over the past year. We have a clear focus: delivering great service, building full fibre at pace across the UK and upgrading customers to our best available network.

To support future-proofed networks, Openreach has been working with industry to move UK landlines from the legacy Public Switched Telephone Network (PSTN) to a new digital network by the end of January 2027. We've continued our work this year to support CPs and the industry to withdraw analogue services.

Impact of CCA Adjustments on Market Performance

The RFS are prepared on a Current Cost Accounting (CCA) basis, which differs from the Historical Cost Accounting (HCA) basis used in the Annual Report. The different basis in the RFS reflects the principle that Ofcom's regulation should incentivise efficient investment in new technologies. The Annual Report outlines the costs we as a company actually incurred. Using CCA, we revalue certain assets each year to their current values. Gains or losses on revaluation ("holding (gains)/losses") are taken to the income statement together with differences in annual depreciation charges arising from variances between the CCA and HCA values ("supplementary depreciation").

Retail Price Index (RPI) increase during the year was 4.30% compared with 13.51% for FY23. This led to a material change in the holding gain primarily on copper, duct and pole assets which are indexed on the basis of RPI. As the holding gain is recognised as reduction in costs, the lower holding gain has resulted in increased costs and reduced return for FY24 compared to FY23.

CCA impacts market Return on Capital Employed (ROCE) in two aspects:

- Revaluation gains on underlying assets and related depreciation recognised directly in each market, impacting both returns as well as Mean Capital Employed (MCE) balances; and
- Reduction of costs recharged from the Physical Infrastructure market to the downstream markets and services.

Overall Financial Performance

For Openreach markets, ROCE decreased by 5.1 percentage points from 13.4% in FY23 to 8.3% in FY24. This primarily reflects the impact of inflation reductions driving a lower Current Cost Accounting (CCA) holding gain in FY24, which increases costs and decreases return.

Openreach total revenue increased by £410m from £5,672m to £6,082m. This is mainly driven by annual price rises and increased volumes in higher speed fibre-enabled products and services as customers switch towards faster speeds, offset partially by decreased volumes in legacy copper products and services and an increase in take-up of Equinox discounts.

Openreach total costs increased by £1,244m from £3,250m to £4,494m. Nearly 75% of this increase, £912m, is driven by reduced CCA holding gains on copper, duct and pole assets due to a reduction in inflation. We are also seeing higher net labour costs due to pay inflation, increases in cumulo (business rates) charges and electricity costs, and higher restructuring costs within Openreach.

Openreach total MCE increased by £1,120m from £18,119m to £19,239m. The increase in MCE is mainly driven by continued upfront investment in the fibre network ahead of demand, partly offset by a reduction in the amount of Cash and Cash Equivalents recognised in the RFS.

1.3.2 PI Market

The PI Market remains a key SMP market and covers the physical infrastructure available to Communication Providers (CPs), which facilitates the provision of network access and services to be provided to the end customer. The infrastructure is predominantly comprised of duct, poles and footway boxes, which are used to carry cables used by a variety of different downstream markets, such as WLA, LLA and IEC.

PI Market Update

The scope of the PI market covers the supply of wholesale access to telecoms physical infrastructure for deploying a telecoms network in the United Kingdom excluding the Hull Area. We are required to publish revenue, volume, average price and cost information for PI rentals, split between internal and external customers, at the level they are regulated (i.e. each duct, footway box and pole charge). We are also required to separately report external purchases of PI rentals and those rentals provided as inputs to downstream Openreach services.

As the cost information on each individual duct and pole service is not separately recorded, an apportionment methodology is used to allocate costs to individual services. We attribute all relevant duct and pole assets to the PI market. We are required to provide an explanation should we attribute any such costs outside of this market.

Costs associated with network adjustments undertaken by Openreach or CPs to make Openreach physical infrastructure accessible and ready for use by other telecommunications providers, up to a financial limit, are required to be included in the reported cost base of PI rental services. Network adjustments above this financial limit are to be expensed in the market and disclosed against a separate service. Ancillaries required specifically for PI also need separate disclosure.

Demand for our poles and duct products continues to increase. According to Ofcom, "as of the end of September 2023, 169 providers had registered with Openreach as customers of PIA, and nearly 90% had already built network using PIA or have placed orders to do so. Providers have ordered c.160,000km of duct (48,000km of which has been delivered) and approximately 1.2 million poles (373,000 of which have been delivered) to deploy networks)"

PI Market Performance Summary

ROCE was consistent year on year at 7.0%. Currently only about 3% of PI revenue is a notional "recharge" to downstream markets at cost plus an allowable return (7.0% of MCE). This treatment of PI costs results, by design, in a ROCE of 7.0%, consistent with Ofcom's determined WACC of 7.0% used in cost modelling for WFTMR.

¹ Connected Nations 2023: UK Report 2023 (Ofcom.org.uk) page 28, published 19 December 2023

Section 1 - Introduction to the Regulatory Financial Statements

Revenue increased by £725m from £(12)m to £713m. PI revenue is mostly internal and represents an input cost to downstream markets e.g. WLA, LLA, and Openreach non-SMP. As the PI return is set at 7.0% of capital, increase in cost due to significant reduction to CCA holding gains has led to a corresponding increase in computed internal revenue. Higher internal revenue means an increase to costs recharged to downstream markets, reducing ROCE for these downstream markets.

Costs increased by £666m from £(454)m to £212m. This increase is mainly attributed to a reduction in CCA adjustment holding gains as these are recognised against costs.

MCE increased by £853m from £6,297m to £7,150m. Increase in MCE is driven by an increase to the duct and poles asset base due to continued investment in the fibre network, and by CCA indexation for the year based on 4.3% RPI.

1.3.3 WLA Markets

The WLA markets remain the biggest SMP markets by assets under WFTMR for the 2021-2026 period and describe the copper and fibre fixed lines connecting end-users to access nodes in BT exchanges. CPs use these lines to connect end-users to their voice or broadband nodes located in BT exchanges to provide telephone and internet services (including superfast and ultrafast broadband) to a wide range of customers.

WLA is split into two markets based on geographic areas and competition:

- WLA Area 2: areas where there is some material and sustainable commercial deployment by rival networks to Openreach or where this could be economic during the review period; and
- WLA Area 3: areas where there is unlikely to be material and sustainable commercial deployment by rival networks to Openreach during the review period.

WLA Markets Update

The WLA markets cover the supply of wholesale local access at a fixed location in Area 2 and Area 3. We are required to publish revenue, volume, average price, and cost information for the specified Metallic Path Facilities (MPF), Single Order Generic Ethernet Access (SOGEA), Fibre to the Cabinet (FTTC), and Fibre to the Premises (FTTP) services and WLA specific ancillaries, split between internal and external customers in each of Area 2 and Area 3. We are also required to publish a note for WLA Area 3 summarising the number of non-subsidised homes passed with FTTP.

WLA Markets Performance Summary

ROCE decreased by 7.5 percentage points from 11.4% to 3.9%. Increases in revenue are masked by increases in costs, which are primarily due to the CCA holding gain reduction.

Revenue increased by £481m from £2,950m to £3,431m. This is mainly due to the continued volume improvement to higher speed FTTP and SOGEA services as customers switch towards faster speeds and price increases across most services, partially offset by volume decreases in FTTC and MPF services and increased take-up of Equinox discounts.

Costs increased by £999m from £2,128m to £3,127m. Nearly 60% of the increase is attributable to the holding gain CCA reduction, both through an increased attribution of cost from the PI market and direct holding gain reduction in the WLA asset base. In addition, net labour costs have increased due to pay rises, increased allocations to this market as the fibre rollout continues, and increased depreciation on fibre assets in line with the build programme.

MCE increased by £571m from £7,220m to £7,791m. The increase in MCE is driven by an increased asset base as a result of continued fibre roll out, and higher SOGEA volumes. Increases are partially offset by a reduction in the amount of Cash and Cash Equivalents recognised in the RFS.

1.3.4 LLA Markets

Under WFTMR, the Business Connectivity market is divided in to Leased Lines Access (LLA) and Interexchange Connectivity (IEC) Markets. LLA markets include the provision of leased lines access services which provide connections from BT exchanges to end-user business sites. LLA is split into three regulated markets based on geographic areas and competition:

- LLA Area 2: areas where there is, or there is likely to be potential for, material and sustainable competition during the review period.
- LLA Area 3: areas where there is not, and there is unlikely to be potential for, material and sustainable competition during the review period; and
- LLA High Network Reach (HNR): areas which includes other postcode sectors where there are two or more rival networks to Openreach in the provision of leased lines during the review period.

The above markets are based on the specified postcode sectors as set out in the Final Statements (see Section 2.4).

LLA Markets Update

The LLA markets cover the supply of leased line access in the Area 2, Area 3 and HNR Area. We are required to publish revenue, volume and average price for the specified ethernet, optical, excess construction charges, time related charges and other ancillary services, split between internal and external customers in each of the LLA Area 3 and LLA Area 3 and LLA Area 3 markets. We are required to publish revenue, volume, average price, cost and ROCE information for the specified dark fibre services, split between internal and external customers for the LLA Area 3 markets.

LLA Markets Performance Summary

ROCE increased by 0.8 percentage points from 15.9% to 16.7%. The ROCE movement is due to revenue increase resulting from price rises and increased demand for higher bandwidth products, partially offset by higher costs mainly due to increased downstream costs from the PI market due to the CCA holding gain reduction, and an increase to MCE due to new fibre assets as part of the infrastructure build.

Revenue increased by £108m from £783m to £891m. This is mainly due to an average of 8% price increases on Ethernet Services products and increased volume of higher bandwidth services rentals, particularly 1Gbs products.

Costs increased by £84m from £533m to £617m. Increase in cost is mainly attributed to increased PI downstream costs, and increased depreciation charges in line with the ongoing fibre build.

MCE increased by £62m from £1,574m to £1,636m. This is primarily driven by continued investment in distribution and spine fibre.

1.3.5 IEC Markets

IEC markets include the provision of dedicated circuits used for interexchange services that provide backhaul connections between BT exchanges. IEC is split into two regulated markets based on geographic areas and competition:

- IEC BT only exchanges: areas where only BT operate; and
- IEC BT+ 1: areas where only BT and no more than one other CP currently operate.

The above markets are based on the specified postcode sectors as set out in the Final Statements (see Section 2.4).

Section 1 – Introduction to the Regulatory Financial Statements

IEC Markets Update

The IEC regulated markets cover the supply of interexchange connectivity in BT Only exchanges and BT+1 exchanges. We are required to publish revenue, volume, average price, cost and ROCE information for the specified ethernet, optical, excess construction charges, time related charges and other ancillary services, split between internal and external customers in each of the IEC BT Only and IEC BT+1 markets. Additionally, we are required to publish revenue, volume, average price, cost and ROCE information for the specified dark fibre services, split between internal and external customers for IEC BT only market.

IEC Markets Performance Summary

ROCE decreased by 1.1 percentage points from 91.4% to 90.3%. This is principally due to increased downstream costs allocated from the PI market as a result of the CCA reduction in holding gains.

Revenue has increased by £8m from £202m to £210m. Within this we have seen a switch from Optical services revenues to Ethernet Access Direct (EAD), due to a reduction in Optical Services connections following completion of a number of backhaul projects in FY23, and increased take-up of EAD services.

Costs increased by £15m from £74m to £89m, as a result of increased cost allocations from the PI market due to the CCA reduction in holding gains compared to FY23.

MCE decreased by £6m from £140m to £134m, which relates to the reduction in the amount of Cash and Cash Equivalents recognised in the RFS.

1.3.6 Shared Ancillaries

Ancillary means an associated facility or service which support the provision of access to the electronic communications network. The ancillaries shared across SMP markets are reported together to provide transparency on revenues and costs without requiring complex allocations. Shared ancillaries include cablelink, accommodation and electricity charges.

Shared Ancillaries Market Update

We are required to publish revenue and cost information for the shared ancillaries, split between internal and external customers, at the level that they are regulated. We are also required to include shared ancillaries required for IP Interconnection.

Shared Ancillaries Market Performance Summary

ROCE decreased by 12 percentage points from 28% to 16%. Revenue decreased by £2m from £144m to £142m and costs increases in costs are mainly driven by a small increase in IT overhead allocations, higher electricity wholesale prices and one-off costs relating to our Better Workplace programme. MCE increased by £5m from £164m to £169m, mainly driven by investments in our Better Workplace programme.

1.3.7 WCT Market

The WCT market reports wholesale charges for calls to BT fixed lines, for carrying the call to the BT terminating line from the nearest point in the network at which other CPs could interconnect.

WCT Market Update

Under WVMR (for the 2021-2026 period), most of the Narrowband Markets that related to wholesale call origination were deregulated as CPs move to more modern methods of supplying landlines. However, Ofcom has determined that BT still hold SMP for the wholesale call termination (WCT) to the UK geographic numbers. The WCT market covers the wholesale call termination services that are provided by BT to another communications provider, for the termination of voice calls to geographic numbers in the area served by BT.

We are not required to publish market level information on WCT, however, we are required to publish service level revenue, volume, and price information.

WCT Market Performance Summary

 $Revenue\ remained\ fairly\ stable\ at\ \pounds 5m, with\ price\ increases\ being\ offset\ by\ decreased\ volumes\ of\ calls\ terminating\ on\ UK\ geographic\ numbers.$

1.3.8 Interconnection

Interconnection means the services provided in association with the provision of wholesale call termination services to enable interconnection by means of Interconnect Circuits or at an IP Point of Connection.

Interconnection Market Update

Under WVMR, SMP conditions were also set for the interconnection services that BT provide for the purpose of giving access to wholesale call termination. Interconnection includes fixed line telephone services on both the legacy Time Division Multiplex (TDM) network as well as the contemporary internet protocol (IP) network.

Although we are not required to publish market level information on interconnection, we are required to publish service level revenue, volume, and price information. Cost information for interconnection is prepared separately from the cost allocation system and submitted privately to Ofcom.

Interconnection Market Performance Summary

Interconnection reporting includes revenue, volume and price information as well as cost estimates for the year.

TDM interconnection revenue decreased to £2m. Volumes are on a declining trajectory as the industry transitions to internet-based telephony.

Section 2: Basis of Preparation

Section 2 - Basis of Preparation

2.1 Regulatory Accounting Framework

British Telecommunications plc has, by agreement with BT Group plc, prepared the RFS in accordance with the Regulatory Accounting Principles (RAP) (as described in Section 2.2 below) and Accounting Methodology Document (AMD) (as described in Section 2.3 below), by disaggregating balances recorded in the general ledgers and other accounting records of the Group.

The RAP and AMD set out the framework under which the RFS are prepared.

The Directors of BT plc have considered the going concern assessment made by BT Group plc as approved on 15 May 2024 in the Group financial statements. Due to the timing between those Group accounts being authorised for issue and the date of approval of these financial statements, the directors of BT plc have performed enquiries with the directors of BT Group plc as to whether there have been any significant changes in performance or circumstances that are relevant to the Group's ability to continue as a going concern during the going concern assessment period. Accordingly, the RFS are prepared on a going concern basis.

In accordance with Section 435(1) of the Companies Act 2006, these RFS are not our statutory accounts.

The Group financial statements consolidate the financial statements of BT Group plc and its subsidiaries and include its share of the results of associates and joint ventures using the equity method of accounting

Our Annual Report details the basis of preparation and explains the accounting policies adopted by the Group. Our Annual Report 2024, on which the independent external auditors issued an unqualified report, did not contain a statement under Section 498(2) or 498(3) of the Companies Act 2006 and has been delivered to the Registrar of Companies.

2.2 Regulatory Accounting Principles (RAP)

The RAP are the principles we apply or use in the preparation of the RFS. For example, we must attribute revenues, costs, assets and liabilities in accordance with the activities which cause the revenues to be earned, or costs to be incurred, or assets to be acquired, or liabilities to be incurred respectively.

Ofcom set out its conclusions in the Regulatory Financial Reporting Final Statement it issued on 20 May 2014 that, in preparing the RFS, BT shall comply with the RAP, including the requirement for consistency with regulatory decisions.

This requirement is reiterated in the RAP amended by Ofcom's SMP conditions imposed following market reviews, most recently within the 'Promoting competition and investment in fibre networks: Wholesale Fixed Telecoms Market Review 2021-26' Final Statement dated 18 March 2021: Volume 7, Schedule 1, Condition 11.7.

Ofcom requires us to ensure that the Regulatory Auditor should state in their opinion if the RFS have been properly prepared in accordance with, among others, the RAP and if the Regulatory Auditor is unable to give an opinion on any required matters, the reasons for this must be reported in the RFS. KPMG have informed us that they are unable to give an opinion on the matter of compliance with principle 5 (Causality) and Principle 6 (Compliance with the statutory accounting standards) and have explained their reasons in the Audit Report in Section 4.

2.3 Documentation and Application of the Regulatory Accounting Framework

In adhering to the RAP, we prepare and annually update our methodology documentation, the AMD. This document covers:

- Attribution Methods we explain how we attribute revenues, transfer charges, costs, assets and liabilities to activities, and the assumptions we have used in applying financial and operational data to determine these attribution methods.
- Transfer Charge System Methodology we explain our approach to transfer charges within our regulatory costing system (CostPerform).
- No Undue Discrimination we demonstrate an equivalent treatment for internal and external CPs. For each reported market, we disclose the average price of services sold to external CPs and the average price sold to internal CPs.
- Accounting Policies the way we apply the requirements of the Companies Act 2006 and our accounting policies, in line with the RAP. The AMD details the accounting policies adopted in preparing the underlying financial information.
- Current Cost Accounting (CCA) we prepare the RFS under the Financial Capital Maintenance (FCM) convention in accordance with the principles set out in the handbook "Accounting for the Effects of Changing Prices", published in 1986 by the Accounting Standards Committee. Under the FCM convention, we include changes in asset values in the RFS income statement as unrealised holding gains or losses. The CCA section also includes the Regulatory Asset Valuation (RAV) where Ofcom has directed an alternative methodology for valuing parts of the local access network.
- Usage Factors we use usage factors in our costing methodology to reflect the different usage of network components by services.

In addition to the AMD, we publish a Wholesale Catalogue which separately identifies and describes services which are internally, or both internally supplied, and those which are used in the course of supplying other wholesale services.

The product and geographic markets defined by Ofcom's Final Statements do not correspond to how the Group is organised for management and accounting purposes. The RFS are therefore produced by overlaying the requirements of the regulatory reporting framework on the management and accounting structure of the Group.

We reconcile the RFS to our statutory accounts (in Section 5 of these RFS) and we explain any differences.

Due to the complex nature of the RFS, figures in this report are individually rounded to the nearest relevant unit (e.g. £m or £0.1m). Totals and sub-totals are calculated based on these rounded figures and percentages are based on unrounded figures. Where required by the Final Statements, rounding differences are shown on each individual schedule. Where rounding differences are not shown, minor summation inconsistencies may arise between schedules.

2.4 Final Statements set out by Ofcom

Below are the Final Statements setting out the legal conditions and directions relevant to the RFS, with which we have complied for the year ended 31 March 2024:

- Promoting competition and investment in fibre networks: Wholesale Fixed Telecoms Market Review 2021-26; and
- Wholesale Voice Markets Review 2021–26

2.5 Changes to BT's Financial Reporting Obligations

The changes resultant of the WFTMR and WVMR, as set out in Section 1.2, have been implemented from 1 April 2021 and continue to be reflected in the current year's RFS.

Section 2 - Basis of Preparation

2.6 Comparability of Current and Prior Year Results

The FY24 results are prepared in accordance with the AMD issued on 31 July 2024.

The restated comparatives for the year ended 31 March 2023 reflect:

- methodology changes, as listed in the FY24 Change Control Notification, which are summarised in section 2.2 of Appendix 2; and
- all known errors above Ofcom's defined materiality threshold, as described in section 2.3 of Appendix 2.

The impact of these changes is shown in sections 2.4.1 to 2.4.3 of Appendix 2.

2.7 Comparability of RFS with BT Annual Report

The structure for reporting of costs in the RFS was directed in the WFTMR, this means costs are not reported in the same format as the operating cost note (note 6) to the 2024 BT Annual Report.

The RFS reporting of operating costs will differ to that in note 6 to the 2024 BT Annual Report because:

- we are directed by Ofcom to expense certain installation costs which are recognised as assets by the Group.
- we include short term financing costs within Other Operating Costs in the RFS, while in the 2024 BT Annual Report financing costs are reported separately; and
- revenue recognised as internal in the RFS is eliminated in other operating costs.

Furthermore, in the RFS we report revenue, cost and MCE against the Ofcom directed market structure (most recently directed in the WFTMR and WVMR). Our approach to allocating costs in the RFS may mean we present credit balances (or income) for products, services and markets which are reported as a cost in the 2024 BT Annual report. Where this is the case (e.g. for Other Operating Costs), these balances relate to labour recoveries and should be viewed alongside other Net Labour balances.

2.8 Key Changes to Accounting Policies during the Year

There have been no material changes to accounting standards which have impacted the FY24 RFS.

During the year we have implemented a number of methodology changes, as detailed in the reconciliation report, which is included as Appendix 2 to this document.

Section 3: Statement of Responsibility

Section 3 - Statement of Responsibility

British Telecommunications plc (the "Company") is required to prepare the RFS in accordance with the Final Statements as described in Section 2.4 'Final Statements set out by Ofcom'.

The RFS include comparative information for the year ended 31 March 2023 originally published on 31 July 2023 (the "FY23 RFS"). The FY23 RFS were subsequently subject to certain restatements and re-presentations detailed in section 2.6. The Reconciliation Report (Appendix 2) provides additional detail on the impact of these methodology changes and errors identified subsequent to publishing the FY23 RFS.

The directors confirm to the best of their knowledge that the RFS for the year ended 31 March 2024 (the "FY24 RFS") have been prepared in accordance with the requirements of the Final Statements, the AMD and Wholesale Catalogue issued on 31 July 2024 and in accordance with the RAP.

The directors confirm to the best of their knowledge that the comparative information for the year ended 31 March 2023 included in the RFS have been prepared in accordance with the requirements of the Final Statements and the AMD issued on 31 July 2023 subject to certain restatements and re-presentations as detailed in Appendix 2.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in the United Kingdom governing the preparation and dissemination of financial statements and dissemination of financial s

Openreach

The Company is also required in accordance with the Commitments to separately report the financial results of Openreach within the RFS as explained in Section 1.1.

The Commitments require the Company to report the financial results of Openreach, including the following:

- Openreach financial information such as headline revenue, operating costs disaggregated by major cost category, depreciation, revenues broken down into the broad product groups that Openreach Business Unit provides and further split between internal and external sales, and separately identified payments to other parts of BT for products that form inputs to Openreach Business Unit products (e.g., electronics); and
- Reconciliation of Openreach's revenue, operating profit and return or profit before tax (and other such items as agreed between the Company and Ofcom) with financial information about Openreach shown in BT's Annual Report.

The Openreach Financial Statements can be found in Section 5 and include comparative information for the year ended 31 March 2023. These comparatives were subject to certain restatements and representations detailed in Appendix 2.

The form, content and basis of preparation of the financial results of Openreach follow those used in the preparation of the RFS as described above, except where differences are agreed with Ofcom.

The directors confirm to the best of their knowledge that the Openreach Financial Statements for the year ended 31 March 2024, have been prepared in accordance with the AMD and Wholesale Catalogue issued on 31 July 2024, and comply with the financial reporting requirements of the Commitments, issued on 15 September 2023.

The directors confirm to the best of their knowledge that the comparative information for the Openreach Financial Statements for the year ended 31 March 2023 included in the RFS, have been prepared in accordance with the requirements of the Final Statements and the AMD issued on 31 July 2023 subject to certain restatements and re-presentations as detailed in Appendix 2, and comply with the requirements of the Financial reporting requirements of the Commitments, issued on 15 September 2023.

Approved by the Board of Directors and signed on its behalf by:

Simon Lowth
Director, British Telecommunications plc
30 July 2024

Section 4: Audit Report

Independent auditor's report to the Directors of British Telecommunications plc ("BT" or "the Company") and Ofcom ("the Regulator")

Opinion

We have audited the Market Financial Statements and the Reconciliation Report set out in Appendix 2 (together referred to as the "2024 Financial Statements") of BT Group plc (the "Group") contained within the Regulatory Financial Statements 2024.

The Market Financial Statements comprises the: Summary of Market Performance, the Review of Physical Infrastructure Markets, the Review of Wholesale Local Access Markets, the Review of Leased Line Access Markets, the Review of Inter-Exchange Connectivity Markets, the Review of Shared Ancillaries, the Review of Wholesale Call Termination (WCT) Market, the Review of Time Division Multiplex (TDM) Interconnection, Review of Internet Protocol (IP) Interconnection as set out in Sections 5 to 13, and Appendix 3 respectively, and the accounting policies in the Basis of Preparation in Section 2.

The "Market Summary Statements", within the Market Financial Statements, comprise the statements of financial performance for each market for the year ended 31 March 2024 shown within the Performance Summary by Market on pages 17 to 18, including those listed below on which we express an opinion (the "PPIA Markets"):

- Physical Infrastructure ("PI");
- Wholesale Local Access ("WLA") Area 2;
- WLA Area 3;
- Leased lines access ("LLA") Area 2;
- LLA Area 3:
- LLA High Network Reach ("HNR");
- Interexchange connectivity ("IEC") BT only;
- IEC BT + 1; and
- Shared Ancillaries.

For the avoidance of doubt, we do not express separate audit opinions in respect of:

- Wholesale Call Termination ("WCT"); and
- TDM and IP Interconnection.

The "Openreach Information", within the Market Financial Statements, comprises the total figures for Openreach within the Performance Summary by Market in Section 5.1, Attribution of Operating Costs in Section 5.2, and Attribution of MCE in Section 5.3, together with the reconciliation statements headed "Openreach" in section 5.4 on pages 23 to 25 and the notes on pages 24 to 25 where they relate to these tables and Openreach.

The Market Financial Statements include comparative information for the year ended 31 March 2023, first published on 31 July 2023, which has been restated and re-presented (the "Restated Financial Statements").

In our opinion:

- a) the Market Financial Statements, as a whole, and the Market Summary Statements for each of the PPIA Markets for the year ended 31 March 2024 have been properly prepared, in all material respects, in accordance with the procedures defined in the Accounting Methodology Document ("AMD") and the Wholesale Catalogue dated 31 July 2024 and Regulatory Accounting Principles 1, 2, 3 and 7 in the Final Statements issued by Ofcom listed in Section 2.4 on page 7 (the "Final Statements"), and comply with the disclosure requirements of the Final Statements;
- b) the Openreach Information for the year ended 31 March 2024 has been properly prepared, in all material respects, in accordance with the procedures defined in the AMD and the Wholesale Catalogue dated 31 July 2024 and complies with the disclosure requirements of the Commitments of British Telecommunications plc and Openreach Limited to Ofcom made on 15 September 2023 (the "Commitments");
- the Restated Financial Statements, as a whole, have been properly prepared, in all material respects, in accordance with the procedures defined in the AMD and the Wholesale Catalogue dated 31 July 2023 as amended, where applicable, in accordance with note 2.6 "Comparability of Current and Prior Year Results" on page 8 and Regulatory Accounting Principles 1, 2, 3 and 7 in the Final Statements, and comply with the disclosure requirements of the Final Statements; and
- d) for the Reconciliation Report:
 - (i) all Material Changes, as defined in the Final Statements, were included in the Change Control Notification published on 28 March 2024;
 - (ii) the description of each of the Material Changes provided by BT in the Change Control Notification is accurate in all material respects;
 - (iii) BT included each and every Material Change in the Reconciliation Report;
 - (iv) the impact of all changes presented in the Market Financial Statements has been, in all material respects, correctly calculated in accordance with the Final Statements; v) the description of each of the Material Errors, as defined in the Final Statements, provided by BT in the Reconciliation Report is, in all material respects, accurate; and
 - (v) the corrected figures for the year ended 31 March 2023 set out in the Reconciliation Report are properly prepared, in all material respects, in accordance with the AMD for the year ended 31 March 2023 had the AMD not included these Material Errors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), including ISA (UK) 800 (except as stated in the section on Auditor's responsibilities of our report), the terms of our engagement letter dated 29 April 2024 and having regard to the guidance contained in ICAEW Technical Release 02/16AAF (Revised) Reporting to Regulators on Regulato

Emphasis of matter - special purpose basis of preparation

We draw attention to the fact that the 2024 Financial Statements have been prepared in accordance with a special purpose framework, as set out in Section 2.1, including Ofcom's Regulatory Accounting Principles in the Final Statements (the "Regulatory Accounting Principles"). In particular, we note:

- As regards Principle 4 (Objectivity) of Ofcom's Regulatory Accounting Principles, where BT has used assumptions in applying financial and operational data, the manner in which these assumptions have been determined are defined within the AMD.
- As regards Principle 5 (Causality) of Ofcom's Regulatory Accounting Principles, BT has performed the attributions in accordance with the AMD.

• As regards Principle 6 (Compliance with statutory accounting standards) of Ofcom's Regulatory Accounting Principles, whilst the Regulatory Financial Statements 2024 have been prepared using data from the 2024 Statutory Financial Statements of the Group, as stated below they have not been prepared in accordance with UK-adopted international accounting standards and changes have been necessary to reflect the procedures and rules set out in the Final Statements.

The 2024 Financial Statements have been prepared in accordance with a special purpose basis of preparation to assist the Company in complying with the requirements of the Final Statements issued by Ofcom. The nature, form and content of the 2024 Financial Statements are determined by Ofcom. It is not appropriate for us to assess whether the nature of the information being reported upon is suitable or appropriate for Ofcom's purposes. Accordingly, we make no such assessment.

The 2024 Financial Statements are separate from the 2024 Statutory Financial Statements of the Group and have not been prepared in accordance with UK-adopted international accounting standards. Financial information other than that prepared in accordance with UK-adopted international accounting standards does not necessarily represent a true and fair view of the financial performance or financial position of the Group as shown in 2024 Statutory Financial Statements prepared in accordance with the Companies Act 2006.

As a result, the 2024 Financial Statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Going concern

The directors of British Telecommunications plc ("the Directors") have prepared the 2024 Financial Statements on the going concern basis as they have concluded that the Group's financial position means that it is realistic that the Group will not be liquidated or cease operations. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the 2024 Financial Statements ("the going concern period").

Our procedures in relation to going concern included examining the Group's financial position and going concern disclosures included in the Group's 2024 Statutory Financial Statements as authorised on 15 May 2024, and considering events in the period since the authorisation of those financial statements which could impact the Group's financial position and forecasts. We performed subsequent event inquiries, together with review of the Group's forecast for the going concern period, and assessed whether the Directors had appropriately taken any subsequent events into account in their assessment.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the 2024 Financial Statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may have cast significant doubt on the Group's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in Section 2.1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group will continue in operation.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors, the audit committee and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Executive Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, recent revisions to guidance and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because non-long-term contract revenues are not judgemental and consist of a high number of low value transactions, and long-term contracts are generally low in complexity with most having a revenue recognition profile aligned to billing.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries posted in the general ledgers, used for the preparation of the 2024 Statutory Financial Statements, based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, those posted and approved by the same user and those posted to unusual or seldom used accounts.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the 2024 Financial Statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of noncompliance throughout the audit.

The potential effect of these laws and regulations on the 2024 Financial Statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the 2024 Financial Statements including the financial reporting aspects of the Ofcom regulations, and we assessed the extent of compliance with these regulations as part of our procedures on the related 2024 Financial Statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the 2024 Financial Statements, for instance through the imposition of fines or litigation or the loss of the Group's licence to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, regulations affecting telecommunication providers, and regulated nature of the Group's activities (including Ofcom regulation). Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the 2024 Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the 2024 Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The other information comprises all information in the Regulatory Financial Statements 2024 other than the 2024 Financial Statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the 2024 Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether based on our 2024 Financial Statements audit work, the information therein is materially misstated or inconsistent with the 2024 Financial Statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Directors' Responsibilities

As explained more fully in the Directors' Statement of Responsibility set out on pages 9 and 10 the Directors of British Telecommunications plc (the "Company") are responsible for the preparation of the 2024 Financial Statements, including the Market Financial Statements and the Reconciliation Report, the Market Summary Statements, and the Restated Financial Statements in accordance with the Final Statements, as set out in Section 2.4 of this document, the Company's AMD and the Wholesale Catalogue dated 31 July 2024.

The Directors are also responsible for the preparation of the Openreach Information in accordance with the Commitments, as set out in Section 2.4 of this document, and the Company's AMD and the Wholesale Catalogue dated 31 July 2024.

The Directors are also responsible for the preparation of the Restated Financial Statements and Reconciliation Report under the current cost convention in accordance with: the Final Statements, as set out in Section 2.4 of this document, the Company's AMD and the Wholesale Catalogue dated 31 July 2024; and in accordance with the Final Statements, as set out in Section 2.4 of this document, the Company's AMD and the Wholesale Catalogue dated 31 July 2023, as amended, where applicable, in accordance with note 2.6 "Comparability of Current and Prior Year Results" on page 8 in respect of information for the year ended 31 March 2023.

In relation to the Reconciliation Report, the Directors are responsible for:

- (i) Including in the Change Control Notification published on 28 March 2024 all Material Changes, as defined in the Final Statements;
- (ii) Accurately describing each of the Material Changes in the Change Control Notification and in the Reconciliation Report;
- (iii) Including each and every Material Change in the Reconciliation Report;
- (iv) Correctly calculating the impact of all changes presented in the Market Financial Statements in accordance with the Final Statements;
- (v) Properly preparing the Reconciliation Report in accordance with the AMD for the year ended 31 March 2023 had the Accounting Methodology Document not included these Material Errors.

As explained in the "Basis of Preparation" in Section 2, the Company has prepared the 2024 Financial Statements by disaggregating balances recorded in the general ledgers and other accounting records of the Group maintained in accordance with the Companies Act 2006 and used, in accordance with that Act, for the preparation of the Statutory Financial Statements for the years ended 31 March 2023.

The Directors are also responsible for determining that the basis of preparation is acceptable in the circumstances and also for such internal control as they determine is necessary to enable the preparation of the 2024 Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the 2024 Financial Statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless the Directors assess that the Group's financial position means that there is no realistic alternative to either liquidating the Group or to ceasing operations.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the following are free from material misstatement, whether due to fraud or error, and whether:

- a) the Market Financial Statements as a whole, and the Market Summary Statements for each of the PPIA Markets for the year ended 31 March 2024 have been properly prepared, in all material respects, in accordance with the procedures defined in the AMD and the Wholesale Catalogue dated 31 July 2024 and Regulatory Accounting Principles 1, 2, 3 and 7 in the Final Statements, and comply with the disclosure requirements of the Final Statements;
- b) the Openreach Information for the year ended 31 March 2024 has been properly prepared, in all material respects, in accordance with the procedures defined in the AMD and the Wholesale Catalogue dated 31 July 2024 and complies with the disclosure requirements of the Commitments of British Telecommunications plc and Openreach Limited to Ofcom made on 15 September 2023;
- the Restated Financial Statements as a whole have been properly prepared, in all material respects, in accordance with the procedures defined in the AMD and the Wholesale Catalogue dated 31 July 2023 as amended, where applicable, in accordance with note 2.6 "Comparability of Current and Prior Year Results" on page 8 and Regulatory Accounting Principles 1, 2, 3, and 7 in the Final Statements, and comply with the disclosure requirements of the Final Statements; and
- d) for the Reconciliation Report:
 - (i) all Material Changes, as defined in the Final Statements, were included in the Change Control Notification published on 28 March 2024;
 - (ii) the description of each of the Material Changes provided by BT in the Change Control Notification is accurate in all material respects;
 - (iii) BT included each and every Material Change in the Reconciliation Report;
 - (iv) the impact of all changes presented in the Market Financial Statements has been, in all material respects, correctly calculated in accordance with the Final Statements;
 - (v) the description of each of the Material Errors, as defined in Final Statements, provided by BT in the Reconciliation Report is, in all material respects, accurate; and
 - (vi) the corrected figures for the year ended 31 March 2023 set out in the Reconciliation Report are properly prepared, in all material respects, in accordance with the AMD for the year ended 31 March 2023 had the AMD not included these Material Errors.

In relation to a) and c) above, our responsibilities are to give an opinion in respect of the Regulatory Accounting Principles 1, 2, 3, and 7 and the disclosure requirements of the Final Statements are to give an opinion in respect of the Regulatory Accounting Principles 4 and 5 are not sufficiently detailed to a level of detail that would allow an audit to be performed, and Regulatory Accounting Principle 6 is not relevant as the 2024 Financial Statements are prepared in accordance with a special basis of preparation, as required by Ofcom, and are not prepared in accordance with UK-adopted international accounting standards. See the "Basis of Preparation" on pages 6 to 8 for further detail.

Our objective is also to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 2024 Financial Statements.

A further description of our responsibilities is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities, except as set out as follows:

- We have not assessed whether the accounting policies are appropriate to the circumstances of the Group where these are laid down in the Final Statements as set out by Ofcom. Where the Final Statements do not give specific guidance on the accounting policies to be followed, our audit includes an assessment of whether the accounting policies adopted in respect of the transactions and balances required to be included in the 2024 Financial Statements are consistent with those used in the preparation of the 2024 Statutory Financial Statements of the Group.
- The nature, form and content of the 2024 Financial Statements are determined by Ofcom. It is not appropriate for us to assess whether the nature of the information being reported upon is suitable or appropriate for Ofcom's purposes. Accordingly, we make no such assessment

We audited the statutory financial statements of BT Group plc (the "Statutory Financial Statements") for the year ended 31 March 2024 ("the 2024 Statutory Financial Statements") on which we expressed an unmodified audit opinion on 15 May 2024. Our audit report on the 2024 Statutory Financial Statements describes the scope of our 2024 Statutory Financial Statements, and in providing the opinions above, we have not performed any additional tests of the transactions and balances which are recorded in the general ledgers and other accounting records beyond those already performed for the purpose of the audit of the 2024 Statutory Financial Statements.

The purpose of our audit work and to whom we owe our responsibilities

This report is made, on terms that have been agreed, solely to British Telecommunications plc and Ofcom in order to meet the requirements of the Final Statements issued by Ofcom. Our audit work has been undertaken so that we might state to British Telecommunications plc and Ofcom those matters that we have agreed to state to them in our report, in order (a) to assist British Telecommunications plc to meet its obligation as specified in the Final Statements issued by Ofcom to procure a report and (b) to facilitate the carrying out by the Ofcom of its regulatory functions, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than British Telecommunications plc and Ofcom, for our audit work, for this report or for the opinions we have formed.

Our opinion on the 2024 Financial Statements is separate from our opinions on the Statutory Financial Statements of BT Group plc for the year ended 31 March 2024, and for the year ended 31 March 2023, which are prepared for different purposes. Our audit reports in relation to the Statutory Financial Statements of BT Group plc (our "Statutory audits") were made solely to the members of BT Group plc, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our Statutory audit work was undertaken so that we might state to the members of BT Group plc those matters we are required to state to them in a statutory audit report and for no other purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume responsibility for any other purpose or to any other person to whom our Statutory Audits reports is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Engagement partner

The engagement partner on the audit resulting in this independent auditor's report is John Edwards.

KPMG LLP Chartered Accountants 15 Canada Square London E14 5GL 30 July 2024

| ection 5: Summary of Market Performance | |
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5.1 Performance Summary by Market For the year ended 31 March 2024

| | | | | | | | | Openreach | | | | | | 1 | Rest of BT | | BT Group | |
|---------------------------------|----|----------------|--------|--------|--------|-------|---------------|-------------|-----------|-------------|-----------|---------|--------------|--------|------------|--------------|----------|--------|
| | | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| | | Infrastructure | Area 2 | Area 3 | Area 2 | | network reach | exchanges | exchanges | ancillaries | | | | | | | | |
| PI revenues | | | | | | | | | | | | | | • | | | | |
| External purchases | £m | 33 | | | | | | | | | 33 | | - | 33 | | - | | 33 |
| Internal purchases | £m | 19 | | | | | | | | | 19 | | - | 19 | | (19) | | - |
| Inputs to downstream services | £m | 661 | | | | | | | | | 661 | | (661) | - | | - | | - |
| Total PI revenues | £m | 713 | | | | | | | | | 713 | _ | (661) | 52 | | (19) | | 33 |
| Other revenues | | | | | | | | | | | | | | | | | | |
| External revenue | £m | | 1,349 | 658 | 267 | 155 | 21 | 47 | 18 | 142 | 2,657 | 443 | - | 3,100 | 17,665 | - | (1) | 20,764 |
| Internal revenue | £m | | 841 | 583 | 274 | 151 | 23 | 88 | 57 | - | 2,017 | 913 | - | 2,930 | 415 | (3,344) | (1) | _ |
| Total other revenue | £m | | 2,190 | 1,241 | 541 | 306 | 44 | 135 | 75 | 142 | 4,674 | 1,356 | - | 6,030 | 18,080 | (3,344) | (2) | 20,764 |
| Total revenue | £m | 713 | 2,190 | 1,241 | 541 | 306 | 44 | 135 | 75 | 142 | 5,387 | 1,356 | (661) | 6,082 | 18,080 | (3,363) | (2) | 20,797 |
| Attribution of PI costs | £m | - | 244 | 133 | 32 | 23 | 2 | 9 | 2 | - | 445 | 214 | (661) | (2) | 19 | (19) | 2 | _ |
| Operating costs | £m | 123 | 1,134 | 590 | 168 | 85 | 15 | 25 | 18 | 85 | 2,243 | 360 | - | 2,603 | 13,915 | (3,379) | - | 13,139 |
| Depreciation | £m | 212 | 588 | 334 | 172 | 83 | 15 | 18 | 14 | 28 | 1,464 | 384 | - | 1,848 | 2,917 | (23) | (1) | 4,741 |
| Specific items | £m | 12 | 63 | 34 | 14 | 7 | 1 | 2 | 1 | 2 | 136 | 30 | - | 166 | 784 | (2) | 1 | 949 |
| Total HCA operating costs | £m | 347 | 2,029 | 1,091 | 386 | 198 | 33 | 54 | 35 | 115 | 4,288 | 988 | (661) | 4,615 | 17,635 | (3,423) | 2 | 18,829 |
| CCA adjustments | £m | (135) | 4 | 3 | - | - | - | - | - | - | (128) | 7 | - | (121) | - | - | (3) | (124) |
| Total CCA operating costs | £m | 212 | 2,033 | 1,094 | 386 | 198 | 33 | 54 | 35 | 115 | 4,160 | 995 | (661) | 4,494 | 17,635 | (3,423) | (1) | 18,705 |
| CCA return | £m | 501 | 157 | 147 | 155 | 108 | 11 | 81 | 40 | 27 | 1,227 | 361 | - | 1,588 | 445 | 60 | (1) | 2,092 |
| Mean capital employed | £m | 7,150 | 4,885 | 2,906 | 1,042 | 503 | 91 | 73 | 61 | 169 | 16,880 | 2,359 | - | 19,239 | 21,940 | (108) | (1) | 41,070 |
| Return on mean capital employed | % | 7.0% | 3.2% | 5.1% | 14.8% | 21.4% | 12.9% | 111.4% | 62.8% | 16.2% | 7.3% | 15.3% | | 8.3% | 2.0% | | | 5.1% |

Notes:

1) Rest of BT includes the following total revenue for wholesale call termination ("WCT") (section 11), the interconnect circuits listed in the Annex to Condition 3C ("TDM interconnection") (section 12) and interconnection provided at IP Points of Connection ("IP interconnection") (section 13)

| | | Total revenue |
|---------------------|----|---------------|
| WCT | £m | 5 |
| TDM interconnection | £m | 2 |
| IP interconnection | £m | - |

2) Main link services are reported in the LLA and IEC markets. The Main Link volume attributed to each market is calculated based on the Main Link associated with the circuits attributed to that market. The Main Link volume is calculated on the basis of the serving exchanges associated with the A end and B end of each circuit within each market.

The geographical market location of a given Main Link circuit may not match the geographical market location of the circuit which it serves. This is because the serving exchanges for the Main Link may be in different postcodes to the A end and B ends of the circuit associated with it. The geographical location of the A and B ends of the circuit the Main Link may be in different postcodes to the A end and B ends of the circuit associated with it. The geographical location of the A and B ends of the circuit the Main Link may be in different postcodes to the A end and B ends of the circuit associated with it. The geographical location of the A and B ends of the circuit which it serves.

3) Specifics Reconciliation to the annual report

| | | | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|---|----|----------------|--------|--------|--------|--------|---------------|-------------|-----------|-------------|-----------|---------|--------------|-------|------------|--------------|----------|------|
| | | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Tota |
| | | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 | network reach | exchanges | exchanges | ancillaries | | | | | | | | |
| Restructuring charges | £m | 13 | 61 | 34 | 14 | 7 | 1 | 2 | 1 | 1 | 134 | 24 | _ | 158 | 234 | (2) | (2) | 38 |
| Historical property-related provisions | £m | - | 2 | 1 | - | - | _ | - | - | 1 | 4 | 5 | - | 9 | 24 | - | 1 | 3 |
| Sports JV - subsequent movements | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | 32 | - | - | 3 |
| Retrospective regulatory matters | £m | - | 1 | - | - | - | - | - | - | - | 1 | - | - | 1 | 16 | - | 1 | 1 |
| Other divestment-related items | £m | (1) | (2) | (1) | - | - | - | - | - | - | (4) | (1) | - | (5) | (17) | - | - | (22 |
| mpairment charges due to property rationalisation | £m | - | 1 | - | - | - | - | - | - | - | 1 | 2 | - | 3 | 7 | - | 1 | 1 |
| mpairment of goodwill | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | 488 | - | - | 48 |
| Specific items | £m | 12 | 63 | 34 | 14 | 7 | 1 | 2 | 1 | 2 | 136 | 30 | - | 166 | 784 | (2) | 1 | 94 |

5.1 Performance Summary by Market Restated for the year ended 31 March 2023

| | | | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|---------------------------------|----|----------------|--------|--------|--------|--------|---------------|-------------|-----------|-------------|-----------|---------|--------------|---------|------------|--------------|----------|---------|
| | | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| | | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 | network reach | exchanges | exchanges | ancillaries | | | | | | | J | |
| PI revenues | | | | | | | | | | | | | | - | | | | |
| External purchases | £m | 13 | | | | | | | | | 13 | | - | 13 | | - | | 13 |
| Internal purchases | £m | (2) | | | | | | | | | (2) | | - | (2) | | 2 | | - |
| Inputs to downstream services | £m | (23) | | | | | | | | | (23) | | 23 | - | | - | | - |
| Total PI revenues | £m | (12) | | | | | | | | | (12) | _ | 23 | 11 | _ | 2 | | 13 |
| Other revenues | | | | | | | | | | | | | | | | | | |
| External revenue | £m | | 1,236 | 583 | 234 | 132 | 19 | 48 | 25 | 144 | 2,421 | 540 | - | 2,961 | 17,707 | - | - | 20,668 |
| Internal revenue | £m | | 664 | 467 | 245 | 132 | 21 | 79 | 50 | - | 1,658 | 1,042 | - | 2,700 | 383 | (3,083) | - | _ |
| Total other revenue | £m | | 1,900 | 1,050 | 479 | 264 | 40 | 127 | 75 | 144 | 4,079 | 1,582 | - | 5,661 | 18,090 | (3,083) | - | 20,668 |
| Total revenue | £m | (12) | 1,900 | 1,050 | 479 | 264 | 40 | 127 | 75 | 144 | 4,067 | 1,582 | 23 | 5,672 | 18,090 | (3,081) | - | 20,681 |
| Attribution of PI costs | £m | - | (5) | (3) | (4) | (2) | - | (1) | - | _ | (15) | (8) | 23 | - | (2) | 2 | _ | _ |
| Operating costs | £m | 79 | 950 | 486 | 157 | 79 | 14 | 23 | 16 | 72 | 1,876 | 506 | - | 2,382 | 13,776 | (3,119) | (3) | 13,036 |
| Depreciation | £m | 196 | 518 | 299 | 176 | 84 | 16 | 20 | 14 | 24 | 1,347 | 449 | - | 1,796 | 2,802 | (25) | - | 4,573 |
| Specific items | £m | 5 | 32 | 18 | 8 | 4 | 1 | 1 | 1 | 2 | 72 | 33 | - | 105 | 453 | (2) | (1) | 555 |
| Total HCA operating costs | £m | 280 | 1,495 | 800 | 337 | 165 | 31 | 43 | 31 | 98 | 3,280 | 980 | 23 | 4,283 | 17,029 | (3,144) | (4) | 18,164 |
| CCA adjustments | £m | (734) | (111) | (56) | - | - | - | - | - | - | (901) | (132) | - | (1,033) | (3) | 3 | (1) | (1,034) |
| Total CCA operating costs | £m | (454) | 1,384 | 744 | 337 | 165 | 31 | 43 | 31 | 98 | 2,379 | 848 | 23 | 3,250 | 17,026 | (3,141) | (5) | 17,130 |
| CCA return | £m | 442 | 516 | 306 | 142 | 99 | 9 | 84 | 44 | 46 | 1,688 | 734 | _ | 2,422 | 1,064 | 60 | 5 | 3,551 |
| Mean capital employed | £m | 6,297 | 4,488 | 2,732 | 1,004 | 480 | 90 | 79 | 61 | 164 | 15,395 | 2,724 | - | 18,119 | 21,721 | (123) | - | 39,717 |
| Return on mean capital employed | % | 7.0% | 11.5% | 11.2% | 14.1% | 21.0% | 11.5% | 108.5% | 71.6% | 27.7% | 11.0% | 26.9% | | 13.4% | 4.9% | | | 8.9% |

Notes:

1) Rest of BT includes the following total revenue for wholesale call termination ("WCT") (section 11), the interconnect circuits listed in the Annex to Condition 3C ("TDM interconnection") (section 12) and interconnection provided at IP Points of Connection ("IP interconnection") (section 13)

 Total revenue

 WCT
 £m
 5

 TDM interconnection
 £m
 4

 IP interconnection
 £m

2) Main link services are reported in the LLA and IEC markets. The Main Link volume attributed to each market is calculated based on the Main Link associated with the circuits attributed to that market. The Main Link volume is calculated on the basis of the serving exchanges associated with the A end and B end of each circuit within each market.

The geographical market location of a given Main Link circuit may not match the geographical market location of the circuit which it serves. This is because the serving exchanges for the Main Link may be in different postcodes to the A end and B ends of the circuit associated with it. The geographical location of the A and B ends of the circuit the Main Link may be in different postcodes to the A end and B ends of the circuit associated with it. The geographical location of the A and B ends of the circuit the Main Link may be in different postcodes to the A end and B ends of the circuit associated with it. The geographical location of the A and B ends of the circuit which it serves.

3) Specifics Reconciliation to the annual report

| | | | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|---|----|----------------|--------|--------|--------|--------|---------------|-------------|-----------|-------------|-----------|---------|--------------|-------|------------|--------------|----------|------|
| | | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Tota |
| | | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 | network reach | exchanges | exchanges | ancillaries | | | | | | | | |
| Restructuring charges | £m | 5 | 30 | 17 | 8 | 4 | 1 | 1 | 1 | 1 | 68 | 23 | _ | 91 | 211 | (2) | _ | 300 |
| BT Sport disposal | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | 155 | - | - | 155 |
| Sports JV - subsequent movements | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | 34 | - | - | 3. |
| Retrospective regulatory matters | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | 12 | - | - | 11 |
| Other divestment-related items | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 | - | - | 1 |
| mpairment charges due to property rationalisation | £m | - | 4 | 2 | 1 | - | - | - | - | 1 | 8 | 11 | - | 19 | 45 | - | 1 | 65 |
| Finance expense relating to BT Sport disposal | £m | - | (2) | (1) | (1) | - | - | - | - | - | (4) | (1) | - | (5) | (6) | - | (2) | (13 |
| Specific items | £m | 5 | 32 | 18 | 8 | 4 | 1 | 1 | 1 | 2 | 72 | 33 | _ | 105 | 453 | (2) | (1) | 555 |

5.2 Attribution of Operating Costs For the year ended 31 March 2024

| | | | | | | | | Openreach | | | | | | | Rest of B I | | B1 Group | |
|--|--|--|--|--|--|--|--|---|---|--|--|---|----------------------------|---|--|---|--|---|
| (i) Operating costs by type | | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| (i) Operating costs by type | | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 ne | twork reach | exchanges | exchanges | ancillaries | | | | | | | | |
| FOLIONATION | C | | | | | | | | | | | | | | | | | |
| EOI input prices Attribution of PI costs | £m £m | - | 244 | 133 | 32 | 23 | - | 9 | - | - | - 445 | 214 | (661) | - (2) | 19 | (19) | 2 | - |
| Wages and salaries | £m | 97 | 769 | 408 | 114 | 57 | 10 | 9 | 6 | 12 | 1,482 | 210 | (661) | (2) 1,692 | 2,164 | (12) | (1) | 3,843 |
| Social security costs | £m | 11 | 86 | 46 | 13 | 6 | 10 | 1 | 1 | 12 | 166 | 23 | _ | 189 | 2,104 | (1) | (1) | 425 |
| Other pension costs | £m | 16 | 121 | 64 | 18 | 9 | 2 | 1 | 1 | 2 | 234 | 34 | _ | 268 | 316 | (2) | | 582 |
| Share-based payment expense | £m | - | 121 | - | - | - | _ | - | | _ | 254 | - | | 200 | 71 | (2) | | 71 |
| Own work capitalised | £m | (52) | (426) | (234) | (49) | (24) | (4) | (3) | (2) | (5) | (799) | (112) | _ | (911) | (351) | 5 | (1) | (1,258) |
| Net indirect labour costs | £m | 14 | 55 | 29 | 7 | 3 | 1 | (5) | (2) | 3 | 112 | 21 | | 133 | 323 | - | (1) | 456 |
| Product costs | £m | - | 1 | 1 | 9 | 4 | 1 | _ | _ | - | 16 | 2 | _ | 18 | 3,523 | _ | _ | 3,541 |
| Sales commissions | £m | _ | | | _ | - | | _ | _ | _ | - | - | _ | - | 636 | _ | _ | 636 |
| Payments to telecommunications operators | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 1,228 | _ | _ | 1,228 |
| Property and energy costs | £m | 3 | 238 | 140 | 36 | 19 | 3 | 8 | 7 | 61 | 515 | 191 | _ | 706 | 645 | (14) | 1 | 1,338 |
| Network operating and IT costs | £m | 14 | 79 | 44 | 14 | 7 | 1 | 4 | 4 | 8 | 175 | 61 | _ | 236 | 701 | (7) | _ | 930 |
| TV programme rights charges | £m | - | - | - | - | _ | - | _ | _ | _ | _ | _ | _ | | - | - | _ | _ |
| Provision and installation | £m | _ | 27 | 13 | 2 | 1 | - | - | _ | _ | 43 | 14 | - | 57 | 458 | _ | _ | 515 |
| Marketing and sales | £m | 1 | 3 | 1 | 1 | - | - | - | _ | _ | 6 | 1 | - | 7 | 360 | _ | _ | 367 |
| Net impairment of losses on TR and contract assets | £m | 1 | 4 | 2 | 3 | 1 | - | 1 | _ | _ | 12 | 6 | - | 18 | 145 | _ | 2 | 165 |
| Other operating costs | £m | 19 | 191 | 84 | 1 | 3 | _ | 4 | 1 | 3 | 306 | 54 | _ | 360 | 3,527 | (3,348) | (1) | 538 |
| Other operating income | £m | (1) | (14) | (8) | (1) | (1) | - | - | _ | - | (25) | (145) | - | (170) | (68) | - | ` _ | (238) |
| Total operating costs before depreciation | £m | 123 | 1,378 | 723 | 200 | 108 | 17 | 34 | 20 | 85 | 2,688 | 574 | (661) | 2,601 | 13,934 | (3,398) | 2 | 13,139 |
| | | | , | | | | | | | | • | | | • | ŕ | .,,, | | ŕ |
| Depreciation | | | | | | | | | | | | | | | | | | |
| Duct | £m | 187 | 6 | 4 | - | - | - | - | - | - | 197 | 9 | - | 206 | - | - | 1 | 207 |
| Poles | £m | 12 | - | - | - | - | - | - | - | - | 12 | - | - | 12 | - | - | - | 12 |
| Copper | £m | 1 | 178 | 92 | - | - | - | - | - | - | 271 | 205 | - | 476 | 3 | (2) | (1) | 476 |
| Fibre | £m | 2 | 235 | 145 | 107 | 53 | 9 | 2 | - | 1 | 554 | 32 | - | 586 | 5 | (4) | 2 | 589 |
| Electronics | £m | - | 29 | 19 | 44 | 20 | 4 | 11 | 9 | - | 136 | 20 | - | 156 | 212 | (6) | (1) | 361 |
| Software | £m | 10 | 49 | 27 | 6 | 3 | 1 | 1 | 1 | 3 | 101 | 18 | - | 119 | 1,145 | (1) | (1) | 1,262 |
| Land and buildings | £m | 1 | 13 | 7 | 2 | 1 | - | - | - | - | 24 | 4 | - | 28 | 8 | - | - | 36 |
| Right of use assets | £m | 8 | 70 | 37 | 9 | 4 | 1 | 2 | 2 | 5 | 138 | 56 | - | 194 | 463 | (5) | (1) | 651 |
| Other assets | £m | 4 | 28 | 16 | 4 | 2 | - | 2 | 2 | 19 | 77 | 40 | - | 117 | 1,081 | (5) | 1 | 1,194 |
| Less funded assets (BDUK, etc.) | £m | (13) | (20) | (13) | - | - | - | - | - | - | (46) | - | - | (46) | - | - | (1) | (47) |
| Total depreciation | £m | 212 | 588 | 334 | 172 | 83 | 15 | 18 | 14 | 28 | 1,464 | 384 | - | 1,848 | 2,917 | (23) | (1) | 4,741 |
| | | | | | | | | | | | | | | | | | | |
| Specific items | £m | 12 | 63 | 34 | 14 | 7 | 1 | 2 | 1 | 2 | 136 | 30 | - | 166 | 784 | (2) | 1 | 949 |
| T | • | 247 | | | | 198 | 33 | 54 | 35 | 115 | 4,288 | 988 | (661) | 4,615 | | | 2 | 10 020 |
| Total HCA operating costs | £m | 347 | 2,029 | 1,091 | 386 | 198 | 33 | 0-1 | | | | | (/ | 4,615 | 17,635 | (3,423) | 2 | 18,829 |
| | ±m | 347 | 2,029 | 1,091 | 386 | 196 | 33 | 5 4 | | | | | (553) | 4,615 | 17,635 | (3,423) | 2 | 10,029 |
| CCA adjustments | | | · | | 386 | 196 | 33 | - | | | | | (201) | · | · | (3,423) | | |
| CCA adjustments Holding gains | £m | (323) | (61) | (32) | 386 | - | - | - | - | _ | (416) | (60) | - | (476) | 17,635 (1) | 1 | (1) | (477) |
| CCA adjustments Holding gains Supplementary depreciation | £m £m | (323) 189 | (61) 64 | (32) 34 | 386 - - | - | - - | - | - | | (416) 287 | (60) 66 | - | (476) 353 | · | (3,423) 1 (1) | (1) (1) | |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments | £m £m £m | (323) | (61) | (32) | 386 - - - | 199 | - - - | - - - | - - - | - | | | - | (476) | · | 1 | (1) | (477) |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding | £m £m £m £m | (323) 189 (1) | (61) 64 1 | (32) 34 1 | - - - - | - - - - | - - - - | - - - - | - - - - | <u>-</u> | 287 1 - | 66 1 - | | (476) 353 2 | (1) 1 - | 1 (1) - - | (1) (1) (1) | (477) 352 1 - |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments | £m £m £m | (323) 189 | (61) 64 1 | (32) 34 | - - - | 198 - - - - 198 | - - - - - 33 | - - - - - 54 | - - - - - 35 | - - - - 115 | | 66 | (661) | (476) 353 2 | · | 1 | (1) (1) (1) | (477) |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs | £m £m £m £m | (323) 189 (1) | (61) 64 1 | (32) 34 1 | - - - - | - - - - | - - - - | - - - - | - - - - 35 | - - - 115 | 287 1 - | 66 1 - | | (476) 353 2 | (1) 1 - | 1 (1) - - | (1) (1) (1) | (477) 352 1 - |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: | £m £m £m £m £m | (323) 189 (1) | (61) 64 1 - 2,033 | (32) 34 1 - 1,094 | - - - - 386 | - - - - 198 | - - - - | - - - - 54 | - - - - 35 | | 287 1 - 4,160 | 66 1 - 995 | | (476) 353 2 - 4,494 | (1) 1 - - 17,635 | 1 (1) - - | (1) (1) (1) - (1) | (477) 352 1 - 18,705 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m £m £m | (323) 189 (1) | (61) 64 1 - 2,033 | (32) 34 1 - 1,094 | - - - - | - - - - | - - - - | - - - - | - - - - 35 | - - - 115 | 287 1 - | 995 | | (476) 353 2 - 4,494 | (1) 1 - 17,635 | 1 (1) - - | (1) (1) (1) - (1) | (477) 352 1 - 18,705 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: | £m £m £m £m £m | (323) 189 (1) | (61) 64 1 - 2,033 | (32) 34 1 - 1,094 | - - - - 386 | - - - - 198 | - - - - | - - - - 54 | - - - - - 35 | | 287 1 - 4,160 | 66 1 - 995 | | (476) 353 2 - 4,494 | (1) 1 - - 17,635 | 1 (1) - - | (1) (1) (1) - (1) | (477) 352 1 - 18,705 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m £m £m | (323) 189 (1) | (61) 64 1 - 2,033 | (32) 34 1 - 1,094 | - - - - 386 | - - - - 198 | 33 | - - - - 54 | - - - - 35 | 2 | 287 1 - 4,160 | 995 | | (476) 353 2 - 4,494 | (1) 1 - 17,635 | 1 (1) - - | (1) (1) (1) - (1) | (477) 352 1 - 18,705 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | (323) 189 (1) | (61) 64 1 - 2,033 | (32) 34 1 - 1,094 | - - - - 386 | - - - - 198 | - - - 333 | - - - 54 2 - 1 | 1 - | 2 | 287 1 - 4,160 | 66 1 - 995 77 (1) | - - - (661) | (476) 353 2 - 4,494 320 (1) | (1) 1 - - 17,635 | (3,423) | (1) (1) (1) - (1) (1) | (477) 352 1 - 18,705 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | (323) 189 (1) - 212 | (61) 64 1 - 2,033 | (32) 34 1 - 1,094 73 (9) 23 | - - - 386 25 - 9 | - - - 198 14 - 4 | - - - 33 | - - - - 54 2 - 1 | 1 | 2 - 1 | 287 1 - 4,160 243 - 89 | 77 (1) | (661) | (476) 353 2 - 4,494 320 (1) 100 | (1) 1 - 17,635 23 253 152 Rest of BT | (3,423) | (1) (1) (1) - (1) (1) 1 - | (477) 352 1 - 18,705 342 253 252 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs | £m £m £m £m £m | (323) 189 (1) - 212 - - 8 | (61) 64 1 - 2,033 124 9 42 | (32) 34 1 - 1,094 73 (9) 23 | - - - 386 25 - 9 | - - - 198 14 - 4 | - - - 33 2 - 1 | 54 2 - 1 Openreach IEC BT only | 1 - - - IEC BT +1 | 2 - 1 | 287 1 - 4,160 | 66 1 - 995 77 (1) | - - - (661) | (476) 353 2 - 4,494 320 (1) | (1) 1 - - 17,635 | (3,423) | (1) (1) (1) - (1) (1) | (477) 352 1 - 18,705 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | (323) 189 (1) - 212 | (61) 64 1 - 2,033 | (32) 34 1 - 1,094 73 (9) 23 | - - - 386 25 - 9 | - - - 198 14 - 4 | - - - 33 | - - - - 54 2 - 1 | 1 | 2 - 1 | 287 1 - 4,160 243 - 89 | 77 (1) | (661) | (476) 353 2 - 4,494 320 (1) 100 | (1) 1 - 17,635 23 253 152 Rest of BT | (3,423) | (1) (1) (1) - (1) (1) 1 - | (477) 352 1 - 18,705 342 253 252 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division | £m £m £m £m £m £m | (323) 189 (1) - 212 - - 8 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 - 1,094 73 (9) 23 | 25 - 9 | - - - 198 14 - 4 | - - - 33 2 - 1 | 54 2 - 1 Openreach IEC BT only | 1 - - - IEC BT +1 | 2 - 1 | 287 1 - 4,160 243 - 89 | 77 (1) | (661) | (476) 353 2 - 4,494 320 (1) 100 | (1) 1 - 17,635 23 253 152 Rest of BT | (3,423) | (1) (1) (1) - (1) (1) 1 - | (477) 352 1 - 18,705 342 253 252 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices | £m £m £m £m £m £m | (323) 189 (1) - 212 - - 8 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 | 25 - 9 | 198 14 - 4 LLA Area 3 ne | 2 - 1 LLA High | 54 2 - 1 Openreach IEC BT only exchanges | 1 - - IEC BT +1 exchanges | 2 - 1 | 287 1 - 4,160 243 - 89 | 995 77 (1) 11 Non-SMP | (661) | (476) 353 2 - 4,494 320 (1) 100 | (1) 1 17,635 23 253 152 Rest of BT Total | (1) - - (3,423) - - - - - | (1) (1) (1) (1) (1) 1 - BT Group Rounding | (477) 352 1 - 18,705 342 253 252 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division | £m £m £m £m £m £m | (323) 189 (1) - 212 - - 8 Physical Infrastructure | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 | 25 - 9 | 198 14 - 4 LLA Area 3 ne | 2 - 1 | 54 2 - 1 Openreach IEC BT only exchanges | 1 IEC BT +1 exchanges | 2 - 1 | 287 1 - 4,160 243 89 | 66 1 - 995 77 (1) 11 | (661) | (476) 353 2 - 4,494 320 (1) 100 | (1) 1 - 17,635 23 253 152 Rest of BT | (3,423) | (1) (1) (1) - (1) (1) 1 - | (477) 352 1 - 18,705 342 253 252 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs | £m £m £m £m £m £m | (323) 189 (1) - 212 - - 8 Physical Infrastructure | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 | 25 - 9 | 198 14 - 4 LLA Area 3 ne | 2 - 1 LLA High | 54 2 - 1 Openreach IEC BT only exchanges | 1 - - IEC BT +1 exchanges | 2 - 1 | 287 1 - 4,160 243 - 89 | 995 77 (1) 11 Non-SMP | (661) | (476) 353 2 - 4,494 320 (1) 100 | (1) 1 17,635 23 253 152 Rest of BT Total | (1) - - (3,423) - - - - - | (1) (1) (1) (1) (1) 1 - BT Group Rounding | (477) 352 1 - 18,705 342 253 252 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach | £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 1 - 1,094 73 (9) 23 WLA Area 3 | 386 25 - 9 LLA Area 2 | 198 14 - 4 LLA Area 3 ne | 2 - 1 LLA High twork reach | 54 2 - 1 Openreach IEC BT only exchanges | IEC BT +1 exchanges | 2 - 1 Shared ancillaries | 287 1 - 4,160 243 - 89 Total SMP | 995 77 (1) 11 Non-SMP | (661) | (476) 353 2 - 4,494 320 (1) 100 Total | (1) 1 - 17,635 23 253 152 Rest of BT Total | 1 (1) - (3,423) - - - - - - (19) | (1) (1) (1) - (1) (1) 1 - BT Group Rounding | (477) 352 1 18,705 342 253 252 Total |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery | £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure 55 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 | 25 - 9 LLA Area 2 | 198 14 - 4 LLA Area 3 ne | 2 - 1 LLA High | 2 - 1 Openreach IEC BT only exchanges | IEC BT +1 exchanges | Shared ancillaries | 287 1 - 4,160 243 - 89 Total SMP | 66 1 - 995 77 (1) 11 Non-SMP | (661) | (476) 353 2 - 4,494 320 (1) 100 Total | (1) 1 - 17,635 23 253 152 Rest of BT Total - 19 | 1 (1) - - (3,423) - - - - - (19) (3) | (1) (1) (1) (1) (1) 1 - BT Group Rounding | (477) 352 1 - 18,705 342 253 252 Total |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions | £m £m £m £m £m £m £m | (323) 189 (1) - 212 8 Physical Infrastructure 55 10 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 1,094 73 (9) 23 WLA Area 3 - 133 | - - - 386 25 - 9 LLA Area 2 | 198 14 - 4 LLA Area 3 ne | 2 - 1 LLA High twork reach | 54 2 - 1 Openreach IEC BT only exchanges - 9 | IEC BT +1 exchanges | Shared ancillaries | 287 1 - 4,160 243 89 Total SMP - 445 | 66 1 - 995 77 (1) 11 Non-SMP | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) | (1) 1 - 17,635 23 253 152 Rest of BT Total - 19 | 1 (1) | (1) (1) (1) (1) (1) (1) 1 - BT Group Rounding - 2 | (477) 352 1 - 18,705 342 253 252 Total |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery | £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure 55 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 | 25 - 9 LLA Area 2 | 198 14 - 4 LLA Area 3 ne | 2 - 1 LLA High twork reach | 2 - 1 Openreach IEC BT only exchanges | IEC BT +1 exchanges | Shared ancillaries | 287 1 - 4,160 243 - 89 Total SMP | 66 1 - 995 77 (1) 11 Non-SMP | (661) | (476) 353 2 - 4,494 320 (1) 100 Total | (1) 1 - 17,635 23 253 152 Rest of BT Total - 19 | 1 (1) - - (3,423) - - - - - (19) (3) | (1) (1) (1) - (1) (1) 1 - BT Group Rounding | (477) 352 1 - 18,705 342 253 252 Total |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total | £m £m £m £m £m £m £m | (323) 189 (1) - 212 8 Physical Infrastructure 55 10 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 1,094 73 (9) 23 WLA Area 3 - 133 | - - - 386 25 - 9 LLA Area 2 | 198 14 - 4 LLA Area 3 ne | 2 - 1 LLA High twork reach | 54 2 - 1 Openreach IEC BT only exchanges - 9 | IEC BT +1 exchanges | Shared ancillaries | 287 1 - 4,160 243 89 Total SMP - 445 | 66 1 - 995 77 (1) 11 Non-SMP | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) | (1) 1 - 17,635 23 253 152 Rest of BT Total - 19 | 1 (1) | (1) (1) (1) (1) (1) (1) 1 - BT Group Rounding - 2 | (477) 352 1 - 18,705 342 253 252 Total |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT | £m £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure 55 10 65 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 1,094 73 (9) 23 WLA Area 3 - 133 259 38 297 | 386 25 - 9 LLA Area 2 - 32 64 10 74 | 198 14 - 4 LLA Area 3 ne - 23 33 5 38 | 2 - 1 LLA High twork reach - 2 | 2 - 1 Openreach IEC BT only exchanges - 9 | IEC BT +1 exchanges | Shared ancillaries 4 4 8 | 287 1 - 4,160 243 - 89 Total SMP - 445 968 145 1,113 | 995 77 (1) 11 Non-SMP - 214 (16) 33 17 | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total (2) 952 178 1,130 | (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 1 (1) | (1) (1) (1) (1) (1) (1) 1 - BT Group Rounding - 2 | (477) 352 1 - 18,705 342 253 252 Total - 1,154 1,450 2,604 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre | £m £m £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure - 55 10 65 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 - 133 259 38 297 | 386 25 - 9 LLA Area 2 - 32 64 10 74 | 198 14 - 4 LLA Area 3 ne - 23 33 5 38 | 2 - 1 LLA High twork reach - 2 | 2 - 1 Openreach IEC BT only exchanges - 9 | 1 - - IEC BT +1 exchanges - 2 | Shared ancillaries | 287 1 243 89 Total SMP 445 968 145 1,113 | 995 77 (1) 11 Non-SMP - 214 (16) 33 17 | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) 952 178 1,130 | (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 1 (1) | (1) (1) (1) (1) (1) (1) 1 - BT Group Rounding - 2 | (477) 352 1 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities | £m £m £m £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure - 55 10 65 | (61) 64 1 2,033 124 9 42 WLA Area 2 - 244 544 73 617 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 - 133 259 38 297 | 386 25 - 9 LLA Area 2 - 32 64 10 74 | 198 14 - 4 LLA Area 3 ne - 23 33 5 38 | 2 - 1 LLA High twork reach - 2 | 2 - 1 Openreach IEC BT only exchanges 9 3 3 6 | 1 - - IEC BT +1 exchanges - 2 | Shared ancillaries | 287 1 243 89 Total SMP 445 968 145 1,113 | 66 1 - 995 77 (1) 11 Non-SMP - 214 (16) 33 17 | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) 952 178 1,130 363 387 | (1) 1 1 - 17,635 23 253 152 Rest of BT Total - 19 201 1,273 1,474 (3,163) (458) | 1 (1) | (1) (1) (1) (1) (1) (1) (1) BT Group Rounding | (477) 352 1 18,705 342 253 252 Total 1,154 1,450 2,604 (2,802) (74) |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure - 55 10 65 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 - 244 544 73 617 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 - 133 259 38 297 | - - - - - 386 25 - 9 LLA Area 2 - 32 64 10 74 | 198 14 - 4 LLA Area 3 ne - 23 33 5 38 | 2 - 1 LLA High twork reach - 2 | 2 - 1 Openreach IEC BT only exchanges - 9 3 3 3 6 | 1 - - IEC BT +1 exchanges - 2 | 2 - 1 Shared ancillaries - - 4 4 8 8 | 287 1 - 4,160 243 - 89 Total SMP 445 968 145 1,113 | 66 1 - 995 77 (1) 11 Non-SMP - 214 (16) 33 17 | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) 952 178 1,130 363 387 704 | (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | (3,423) | (1) (1) (1) (1) (1) (1) (1) (1) (1) (2) BT Group Rounding | (477) 352 1 18,705 342 253 252 Total 1,154 1,450 2,604 (2,802) (74) (21) |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure - 55 10 65 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 - 244 544 73 617 | (32) 34 1 1,094 73 (9) 23 WLA Area 3 - 133 259 38 297 | | 198 14 - 4 LLA Area 3 ne - 23 33 5 38 12 15 16 4 | 2 - 1 LLA High twork reach - 2 6 1 7 | 2 - 1 Openreach IEC BT only exchanges 9 3 3 3 6 | 1 | Shared ancillaries | 287 1 - 4,160 243 - 89 Total SMP 445 968 145 1,113 325 275 513 17 | 66 1 - 995 77 (1) 11 Non-SMP - 214 (16) 33 17 | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) 952 178 1,130 363 387 704 19 | (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | (1) (3,423) | (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) | (477) 352 1 18,705 342 253 252 Total 1,154 1,450 2,604 (2,802) (74) (21) 13,432 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure - 55 10 65 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 - 244 544 73 617 | (32) 34 1 - 1,094 73 (9) 23 WLA Area 3 - 133 259 38 297 | - - - - - 386 25 - 9 LLA Area 2 - 32 64 10 74 | 198 14 - 4 LLA Area 3 ne - 23 33 5 38 | 2 - 1 LLA High twork reach - 2 | 2 - 1 Openreach IEC BT only exchanges - 9 3 3 3 6 | 1 - - IEC BT +1 exchanges - 2 | 2 - 1 Shared ancillaries - - 4 4 8 8 | 287 1 - 4,160 243 - 89 Total SMP 445 968 145 1,113 | 66 1 - 995 77 (1) 11 Non-SMP - 214 (16) 33 17 | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) 952 178 1,130 363 387 704 | (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | (3,423) | (1) (1) (1) (1) (1) (1) (1) (1) (1) (2) BT Group Rounding | (477) 352 1 18,705 342 253 252 Total 1,154 1,450 2,604 (2,802) (74) (21) |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m | (323) 189 (1) - 212 - 8 Physical Infrastructure - 55 10 65 | (61) 64 1 - 2,033 124 9 42 WLA Area 2 - 244 544 73 617 | (32) 34 1 1,094 73 (9) 23 WLA Area 3 - 133 259 38 297 | | 198 14 - 4 LLA Area 3 ne - 23 33 5 38 12 15 16 4 | 2 - 1 LLA High twork reach - 2 6 1 7 | 2 - 1 Openreach IEC BT only exchanges 9 3 3 3 6 | 1 | Shared ancillaries | 287 1 - 4,160 243 - 89 Total SMP 445 968 145 1,113 325 275 513 17 | 66 1 - 995 77 (1) 11 Non-SMP - 214 (16) 33 17 | (661) Eliminations (661) | (476) 353 2 - 4,494 320 (1) 100 Total - (2) 952 178 1,130 363 387 704 19 | (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | (1) (3,423) | (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) | (477) 352 1 18,705 342 253 252 Total 1,154 1,450 2,604 (2,802) (74) (21) 13,432 |

Openreach

Rest of BT

BT Group

Notes:

Following a restructure within the Networks & Digital functions in FY24 a full review of the overheads costs was undertaken to ensure cost mapping into the RFS was appropriate. The result of this exercise was a year-on-year increase in costs allocated by Technology overhead methodologies, and therefore an increase in the overall costs allocated into Openreach. No restatement was possible as the equivalent prior year information is not available.

5.2 Attribution of Operating Costs Restated for the year ended 31 March 2023

| Restated for the year ended 31 March 2023 | | | | | | | | Openreach | | | | | | T | Rest of BT | | BT Group | |
|--|----------|----------------|----------------|-----------|-----------------|----------------|-----------|--------------------------|-----------|--------------------|----------------|----------------|--------------|--------------|---------------------|--------------|----------------------|----------------|
| (i) Operating costs by type | | Physical | WLA | WLA | LLA | | LLA High | IEC BT only | IEC BT +1 | Shared ancillaries | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| | | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 netw | ork reach | exchanges | exchanges | ancillaries | | | | | | | | |
| EOI input prices | £m | - | . . | - | - | . . | - | | - | - | . . | - - | - | - | | - | - | - |
| Attribution of PI costs | £m | - | (5) | (3) | (4) | (2) | - | (1) | - | - | (15) | (8) | 23 | 1.640 | (2) | 2 | - (4) | 2.050 |
| Wages and salaries Social security costs | £m £m | 53 | 682 79 | 368 42 | 117 14 | 58 7 | 11 | 9 | 6 | 8 | 1,312 152 | 337 38 | - | 1,649 190 | 2,224 236 | (14) (2) | (1) | 3,858 424 |
| Other pension costs | £m | 8 | 104 | 56 | 19 | 9 | 2 | 1 | 1 | 2 | 202 | 53 | _ | 255 | 338 | (2) | (1) | 590 |
| Share-based payment expense | £m | - | - | - | - | - | - | - | - | _ | - | - | _ | - | 81 | - | - | 81 |
| Own work capitalised | £m | (30) | (399) | (217) | (51) | (25) | (5) | (5) | (3) | (4) | (739) | (183) | - | (922) | (379) | 8 | 1 | (1,292) |
| Net indirect labour costs | £m | 7 | 50 | 27 | 11 | 5 | 1 | 1 | 1 | 3 | 106 | 44 | - | 150 | 232 | (2) | - / | 380 |
| Product costs | £m | - | 2 | 1 | 9 | 4 | 1 | - | - | 1 | 18 | 3 | - | 21 | 3,362 | - | - | 3,383 |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | 589 | - | - | 589 |
| Payments to telecommunications operators Property and energy costs | £m £m | - 2 | 206 | 122 | 33 | - 18 | - 2 | 9 | - 7 | - 56 | - 456 | 196 | - | 652 | 1,354 605 | (13) | (2) | 1,354 1,242 |
| Network operating and IT costs | £m | 7 | 46 | 25 | 10 | 10 | 1 | 9 | 1 | 3 | 100 | 42 | _ | 142 | 776 | (4) | (1) | 913 |
| TV programme rights charges | £m | - | 40 | - | - | - | | - | <u>'</u> | - | 100 | 42 | _ | 142 | 354 | (4) | (1) | 354 |
| Provision and installation | £m | _ | 25 | 11 | 1 | _ | _ | _ | _ | _ | 37 | 5 | _ | 42 | 548 | _ | 1 | 591 |
| Marketing and sales | £m | - | 1 | 1 | - | - | - | - | - | - | 2 | 1 | _ | 3 | 359 | _ | 1 | 363 |
| Net impairment of losses on TR and contract assets | £m | - | - | - | - | - | - | - | - | - | - | 5 | - | 5 | 133 | - | - / | 138 |
| Other operating costs | £m | 26 | 167 | 58 | (5) | (1) | (1) | 5 | 2 | 2 | 253 | 96 | - | 349 | 3,052 | (3,090) | - | 311 |
| Other operating income | £m | | (13) | (8) | (1) | (1) | - | - | - | - | (23) | (131) | - | (154) | (88) | - | (1) | (243) |
| Total operating costs before depreciation | £m | 79 | 945 | 483 | 153 | 77 | 14 | 22 | 16 | 72 | 1,861 | 498 | 23 | 2,382 | 13,774 | (3,117) | (3) | 13,036 |
| Depreciation | | | | | | | | | | | | | | | | | | |
| Duct | £m | 183 | 7 | 4 | - | - | - | - | - | - | 194 | 8 | - | 202 | - | - | 1 | 203 |
| Poles | £m | 6 | - | - | - | - | - | - | - | - | 6 | - | - | 6 | - | - | - | 6 |
| Copper | £m | 1 | 155 | 76 | - | | - | - | - | - | 232 | 226 | - | 458 | 12 | | - | 468 |
| Fibre | £m | 2 | 186 | 122 | 95 53 | 47 | 9 | 2 | 1 | 1 | 465 | 33 | - | 498 | 256 | (5) | (3) | 497 |
| Electronics Software | £m £m | - | 20 53 | 13 29 | 53 9 | 23 | 4 | 13 | 9 | - 2 | 135 103 | 24 25 | - | 159 128 | 256 1,039 | (7) | (1) | 408 1,165 |
| Land and buildings | £m | 1 | 53 12 | 29 7 | 2 | 1 | ı | ı | ' | 2 | 23 | 25 7 | - | 30 | 1,039 | (1) | (1) | 65 |
| Right of use assets | £m | 6 | 67 | 37 | 11 | 5 | 1 | 2 | 2 | 5 | 136 | 72 | _ | 208 | 495 | (5) | <u>'</u> | 698 |
| Other assets | £m | 3 | 30 | 19 | 6 | 3 | 1 | 2 | 1 | 16 | 81 | 54 | _ | 135 | 959 | (5) | 2 | 1,091 |
| Less funded assets (BDUK, etc.) | £m | (8) | (12) | (8) | - | - | - | - | - | - | (28) | - | _ | (28) | - | - | _ | (28) |
| Total depreciation | £m | 196 | 518 | 299 | 176 | 84 | 16 | 20 | 14 | 24 | 1,347 | 449 | - | 1,796 | 2,802 | (25) | - | 4,573 |
| Specific items | £m | 5 | 32 | 18 | 8 | 4 | 1 | 1 | 1 | 2 | 72 | 33 | _ | 105 | 453 | (2) | (1) | 555 |
| Total HCA operating costs | £m | 280 | 1,495 | 800 | 337 | 165 | 31 | 43 | 31 | 98 | 3,280 | 980 | 23 | 4,283 | 17,029 | (3,144) | (4) | 18,164 |
| CCA adjustments | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | (906) | (173) | (87) | _ | _ | _ | _ | _ | _ | (1,166) | (217) | _ | (1,383) | (4) | 4 | | (1,383) |
| Supplementary depreciation | £m | 174 | 67 | 33 | - | - | - | - | _ | - | 274 | 92 | - | 366 | 1 | (1) | (1) | 365 |
| Other CCA adjustments | £m | (2) | (5) | (2) | - | - | - | - | - | - | (9) | (7) | - | (16) | - | - | - / | (16) |
| Rounding | £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | - |
| Total CCA operating costs | £m | (454) | 1,384 | 744 | 337 | 165 | 31 | 43 | 31 | 98 | 2,379 | 848 | 23 | 3,250 | 17,026 | (3,141) | (5) | 17,130 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | |
| Cumulo charges | £m | _ | 101 | 60 | 23 | 13 | 2 | 3 | 1 | 2 | 205 | 82 | _ | 287 | 24 | _ | | 311 |
| Openreach SLGs | £m | - | 8 | (8) | (1) | - | - | 1 | 1 | - | 1 | - | - | 1 | 96 | - | (1) | 96 |
| Leaver costs | £m | 3 | 17 | 10 | 5 | 2 | - | - | - | - | 37 | 11 | - | 48 | 91 | - | 2 | 141 |
| | | | | | | | | 0 | | | | | | | D CDT | | DTC | |
| | | Physical | WLA | WLA | LLA | LLA | | Openreach IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Rest of BT Total | Eliminations | BT Group Rounding | Total |
| (ii) Operating costs by division | | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 netw | - | exchanges | exchanges | ancillaries | i Glat Sivir | HOII-SIVIE | Laminadons | i Utat | i Otal | Laminations | Rounding | i Utat |
| FOI imput prices | C | | | | | | | | | | | | | | | | | |
| EOI input prices Attribution of PI costs | £m £m | - | (5) | (3) | (4) | (2) | - | (1) | - | - | (15) | (8) | 23 | - | (2) | 2 | | _ |
| | | | . , | • • | . , | | | | | | · | . , | | | | | | |
| Openreach | C | E7 | 470 | 210 | 63 | 21 | c | 4 | 3 | 4 | 063 | 126 | | 000 | 1.42 | (0) | (6) | 1 110 |
| Service and network delivery Openreach support functions | £m £m | 57 4 | 479 69 | 218 37 | 62 5 | 31 3 | 6 | 4 2 | 2 | 4 | 863 126 | 126 42 | - | 989 168 | 143 1,262 | (8) (1) | (6) 1 | 1,118 1,430 |
| Openreach total | £m | 61 | 548 | 255 | 67 | 34 | 6 | 6 | 3 | 9 | 989 | 168 | | 1,157 | 1,405 | | | 2,548 |
| Openi each totat | ΣIII | 01 | 340 | 200 | 07 | 34 | Ü | 9 | 3 | 9 | 909 | 100 | - | 1,137 | 1,405 | (9) | (5) | 2,340 |
| Rest of BT | | | | | | | | | | | | | | | | | | |
| Group centre | £m | 10 | 124 | 68 | 22 | 11 | 2 | 1 | 1 | 2 | 241 | 57 | - | 298 | (3,192) | (2) | (1) | (2,897) |
| Property and facilities | £m | 1 | 113 | 66 | 25 | 14 | 2 | 4 | 2 | 5 | 232 | 115 | - | 347 | (389) | (3) | 1 | (44) |
| Technology units | £m | 7 | 161 4 | 95 | 26 17 | 13 7 | 2 2 | 9 | 8 | 56 | 377 37 | 159 | - | 536 | (519) | (21) | 2 | (2) |
| Consumer and Business Rest of BT total | £m £m | 18 | 402 | 2 231 | 17 90 | 45 | | 3 17 | 13 | 63 | 887 | 7 | <u> </u> | 1 225 | 16,471 | (3,084) | - 2 | 13,431 |
| UEST OI D I TOTAL | ±m | 18 | 402 | 251 | 90 | 45 | 8 | 17 | 13 | 63 | 887 | 338 | - | 1,225 | 12,371 | (3,110) | 2 | 10,488 |
| | | | | | | | | | | | | | | | | | | |
| Operating cost before depreciation | £m | 79 | 945 | 483 | 153 | 77 | 14 | 22 | 16 | 72 | 1,861 | 498 | 23 | 2,382 | 13,774 | (3,117) | (3) | 13,036 |

5.3 Attribution of MCE

For the year ended 31 March 2024

| | | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|------------------------------------|----------------|--------|--------|--------|----------|--------------|-------------|-----------|-------------|-----------|---------|--------------|---------|------------|--------------|----------|---------|
| | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 n | etwork reach | exchanges | exchanges | ancillaries | | | | | | | | |
| Non-current assets | | | | | | | | | | | | | | | | | |
| Duct £m | 6,861 | 250 | 157 | - | - | - | - | - | - | 7,268 | 260 | - | 7,528 | - | - | (1) | 7,527 |
| Poles £m | 332 | - | - | - | - | - | - | - | - | 332 | - | - | 332 | - | - | - | 332 |
| Copper £m | 14 | 1,367 | 724 | - | - | - | - | - | - | 2,105 | 1,458 | - | 3,563 | 28 | (25) | - | 3,566 |
| Fibre £m | 64 | 3,108 | 1,944 | 898 | 447 | 79 | 13 | 3 | 9 | 6,565 | 286 | - | 6,851 | 33 | (21) | - | 6,863 |
| Electronics £m | - | 238 | 150 | 133 | 57 | 10 | 50 | 41 | - | 679 | 67 | - | 746 | 572 | (13) | - | 1,305 |
| Software £m | 30 | 97 | 53 | 17 | 8 | 1 | 3 | 3 | 9 | 221 | 51 | - | 272 | 2,474 | (4) | - | 2,742 |
| Land and buildings £m | 2 | 13 | 7 | 3 | 1 | - | 1 | 1 | 3 | 31 | 36 | - | 67 | 324 | (3) | 2 | 390 |
| Right of use assets £m | 26 | 226 | 119 | 29 | 14 | 3 | 4 | 4 | 10 | 435 | 116 | - | 551 | 1,574 | (10) | 1 | 2,116 |
| Other assets £m | 33 | 173 | 103 | 23 | 10 | 2 | 16 | 17 | 126 | 503 | 294 | - | 797 | 16,624 | (34) | - | 17,387 |
| Less funded assets (BDUK, etc.) £m | (232) | (357) | (226) | - | - | - | - | - | - | (815) | - | - | (815) | - | - | - | (815) |
| Total non-current assets £m | 7,130 | 5,115 | 3,031 | 1,103 | 537 | 95 | 87 | 69 | 157 | 17,324 | 2,568 | - | 19,892 | 21,629 | (110) | 2 | 41,413 |
| Current assets £m | 132 | 536 | 307 | 133 | 66 | 11 | 17 | 12 | 34 | 1,248 | 263 | _ | 1,511 | 7,143 | (13) | _ | 8,641 |
| Current liabilities £m | (110) | (744) | (422) | (189) | (99) | (16) | (31) | (19) | (22) | (1,652) | (385) | - | (2,037) | (6,338) | 15 | - | (8,360) |
| Provisions £m | (3) | (22) | (12) | (4) | (2) | - | - | - | (1) | (44) | (86) | - | (130) | (495) | 1 | - | (624) |
| Rounding £m | 1 | - | 2 | (1) | 1 | 1 | - | (1) | 1 | 4 | (1) | - | 3 | 1 | (1) | (3) | - |
| Total MCE £m | 7,150 | 4,885 | 2,906 | 1,042 | 503 | 91 | 73 | 61 | 169 | 16,880 | 2,359 | - | 19,239 | 21,940 | (108) | (1) | 41,070 |

Notes:

1) Duct assets reported outside Physical Infrastructure markets relate to cabinet connectivity duct used in WLA and Openreach Non-SMP products and services.

5.3 Attribution of MCE

Restated for the year ended 31 March 2023

| | | | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|---------------------------------|----|----------------|--------|--------|--------|----------|--------------|-------------|-----------|-------------|-----------|---------|--------------|---------|------------|--------------|----------|---------|
| | | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| | | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 n | etwork reach | exchanges | exchanges | ancillaries | | | | | | | | |
| Non-current assets | | | | | | | | | | | | | | | | | | |
| Duct | £m | 6,138 | 264 | 161 | - | - | - | - | - | - | 6,563 | 255 | - | 6,818 | - | - | - | 6,818 |
| Poles | £m | 237 | - | - | - | - | - | - | - | - | 237 | - | - | 237 | - | - | - | 237 |
| Copper | £m | 12 | 1,284 | 642 | - | - | - | - | - | - | 1,938 | 1,731 | - | 3,669 | 34 | (24) | (1) | 3,678 |
| Fibre | £m | 49 | 2,548 | 1,700 | 784 | 389 | 71 | 13 | 4 | 6 | 5,564 | 290 | - | 5,854 | 43 | (30) | - | 5,867 |
| Electronics | £m | - | 205 | 138 | 134 | 57 | 11 | 50 | 40 | - | 635 | 69 | - | 704 | 665 | (14) | 1 | 1,356 |
| Software | £m | (2) | 80 | 44 | 17 | 8 | 1 | 3 | 2 | 7 | 160 | 50 | - | 210 | 2,315 | (4) | 1 | 2,522 |
| Land and buildings | £m | 1 | 11 | 6 | 3 | 1 | - | 1 | 1 | 3 | 27 | 37 | - | 64 | 351 | (3) | - | 412 |
| Right of use assets | £m | 20 | 193 | 107 | 32 | 16 | 3 | 5 | 4 | 11 | 391 | 161 | - | 552 | 1,711 | (12) | (1) | 2,250 |
| Other assets | £m | (17) | 234 | 137 | 30 | 12 | 3 | 15 | 16 | 120 | 550 | 291 | - | 841 | 16,839 | (32) | - | 17,648 |
| Less funded assets (BDUK, etc.) | £m | (201) | (319) | (204) | - | - | - | - | - | - | (724) | - | - | (724) | - | - | (1) | (725) |
| Total non-current assets | £m | 6,237 | 4,500 | 2,731 | 1,000 | 483 | 89 | 87 | 67 | 147 | 15,341 | 2,884 | - | 18,225 | 21,958 | (119) | (1) | 40,063 |
| Current assets | £m | 115 | 658 | 383 | 184 | 90 | 16 | 21 | 15 | 40 | 1,522 | 419 | _ | 1,941 | 6,726 | (21) | (1) | 8,645 |
| Current liabilities | £m | (52) | (653) | (375) | (176) | (90) | (15) | (28) | (20) | (21) | (1,430) | (473) | - | (1,903) | (6,471) | 16 | (2) | (8,360) |
| Provisions | £m | (2) | (17) | (9) | (3) | (2) | - | - | - | (1) | (34) | (104) | - | (138) | (492) | 1 | (1) | (630) |
| Rounding | £m | (1) | - | 2 | (1) | (1) | - | (1) | (1) | (1) | (4) | (2) | - | (6) | _ | - | 5 | (1) |
| Total MCE | £m | 6,297 | 4,488 | 2,732 | 1,004 | 480 | 90 | 79 | 61 | 164 | 15,395 | 2,724 | - | 18,119 | 21,721 | (123) | - | 39,717 |

Notes:

1) Duct assets reported outside Physical Infrastructure markets relate to cabinet connectivity duct used in WLA and Openreach Non-SMP products and services.

5.4 Reconciliation Statement: Income Statement

Openreach Statements

In accordance with Section 20.5 and 20.6 of the Commitments, the RFS must separately present the financial results of Openreach and include a reconciliation of Openreach's revenue, operating profit (and other items agreed between us and Ofcom) with Openreach's financial information as shown in our Annual Report.

The form, content and basis of preparation of the financial results of Openreach follow, to the fullest extent possible, those used in the preparation of this statement to the Openreach segmental financial information as shown in our Annual Report is shown in the Income Statement below.

5.4 Reconciliation Statement: Income Statement For the year ended 31 March 2024

| | | Openreach | | | BT Group PLC | | |
|---|---------|----------------|----------------------------|-------------|----------------|----------------------------|--|
| | Revenue | Operating cost | Return or operating profit | Revenue | Operating cost | Return or operating profit | |
| | £m | £m | £m | £m | £m | £m | |
| As in the annual report | 6,077 | 4,302 | 1,775 | 20,835 | 17,634 | 3,201 | |
| <u>Adjustments</u> | | | | | | | |
| Specific items | (16) | 112 | (128) | (38) | 949 | (987) | |
| Use of technology assets | - | - | - | - | - | - | |
| Other trading differences | 21 | 52 | (31) | - | - | - | |
| Net short term interest | - | 6 | (6) | - | 85 | (85) | |
| Share of post tax loss of associates and joint ventures | - | - | - | - | 21 | (21) | |
| Installation costs treated as operating expenses | - | 142 | (142) | - | 141 | (141) | |
| CCA adjustments | - | (121) | 121 | - | (124) | 124 | |
| Rounding | - | 1 | (1) | - | (1) | 1 | |
| As in the RFS | 6,082 | 4,494 | 1,588 | 20,797 | 18,705 | 2,092 | |
| | | - | - | | • | - | |

| Notes: | | |
|---|--|------------------------|
| 1) Description of reconciliation adjustments | | |
| Adjustment | Description | |
| Specific items | The Group's income statement and segmental analysis separately identifies trading results on an adjusted basis, being before specific items. Presentation of the Group's results in this way is relevant to understar financial performance as specific items are those that, in management's judgement, need to be disclosed by virtue of their size, nature or incidence. Examples of charges or credits that may be 'specific items' inc disposals of businesses and investments, retrospective regulatory matters, historical insurance or litigation claims, business restructuring programmes, asset impairment charges and property rationalisation pro | clude acquisitions and |
| Use of technology assets | Within the Openreach segmental financial information reported in our Annual Report, the results include a charge for an appropriate return on capital where assets are owned by Technology Units (e.g. for line contents of the contents of th | |
| Other trading differences | The Openreach segmental financial information reported in our Annual Report reflects the internal charges between our business units rather than the allocation of actual costs and capital employed as shown in trading differences reflect the total of these differences across the year. | the RFS. The other |
| Net short term interest | These are included within our return but not included as adjusted operating profit within our Annual Report. | |
| Share of post tax loss of associates and joint ventures | These are included within our return but not included as adjusted operating profit within our Annual Report. | |
| Installation costs treated as operating expenses | As directed by Ofcom, we make an adjustment in the RFS (relative to IFRS and BT's accounting policies) to treat installation and planning costs related to GEA Customer Site installation, Tie Cables, GEA Cable L Co-mingling services, Excess Construction Charges and Expedite services as operating expenditure in the RFS in line with connection revenues received (rather than capital expenditure), and the opening capital associated with these activities is also removed. | |
| CCA adjustments | Our consolidated financial statements are prepared on the historical cost basis, except for certain financial and equity instruments that have been measured at fair value. Our RFS have been prepared on a CCA be with the annually updated AMD. As such, a reconciliation entry has been made to include the aggregated CCA adjustments within the Openreach regulatory statement. | asis, in accordance |
| | | |
| 2) Breakdown of other trading differences | <u> </u> | |
| lages and Salaries | 234 | |

| 2) Breakdown of other trading differences | £m |
|---|-------|
| Wages and Salaries | 234 |
| Social Security Costs | 26 |
| Other Pension Costs | 36 |
| Share-based payment expense | (10) |
| Own work capitalised | (97) |
| Net Indirect Labour Costs | 30 |
| Product Costs | (2) |
| Sales Commissions | - |
| Depreciation | (49) |
| Property and energy costs | 615 |
| Network operating and IT costs | 108 |
| Provisioning and installation | (2) |
| Marketing and sales | 2 |
| Other operating costs | (839) |
| Other trading differences | 52 |
| | |

3) Explanation of 'Other trading differences' adjustments for cost categories representing 10% or more

As the internal recharges are booked on different cost categories (i.e. other operating costs) to the underlying costs, which were recorded according to the nature of the cost, a line by line explanation is less meaningful using the cost categories in Note 1. We have included a high level explanation of the key differences of other trading differences below.

i) There are costs and other operating income which were directly booked in Openreach and are allocated to Rest of BT markets (e.g. Share based payments). These reduce the Operating cost before depreciation in the RFS.

ii) Whilst the business units perform internal recharges throughout the year, within the RFS we reverse this impact (removing these costs from Openreach) and allocate actual underlying costs into the Operating to Openreach based on our agreed methodologies. These are used to allocate costs such as vehicle fuel costs relating to Openreach's fleet or Business rates paid for the use of public land for our assets. The difference between these approaches forms part of the 'Other trading differences'.

iii) There are depreciation and amortisation costs of Openreach assets which are allocated to Rest of BT markets, which reduces the Depreciation in the RFS and some Technology Property plant and equipment related depreciation are allocated to Openreach markets, which increases the Depreciation in the RFS.

5.4 Reconciliation Statement: Income Statement Restated for the year ended 31 March 2023

| | | Openreach | | | BT Group PLC | | |
|---|---------|----------------|----------------------------|---------|----------------|----------------------------|--|
| | Revenue | Operating cost | Return or operating profit | Revenue | Operating cost | Return or operating profit | |
| | £m | £m | £m | £m | £m | £m | |
| As in the annual report | 5,675 | 4,130 | 1,545 | 20,669 | 17,494 | 3,175 | |
| <u>Adjustments</u> | | | | | | | |
| Specific items | (1) | 63 | (64) | 12 | 555 | (543) | |
| Use of technology assets | - | (39) | 39 | - | - | - | |
| Other trading differences | (2) | 50 | (52) | - | - | - | |
| Net short term interest | - | (15) | 15 | - | (39) | 39 | |
| Share of post tax loss of associates and joint ventures | - | - | - | - | 59 | (59) | |
| Installation costs treated as operating expenses | - | 95 | (95) | - | 95 | | |
| CCA adjustments | - | (1,034) | 1,034 | - | (1,034) | | |
| Rounding | - | - | - | - | - | = | |
| As in the RFS | 5,672 | 3,250 | 2,422 | 20,681 | 17,130 | 3,551 | |
| | | | | | · | - | |

Notes:

1) The Annual Report has restated some prior year comparatives based on changes to group recharges that have gone through in FY24 (BT Group plc Annual Report 2024 p. 220, note 32 to the consolidated financial statements). These have impacted the prior year Operating Cost and Profit figures for Openreach, which have been restated accordingly in this reconciliation.

| 2) Description of reconciliation adjustments | |
|--|--|
| Adjustment | Description |
| Specific items | The Group's income statement and segmental analysis separately identifies trading results on an adjusted basis, being before specific items. Presentation of the Group's results in this way is relevant to understanding the Group's |
| | financial performance as specific items are those that, in management's judgement, need to be disclosed by virtue of their size, nature or incidence. Examples of charges or credits that may be 'specific items' include acquisitions and |
| | disposals of businesses and investments, retrospective regulatory matters, historical insurance or litigation claims, business restructuring programmes, asset impairment charges and property rationalisation programmes. |
| Use of technology assets | Within the Openreach segmental financial information reported in our Annual Report, the results include a charge for an appropriate return on capital where assets are owned by Technology Units (e.g. for line cards, electronics and |
| | network features) but are used by Openreach. The Openreach regulatory statements do not include this charge, as the basis for attribution of costs and assets to products in the regulatory accounts is actual costs and assets. |
| Other trading differences | The Openreach segmental financial information reported in our Annual Report reflects the internal charges between our business units rather than the allocation of actual costs and capital employed as shown in the RFS. The other |

trading differences reflect the total of these differences across the year.

Net short term interest

Share of post tax loss of associates and joint ventures

These are included within our return but not included as adjusted operating profit within our Annual Report.

These are included within our return but not included as adjusted operating profit within our Annual Report.

As directed by Ofcom, we make an adjustment in the RFS (relative to IFRS and BT's accounting policies) to treat installation and planning costs related to GEA Customer Site installation, Tie Cables, GEA Cable Links, Abortive Visits,

Co-mingling services, Excess Construction Charges and Expedite services as operating expenditure in the RFS in line with connection revenues received (rather than capital expenditure), and the opening capital employed associated with these activities is also removed.

Our consolidated financial statements are prepared on the historical cost basis, except for certain financial and equity instruments that have been measured at fair value. Our RFS have been prepared on a CCA basis, in accordance with the annually updated AMD. As such, a reconciliation entry has been made to include the aggregated CCA adjustments within the Openreach regulatory statement.

| 3) Breakdown of other trading differences | £m |
|---|-------|
| Wages and Salaries | 150 |
| Social Security Costs | 14 |
| Other Pension Costs | 20 |
| Share-based payment expense | (13) |
| Own work capitalised | (48) |
| Net Indirect Labour Costs | 80 |
| Product Costs | 5 |
| Sales Commissions | - |
| Depreciation | 9 |
| Property and energy costs | 401 |
| Network operating and IT costs | - |
| Provisioning and installation | 1 |
| Marketing and sales | 1 |
| Other operating costs | (571) |
| Rounding | 1 |
| Other trading differences | 50 |

4) Explanation of 'Other trading differences' adjustments for cost categories representing 10% or more

As the internal recharges are booked on different cost categories (i.e. other operating costs) to the underlying costs, which were recorded according to the nature of the cost, a line by line explanation of the key differences of other trading differences below.

i) There are costs and other operating income which were directly booked in Openreach and are allocated to Rest of BT markets (e.g. Share based payments). These reduce the Operating cost before depreciation in the RFS.

ii) Whilst the business units perform internal recharges throughout the year, within the RFS we reverse this impact (removing these costs from Openreach) and allocate actual underlying costs into the Operating to Separate the Internal recharges throughout the year, within the RFS we reverse this impact (removing these costs from Openreach) and allocate actual underlying costs into the Operating to Separate the Internal recharges throughout the year, within the RFS we reverse this impact (removing these costs from Openreach) and allocate actual underlying costs into the Operating to Separate the Internal recharges throughout the year, within the RFS we reverse this impact (removing these costs from Openreach) and allocate actual underlying costs into the Operating to Separate the Internal recharges throughout the year, within the RFS we reverse this impact (removing these costs from Openreach) and allocate actual underlying costs into the Operating to Separate the Internal Recharges throughout the year, within the RFS we reverse this impact (removing these actual underlying costs into the Operating to Separate the Internal Recharges throughout the year, within the RFS we reverse this impact (removing these costs from Openreach) and allocate actual underlying costs into the Operating to Separate the Internal Recharges throughout the Year (removing the Year (removing these costs from Openreach) and allocate actual underlying costs into the Operating throughout the Year (removing these costs from Openreach) and Internal Recharges throughout the Year (removing these costs from Openreach) and Internal Recharges throughout the Year (removing throughout the Year (removing the Year (removing throughout the Year (removing throughout through

iii) There are depreciation and amortisation costs of Openreach assets which are allocated to Rest of BT markets, which reduces the Depreciation in the RFS.

5.5 Reconciliation Statement: MCE

5.5 Reconciliation Statement: MCE - BT Group For the year ended 31 March

| | FY24 | FY23 | | FY24 | FY23 |
|--|---------|---------|--------------------------|----------|--------|
| MCE - BT Group plc | £m | £m | | £m | £m |
| Total assets less current liabilities, as in the annual report | 41,921 | 42,360 | Openreach | | |
| | | | Physical Infrastructure | 7,150 | 6,297 |
| <u>Adjustments</u> | | | WLA Area 2 | 4,885 | 4,488 |
| Corporate taxes | (331) | (349) | WLA Area 3 | 2,906 | 2,732 |
| Deferred taxes | (1,048) | (709) | LLA Area 2 | 1,042 | 1,004 |
| Derivative financial instruments | (976) | (1,393) | LLA Area 3 | 503 | 480 |
| Loans due within one year | 996 | 1,075 | LLA High network reach | 91 | 90 |
| Provisions | (411) | (369) | IEC BT only exchanges | 73 | 79 |
| Retirement benefit surplus | (70) | (52) | IEC BT +1 exchanges | 61 | 61 |
| Capital costs treated as operating expenses | (1,631) | (1,483) | Shared ancillaries | 169 | 164 |
| IFRS 16 | (1,228) | (1,508) | Total Openreach SMP | 16,880 | 15,395 |
| Closing HCA capital employed at 31 March | 37,222 | 37,572 | · | <u> </u> | , |
| | | | Openreach non-SMP | 2,359 | 2,724 |
| CCA adjustments | 3,734 | 3,625 | Rest of BT non-SMP | 21,940 | 21,721 |
| Rounding | · - | 6 | Eliminations | (108) | (123) |
| Closing CCA capital employed at 31 March | 40,956 | 41,203 | Rounding | (1) | ` - |
| Opening CCA capital employed at 1 April | 41,183 | 38,231 | Total CCA MCE in the RFS | 41,070 | 39,717 |
| Total CCA MCE in the RFS | 41,070 | 39,717 | | | |

| Notes: | |
|--|--|
| 1) Description of reconciliation adjustments | |
| Adjustment | Description |
| Corporate taxes | Corporate taxes include Current Tax Receivables and Current Tax Liabilities as disclosed in 2024 BT Annual report. Tax balances are excluded from our calculation of MCE. |
| Deferred taxes | Deferred tax includes Deferred Tax Assets as disclosed in 2024 BT Annual report. Deferred tax is excluded from our calculation of MCE. |
| Derivative financial instruments | Derivative financial instruments includes Derivative financial instrument Assets as disclosed in 2024 BT Annual report. Derivative financial instruments are excluded from our calculation of MCE. |
| oans due within one year | Loans due within one year includes Listed bonds < 1yr Principal and listed bonds < 1yr interest accrual as disclosed in 2024 BT Annual report. Loans due within one year are excluded from our calculation of MCE. |
| Provisions | Provisions includes for provisions for liabilities and charges > 1yr as disclosed in 2024 BT Annual report. Provisions are included in our calculation of MCE. |
| Retirement benefit surplus | Retirement benefit surplus includes Retirement benefit surplus as disclosed in 2024 BT Annual report. Retirement benefit surplus are excluded from our calculation of MCE. |
| Capital costs treated as operating expenses | See details in 5.4 Reconciliation Statement: Income statement |
| FRS 16 | We have included a portion of the lease liability over one year for property leases in our asset base to avoid a significant increase in our asset base, which would reduce comparability between the ROCE reported in the RFS and Ofcom's approach to setting prices. |

| Section 6: Review of Physical Infrastructure Mar | rket | |
|--|------|--|
| | | |
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| | | |

6.1.1. Physical Infrastructure Summary For the year ended 31 March 2024

| First Firs | | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average | External average | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|--|---|---------------------|---------------------|------------------|--------------------|--------------------|-------------|---------------------|------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| Page | | | | | | | | price | price | | | | | | |
| Figure Control Contr | | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Spine duct - 1 bore Spine duct - 2 bore Spine duct - 2 bore Spine duct - 3 bore | • | | | | | | | | | | | | | | |
| Spine duct - 2 bore 55.6 - 55.6 360.018 - | | | - | | | - | | | - | | - | | - | | - |
| Spine duct - 2+ bore 71.5 - 71.5 581.586 - 8m 0.12 - 12.2 - 864.5 - 6.9% Facility hosting (per pint box entry) 83.5 - 83.5 5.402,773 - 8mt 81.5 - 81.5 - 13.5 - 831.7 - 6.9% Facility hosting (per join box entry) 83.5 - 83.5 5.402,773 - 8mt 81.5 - 15.0 - 15.0 - 10.24.4 - 6.7% Poles -multi-end-user attachment 34.5 - 83.5 5.402,773 - 8mt 81.5 - 8mt 83.7 - 10.24.4 - 6.7% Poles -multi-end-user attachment 68.0 - 68.0 2.030,3457 - 8mt 81.5 - 8mt 81.5 - 5.7 - 11.4 - 7.7% Poles -multi-end-user attachment 7.6 - 7.6 - 7.6 - 7.5% Total Impact so downstream services 7.6 - 7.6 - 7.5% Total Impact so downstream services 7.6 - 7.6 - 7.5% Total Impact so downstream services - 7.0 - 7.09 - 7.09 - 7.09 Pirentals - 7.0 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 Ead-in-duct - 7.0 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 Spine duct - 100 - 7.0 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 Spine duct - 2 bore - 7.0 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 - 7.09 Spine duct - 2 bore - 7.0 - 7.0 - 7.00 | • | | - | | | - | km | | - | | - | | - | | - |
| Facility hosting (per manhole entry) | | | - | | | - | km | | - | | - | | - | | - |
| Facility hosting (per joint box entry) 83.5 - 83.5 5.402,773 - entries 1.51 - 15.0 - 1,024.4 - 6.78 Poles - multi-end-user attachment 34.5 - 86.0 2.030,3457 - attachments 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 68.0 - 68.0 2.030,3457 - attachments 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment 3.35 - 51.3 - 229.5 - 7.38 Poles - single-end-user attachment - 7.0 - 7.0 Pirattal Poles - single-end-user attachment - 7.0 - 7.0 Pirattal Poles - single-end-user attachment - 7.0 - 7.0 Poles - single-end-user attachment - 7.0 - 7.0 - 7.0 Poles - single-end-user attachment - 7.0 - 7.0 - 7.0 Poles - single-end-user attachment - 7.0 - 7.0 - 7.0 Poles - single-end-user attachment - 7.0 - 7.0 - 7.0 Poles - single-end-user attachment - 7.0 - 7.0 - 7.0 Poles - single-end-user attachment - 7.0 - 7.0 - 7.0 Poles - single-end-user attachment - 7.0 - 7.0 | | | - | | | - | | | - | | - | | - | | - |
| Poles - multi-end-user attachment 34,5 - 34,5 2,765,703 - attachments 12,48 - 25,7 - 114,8 - 7,7% Poles - poles - ingle-end-user attachment 68,0 - 68,0 2,03,457 - attachments 3,35 - 51,3 - 229,5 - 7,3% Pole top equipment 7,6 - 7,6 2,513,940 - attachments 3,03 - 5,7 - 25,6 - 7,4% Pole top equipment 7,6 - 7,6 2,513,940 - attachments 3,03 - 5,7 - 2,56 - 7,4% Pole top equipment 7,6 - 7,6 2,513,940 - attachments 2,60 - 2,3 - 10,5 - 2,56 - 7,4% Pole top equipment 7,6 - 7,6 - 7,6 Pole top equipment 7,6 - 7,6 Pole top equipment 7,6 | | | - | | | - | | | - | | - | | - | | - |
| Poles in spide end user attachment Fole to be guipfurment Fole to | | | - | 83.5 | | - | entries | | - | | - | , | - | | - |
| Pole top equipment 7.6 - 7.6 2.513,940 - attachments 3.03 - 5.7 - 2.5 - 7.4% - 7.5 | | | - | | | - | attachments | | - | | - | | - | | - |
| Solid up a pole Solid up a | Poles - single-end-user attachment | | - | 68.0 | | - | attachments | | - | | - | | - | | - |
| Pi entals Pi e | Pole top equipment | 7.6 | - | 7.6 | 2,513,940 | - | attachments | 3.03 | - | 5.7 | - | 25.6 | - | 7.4% | - |
| Pirentals | Cable up a pole | 3.1 | - | 3.1 | 1,201,364 | - | attachments | 2.60 | = <u></u> | 2.3 | = | 10.5 | - | 7.5% | <u> </u> |
| Lead-in duct Spine duct - 1 bore Spine duct - 2 bore Spine duct - 3 bore Spine duct - | Total Inputs to downstream services | 670.4 | - | 670.4 | | | | | | 190.5 | - | 7,079.0 | - | 6.8% | - |
| Lead-in duct Spine duct - 1 bore Spine duct - 2 bore Spine duct - 3 bore Spine duct - | | | | | | | | | | | | | | | |
| Spine duct - 1 bore - 10.0 10.0 - 28,682 km - 0.35 - 2.7 - 29.7 - Spine duct - 2 bore - 2.2 2.2 2.2 2.2 2.2 8,960 km - 0.24 - 0.6 - 5.1 - Spine duct - 2 bore - 2.20 2.2 2.2 2.2 2.2 8,960 km - 0.24 - 0.6 - 5.1 - Spine duct - 2 bore - 2.20 2.2 2.2 2.2 2.2 2.2 8,960 km - 0.24 - 0.66 - 5.1 - - 5.1 - - 1.8 - 0.5 - 5.1 - - 1.6 - 1.6 1.6 - 2.135,032 entries - 2.51 - 1.4 - 1.17 - - 2.51 - 1.4 - | | | | | | | | | | | | | | | |
| Spine duct - 2 bore - 2.2 2.2 - 8,960 km - 0.24 - 0.6 - 5.1 | | - | | | - | | lead-ins | - | | - | | - | | - | 39.7% |
| Spine duct - 3+ bore - 2.0 2.0 - 12,314 km - 0.16 - 0.5 - 3.8 - 1.7 1. | Spine duct - 1 bore | - | 10.0 | 10.0 | - | 28,682 | km | - | 0.35 | - | 2.7 | - | 29.7 | - | 24.6% |
| Facility hosting (per manhole entry) - 1.7 1.7 - 161,063 entries - 10.63 - 0.5 - 6.6 - Facility hosting (per joint box entry) - 5.4 5.4 5.4 - 2,135,032 entries - 2.51 - 1.4 - 11.7 - 11.7 - 10.0 - 10.0 - 11.7 - 10.0 - 10.0 - 11.7 - 10.0 - 10 | Spine duct - 2 bore | - | 2.2 | 2.2 | - | 8,960 | km | - | 0.24 | - | 0.6 | = | 5.1 | - | 31.3% |
| Facility hosting (per joint box entry) Poles - multi-end-user attachment Poles - multi-end-user attachment Poles - single-end-user attachment Poles - single-end-user attachment Pole to pequipment Pole to | Spine duct - 3+ bore | - | 2.0 | 2.0 | - | 12,314 | km | - | 0.16 | - | 0.5 | = | 3.8 | - | 38.5% |
| Poles - multi-end-user attachment - 1.6 1.6 - 250,679 attachments - 6.29 - 1.9 - 6.2 - Poles - single-end-user attachment - 1.0 1.0 - 411,869 attachments - 2.46 - 1.3 - 4.2 - Pole top equipment - 0.4 0.4 - 232,253 attachments - 0.4 - 1.4 - Cable up a pole - 0.2 0.2 - 171,677 attachments - 0.2 - 0.6 - Total PI rentals - 26.5 26.5 26.5 26.5 - 10.0 - 73.0 - Ancillary charges (excl. network adjustments) - 6.1 6.1 (ux) (ux) (ux) (x) (x) - 2.0 - 4.2 - Network adjustments above financial limit 9.1 - 9.1 (ux) (ux) <td>Facility hosting (per manhole entry)</td> <td>-</td> <td>1.7</td> <td>1.7</td> <td>-</td> <td>161,063</td> <td>entries</td> <td>-</td> <td>10.63</td> <td>-</td> <td>0.5</td> <td>=</td> <td>6.6</td> <td>-</td> <td>18.4%</td> | Facility hosting (per manhole entry) | - | 1.7 | 1.7 | - | 161,063 | entries | - | 10.63 | - | 0.5 | = | 6.6 | - | 18.4% |
| Poles - single-end-user attachment | Facility hosting (per joint box entry) | - | 5.4 | 5.4 | - | 2,135,032 | entries | - | 2.51 | - | 1.4 | = | 11.7 | - | 34.2% |
| Pole top equipment - 0.4 0.4 - 232,253 attachments - 1.85 - 0.4 - 1.4 - 1.4 - 1.5 - 0.5 | Poles - multi-end-user attachment | - | 1.6 | 1.6 | - | 250,679 | attachments | - | 6.29 | - | 1.9 | = | 6.2 | - | (5.9)% |
| Cable up a pole - 0.2 0.2 - 171,677 attachments - 1.23 - 0.2 - 0.6 - Total PI rentals - 26.5 26.5 26.5 (ux) (ux) (ux) (sx) (sx) - 2.0 - (4.2) - Ancillary charges (excl. network adjustments) 9.1 - 9.1 (ux) (ux) (ux) (ux) (sx) (sx) 8.9 - 2.6 - 7.0% | Poles - single-end-user attachment | - | 1.0 | 1.0 | - | 411,869 | attachments | - | 2.46 | - | 1.3 | = | 4.2 | - | (7.4)% |
| Total Pi rentals - 26.5 26.5 - 10.0 - 73.0 - Ancillary charges (excl. network adjustments) - 6.1 6.1 (ux) (ux) (sx) - 2.0 - (4.2) - Network adjustments above financial limit 9.1 - 9.1 (ux) (ux) (ux) (sx) (sx) 8.9 - 2.6 - 7.0% | Pole top equipment | - | 0.4 | 0.4 | - | 232,253 | attachments | - | 1.85 | - | 0.4 | - | 1.4 | - | (1.4)% |
| Ancillary charges (excl. network adjustments) - 6.1 6.1 (ux) (ux) (ux) (sx) - 2.0 - (4.2) - Network adjustments above financial limit 9.1 - 9.1 (ux) (ux) (ux) (sx) (sx) 8.9 - 2.6 - 7.0% | Cable up a pole | - | 0.2 | 0.2 | - | 171,677 | attachments | - | 1.23 | - | 0.2 | - | 0.6 | - | (0.4)% |
| Network adjustments above financial limit 9.1 - 9.1 (ux) (ux) (ux) (sx) (sx) 8.9 - 2.6 - 7.0% | Total PI rentals | - | 26.5 | 26.5 | | | | | | - | 10.0 | - | 73.0 | - | 22.4% |
| Network adjustments above financial limit 9.1 - 9.1 (ux) (ux) (sx) (sx) 8.9 - 2.6 - 7.0% | Ancillary charges (excl. network adjustments) | - | 6.1 | 6.1 | (ux) | (ux) | (ux) | (sx) | (sx) | - | 2.0 | - | (4.2) | - | (99.3)% |
| Pounding 0.4 (0.1) 0.1 | Network adjustments above financial limit | 9.1 | - | 9.1 | (ux) | (ux) | (ux) | (sx) | (sx) | 8.9 | - | 2.6 | - | 7.0% | - |
| rounding - 0.1 (0.1) 0.1 | Rounding | 0.4 | - | 0.4 | | | | | | - | 0.1 | (0.1) | 0.1 | | |
| Total Physical Infrastructure 679.9 32.6 712.5 | Total Physical Infrastructure | 679.9 | 32.6 | 712.5 | | | | | | 199.4 | 12.1 | 7,081.5 | 68.9 | 6.8% | 29.7% |

1) Network adjustments above and below the financial limit added this year

| | Internal Opex | External Opex | Additions to Internal MCE | Additions to External MCE |
|--|---------------|---------------|------------------------------|------------------------------|
| | £m | £m | £m | £m |
| Gross network adjustments | - | - | 36.0 | 21.5 |
| Less network adjustments above the financial limit | - | - | (8.9) | - |
| Network adjustments below the limit | - | - | 27.1 | 21.5 |
| - of which, included in downstream services | - | - | 26.5 | 21.0 |
| - of which included in PI rentals | - | - | 0.6 | 0.5 |

2) Lead-in duct
BT must identify and report the volume (by length in metres and number of new connections) and capital cost of lead-in duct. The above table details the volume by number of new connections and capital cost, the volume in kilometres is as follows:

Volume 99,970

BT must identify and report the volumes and capital cost of poles separately from other asset and infrastructure costs. The above table details the capital cost of Poles, the volume is as follows:

No. of poles 4,142,633

Spine Duct volumes are presented in km, but prices are calculated per metre to align with the price list

6.1.1. Physical Infrastructure Summary Restated for the year ended 31 March 2023

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|---|---------------------|---------------------|------------------|--------------------|--------------------|-------------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Inputs to downstream services | | | | | | | | | | | | | | |
| Lead-in duct | (10.9) | - | (10.9) | 8,989,988 | - | lead-ins | (1.21) | = | (52.1) | - | 601.3 | - | 6.8% | - |
| Spine duct - 1 bore | (43.9) | - | (43.9) | 755,891 | - | km | (0.06) | - | (199.9) | - | 2,304.0 | - | 6.8% | - |
| Spine duct - 2 bore | (10.6) | - | (10.6) | 357,418 | - | km | (0.03) | = | (50.7) | - | 582.3 | - | 6.9% | - |
| Spine duct - 3+ bore | (15.6) | - | (15.6) | 579,431 | - | km | (0.03) | - | (72.6) | - | 824.5 | - | 6.9% | - |
| Facility hosting (per manhole entry) | (13.1) | - | (13.1) | 6,891,558 | - | entries | (1.91) | - | (64.4) | - | 743.6 | - | 6.9% | - |
| Facility hosting (per joint box entry) | (18.8) | - | (18.8) | 56,549,375 | - | entries | (0.33) | - | (82.4) | - | 935.6 | - | 6.8% | - |
| Poles - multi-end-user attachment | 23.7 | - | 23.7 | 2,747,288 | - | attachments | 8.63 | - | 17.7 | - | 85.4 | - | 7.1% | - |
| Poles - single-end-user attachment | 47.1 | - | 47.1 | 20,092,913 | - | attachments | 2.34 | - | 35.2 | - | 170.0 | - | 7.0% | - |
| Pole top equipment | 5.4 | - | 5.4 | 2,224,584 | - | attachments | 2.42 | - | 4.0 | - | 19.5 | - | 6.9% | - |
| Cable up a pole | 2.3 | - | 2.3 | 1,194,077 | - | attachments | 1.90 | - <u> </u> | 1.7 | - | 8.3 | - | 6.8% | |
| Total Inputs to downstream services | (34.4) | - | (34.4) | | | | | | (463.5) | - | 6,274.5 | - | 6.8% | - |
| PI rentals | | | | | | | | | | | | | | |
| Lead-in duct | _ | 0.9 | 0.9 | _ | 95,144 | lead-ins | _ | 9.94 | _ | _ | _ | 1.0 | _ | 101.3% |
| Spine duct - 1 bore | _ | 3.2 | 3.2 | _ | 10,377 | km | _ | 0.31 | _ | (0.7) | _ | 10.3 | _ | 38.3% |
| Spine duct - 2 bore | _ | 0.7 | 0.7 | _ | 3,489 | km | - | 0.20 | - | (0.1) | - | 1.8 | _ | 45.0% |
| Spine duct - 3+ bore | _ | 0.7 | 0.7 | - | 5,172 | km | - | 0.14 | - | (0.2) | - | 2.5 | _ | 36.9% |
| Facility hosting (per manhole entry) | _ | 0.7 | 0.7 | - | 78,569 | entries | - | 9.43 | - | (0.2) | - | 2.5 | _ | 36.7% |
| Facility hosting (per joint box entry) | _ | 1.9 | 1.9 | - | 857,673 | entries | - | 2.24 | - | (0.2) | - | 2.9 | - | 72.7% |
| Poles - multi-end-user attachment | - | 0.6 | 0.6 | - | 98,932 | attachments | - | 5.65 | - | 0.5 | - | 1.4 | - | 3.2% |
| Poles - single-end-user attachment | _ | 0.3 | 0.3 | - | 121,909 | attachments | - | 2.21 | - | 0.2 | - | 0.5 | - | 11.1% |
| Pole top equipment | - | 0.1 | 0.1 | - | 80,287 | attachments | - | 1.66 | - | 0.1 | - | 0.2 | - | 13.2% |
| Cable up a pole | - | 0.1 | 0.1 | - | 57,858 | attachments | - | 1.10 | - | - | - | 0.1 | - | 21.0% |
| Total PI rentals | - | 9.2 | 9.2 | | | | | | - | (0.6) | - | 23.2 | - | 42.4% |
| Ancillary charges (excl. network adjustments) | - | 3.5 | 3.5 | (ux) | (ux) | (ux) | (sx) | (sx) | - | 1.2 | - | (4.6) | _ | (50.4)% |
| Network adjustments above financial limit | 9.5 | _ | 9.5 | (ux) | (ux) | (ux) | (sx) | (sx) | 9.2 | - | 3.5 | - | 7.0% | - |
| Rounding | (0.1) | 0.1 | = | , | . , | · · / | ·- , | \- <i>,</i> | 0.1 | 0.1 | - | - | | |
| Total Physical Infrastructure | (25.0) | 12.8 | (12.2) | | | | | | (454.2) | 0.7 | 6,278.0 | 18.6 | 6.8% | 65.3% |

| Note | |
|------|----|
| Note | c. |

1) Network adjustments above and below the financial limit added this year

| | Internal Opex | External Opex | Additions to Internal MCE | Additions to External MCE |
|--|---------------|---------------|------------------------------|------------------------------|
| | £m | £m | £m | £m |
| Gross network adjustments | | - | 37.1 | 14.6 |
| Less network adjustments above the financial limit | | - | (9.2) | <u>-</u> |
| Network adjustments below the limit | - | - | 27.9 | 14.6 |
| - of which, included in downstream services | - | - | 27.8 | 14.6 |
| - of which included in PI rentals | _ | _ | 0.1 | _ |

2) Lead-in duct
BT must identify and report the volume (by length in metres and number of new connections) and capital cost of lead-in duct. The above table details the volume by number of new connections and capital cost, the volume in kilometres is as follows:

Volume 95,485

BT must identify and report the volumes and capital cost of poles separately from other asset and infrastructure costs. The above table details the capital cost of Poles, the volume is as follows:

4,117,508 No. of poles

km

Spine Duct volumes are presented in km, but prices are calculated per metre to align with the price list

6.1.2. Physical Infrastructure Analysis of Service Cost

| • | | Lead-in duct Spi | | Spine duct | - 1 bore | Spine duct | - 2 bore | Spine duct - | 3+ bore | Facility host manhol | | Facility host | ting (per ox entry) | Poles - mu user atta | | Poles - sing | | Pole top eq | uipment | Cable u | p a pole | | | letwork adju above finan | | ı | Rounding | | Total |
|--|----------|------------------|----------|------------------|----------|------------|----------|--------------|---------|-------------------------|-----------|---------------|------------------------|-------------------------|------------|--------------|----------|---------------|---------|----------|----------|-----------|-----------|-----------------------------|-------------|------------|----------|---------|-------|
| | | | | | | | | | | mannot | e entry) | joint be | ox entry) | usei atta | cilileiro | usei atta | cillienc | | | | | | stments) | above illian | ciat tillit | | | | |
| (i) Operating costs by type | [| Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Attribution of PI costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Wages and salaries | £m | 6.7 | 0.2 | 25.1 | 1.1 | 6.3 | 0.2 | 8.3 | 0.2 | 8.0 | 0.2 | 9.8 | 0.5 | 8.4 | 0.7 | 16.8 | 0.4 | 1.9 | 0.2 | 0.8 | 0.1 | - | 0.5 | 0.2 | - | (0.1) | - | 92.2 | 4.3 |
| Social security costs | £m | 0.8 | - | 2.8 | 0.1 | 0.7 | - | 0.9 | - | 0.9 | - | 1.1 | 0.1 | 0.9 | 0.1 0.1 | 1.9 | 0.1 | 0.2 | - | 0.1 | - | - | 0.1 | - | - | 0.1 0.1 | - 0.1 | 10.4 | 0.5 |
| Other pension costs Share-based payment expense | £m £m | 1.1 | - | 4.1 | 0.2 | 1.0 | - | 1.3 | - | 1.3 | - | 1.6 | 0.1 | 1.4 | 0.1 | 2.8 | 0.1 | 0.3 | - | 0.1 | - | - | 0.1 | - | - | 0.1 | 0.1 | 15.1 | 0.7 |
| Own work capitalised | £m | (3.6) | _ | (13.5) | (0.2) | (3.4) | _ | (4.5) | _ | (4.3) | (0.1) | (5.3) | (0.1) | (4.9) | (0.3) | (9.9) | (0.2) | (1.1) | (0.1) | (0.5) | _ | _ | (0.1) | (0.1) | - | _ | (0.2) | (51.1) | (1.3) |
| Net indirect labour costs | £m | 0.6 | _ | 2.3 | 0.1 | 0.6 | _ | 0.8 | _ | 0.7 | - | 0.9 | - | 2.4 | 0.1 | 4.8 | 0.1 | 0.5 | - | 0.2 | _ | _ | - | 0.1 | _ | _ | 0.2 | 13.9 | 0.5 |
| Product costs | £m | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | - | 0.4 | _ |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | (0.1) | - |
| Property and energy costs | £m | 0.3 | - | 1.0 | - | 0.2 | - | 0.3 | - | 0.3 | - | 0.4 | - | 0.2 | - | 0.5 | - | 0.1 | - | - | - | - | - | - | - | (0.4) | 0.1 | 2.9 | 0.1 |
| Network operating and IT costs | £m | 1.1 | - | 4.1 | 0.1 | 1.0 | - | 1.3 | - | 1.3 | - | 1.6 | - | 1.0 | 0.1 | 2.0 | - | 0.2 | - | 0.1 | - | - | - | 0.1 | - | 0.1 | 0.2 | 13.9 | 0.4 |
| TV programme rights charges Provision and installation | £m £m | - | - | (0.1) | - | - | - | - | - | - | - | - | - | 0.1 | - | 0.3 | - | - | - | - | - | - | - | - | - | (0.1) | - | 0.2 | - |
| Marketing and sales | £m | 0.1 | _ | 0.1) | _ | 0.1 | _ | 0.1 | _ | 0.1 | _ | 0.1 | _ | 0.1 | _ | 0.3 | _ | _ | _ | _ | _ | _ | _ | _ | - | (0.1) | _ | 0.2 | _ |
| Net impairment of losses on TR and contract assets | £m | - | 0.1 | - | 0.4 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.2 | _ | 0.1 | - | _ | _ | _ | _ | _ | _ | 0.3 | _ | _ | (0.1) | _ | - | 1.4 |
| Other operating costs | £m | 1.9 | - | 6.9 | 0.2 | 1.8 | - | 2.3 | - | 2.2 | - | 2.7 | 0.1 | 0.1 | - | 0.1 | - | - | - | _ | - | - | 0.6 | 0.1 | - | _ | 0.1 | 18.1 | 1.0 |
| Other operating income | £m | (0.1) | - | (0.4) | - | (0.1) | - | (0.1) | - | (0.1) | - | (0.2) | - | (0.1) | - | (0.2) | - | - | - | - | - | - | - | - | - | (0.1) | - | (1.4) | _ |
| Total operating costs before depreciation | £m | 8.9 | 0.3 | 32.6 | 2.0 | 8.2 | 0.3 | 10.7 | 0.3 | 10.4 | 0.2 | 12.7 | 0.9 | 9.5 | 0.9 | 19.2 | 0.5 | 2.1 | 0.1 | 0.8 | 0.1 | - | 1.5 | 0.4 | - | (0.3) | 0.5 | 115.2 | 7.6 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct | £m | 18.4 | 0.1 | 69.0 | 1.0 | 17.5 | 0.2 | 23.1 | 0.1 | 21.9 | 0.2 | 27.3 | 0.4 | - | - | - | - | - | - | - | - | - | - | 8.2 | - | - | - | 185.4 | 2.0 |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | 3.5 | 0.2 | 7.0 | 0.2 | 8.0 | - | 0.3 | - | - | - | - | - | - | - | 11.6 | 0.4 |
| Copper | £m | 0.2 | - | 0.6 | - | 0.1 | - | 0.1 | - | 0.2 | - | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | 1.3 | - |
| Fibre | £m | 0.1 | - | 0.3 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.5 | - | 1.0 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | 0.1 | 2.3 | 0.1 |
| Electronics Software | £m £m | 0.8 | - | 3.2 | 0.1 | 0.8 | - | 1.0 | - | 1.0 | - | 1.2 | - | 0.5 | - | 1.0 | - | 0.1 | - | - | - | - | - | 0.1 | - | 0.1 | 0.1 | 9.8 | 0.2 |
| Land and buildings | £m | 0.1 | - | 0.4 | - | 0.8 | - | 0.1 | _ | 0.1 | _ | 0.1 | - | 0.5 | - | 0.2 | - | 0.1 | - | - | - | - | - | 0.1 | - | 0.1 | 0.1 | 1.3 | 0.2 |
| Right of use assets | £m | 0.5 | _ | 2.0 | 0.1 | 0.5 | _ | 0.7 | _ | 0.6 | _ | 0.1 | _ | 0.6 | _ | 1.2 | _ | 0.1 | _ | 0.1 | _ | _ | _ | _ | _ | 0.1 | 0.1 | 7.3 | 0.3 |
| Other assets | £m | 0.2 | _ | 0.9 | - | 0.2 | _ | 0.3 | _ | 0.3 | _ | 0.3 | _ | 0.2 | _ | 0.3 | _ | - | _ | - | _ | _ | _ | _ | _ | 0.7 | 0.1 | 3.4 | 0.1 |
| Less funded assets (BDUK, etc.) | £m | (1.3) | - | (5.0) | (0.1) | (1.3) | _ | (1.7) | - | (1.6) | - | (2.0) | - | (0.1) | - | (0.2) | _ | - | - | - | - | - | - | - | - | 0.1 | (0.1) | (13.1) | (0.2) |
| Total depreciation | £m | 19.0 | 0.1 | 71.4 | 1.1 | 18.0 | 0.2 | 23.7 | 0.1 | 22.6 | 0.2 | 28.0 | 0.4 | 5.3 | 0.2 | 10.5 | 0.2 | 1.1 | - | 0.4 | - | - | - | 8.3 | - | 1.0 | 0.5 | 209.3 | 3.0 |
| Specific items | £m | 0.8 | 0.1 | 2.9 | 0.6 | 0.7 | 0.1 | 1.0 | 0.1 | 0.9 | 0.1 | 1.1 | 0.3 | 0.9 | 0.1 | 1.7 | 0.1 | 0.2 | - | 0.1 | - | - | 0.4 | - | - | (0.1) | 0.2 | 10.2 | 2.1 |
| Total HCA operating costs | £m | 28.7 | 0.5 | 106.9 | 3.7 | 26.9 | 0.6 | 35.4 | 0.5 | 33.9 | 0.5 | 41.8 | 1.6 | 15.7 | 1.2 | 31.4 | 0.8 | 3.4 | 0.1 | 1.3 | 0.1 | - | 1.9 | 8.7 | - | 0.6 | 1.2 | 334.7 | 12.7 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | (32.0) | (0.2) | (119.8) | (1.7) | (30.3) | (0.3) | (39.5) | (0.2) | (38.1) | (0.4) | (46.9) | (0.7) | (3.9) | (0.2) | (7.8) | (0.2) | (0.9) | (0.1) | (0.4) | - | - | - | - | - | 0.2 | - | (319.4) | (4.0) |
| Supplementary depreciation | £m | 18.8 | 0.1 | 69.7 | 1.0 | 17.4 | 0.2 | 21.5 | 0.1 | 22.1 | 0.2 | 25.9 | 0.4 | 3.3 | 0.2 | 6.6 | 0.1 | 0.7 | - | 0.3 | - | - | - | - | - | 0.1 | 0.1 | 186.4 | 2.4 |
| Other CCA adjustments | £m | (3.7) | - | (14.2) | (0.2) | (3.7) | - | (5.2) | - | (4.5) | - | (6.0) | (0.1) | 10.6 | 0.7 | 21.1 | 0.5 | 2.4 | 0.1 | 1.0 | 0.1 | - | - | - | - | (0.1) | (0.2) | (2.3) | 0.9 |
| Rounding | £m | (0.2) | 0.1 | 0.1 | (0.1) | 0.2 | 0.1 | - | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | - | - | - | 0.1 | 0.1 | 0.3 | 0.1 | - | - | 0.1 | 0.2 | - | (8.0) | (1.0) | - | 0.1 |
| Total CCA operating costs | £m | 11.6 | 0.5 | 42.7 | 2.7 | 10.5 | 0.6 | 12.2 | 0.5 | 13.5 | 0.5 | 15.0 | 1.4 | 25.7 | 1.9 | 51.3 | 1.3 | 5.7 | 0.4 | 2.3 | 0.2 | | 2.0 | 8.9 | | <u> </u> | 0.1 | 199.4 | 12.1 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Openreach SLGs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | - | - | - | - | - | 0.3 |
| Leaver costs | £m | 0.6 | | 2.2 | 0.1 | 0.6 | | 0.7 | - | 0.7 | - | 0.9 | - | 0.7 | 0.1 | 1.4 | | 0.2 | - | 0.1 | - | - | - | - | - | (0.2) | 0.1 | 7.9 | 0.3 |
| | Ī | l ead | -in duct | Spine duct | - 1 hore | Snine duct | - 2 hore | Spine duct - | 3+ hore | Facility host | ing (per | Facility hos | ting (ner | Poles - mu | lti-and- | Poles - sing | le-end- | Pole top eq | uinment | Cable u | n a nole | Ancillary | charges N | letwork adju | stments | | Rounding | | Total |
| | | | | 5 p0 uuot | | оро шист | - 200.0 | оро шиос | 20.0 | | le entry) | | ox entry) | user atta | | user atta | | . 0.0 .00 .04 | | G | p u poto | (excl. | | above finan | | | | | |
| (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| | _ | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EOI input prices Attribution of PI costs | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | 3.9 | 0.1 | 14.0 | 0.4 | 3.5 | | 4.7 | 0.1 | 4.5 | - | 5.5 | - | 5.4 | 0.5 | 11.0 | 0.2 | 1.2 | - | 0.5 | 0.1 | - | 0.4 | (0.1) | - | (0.3) | (0.2) | 53.8 | 1.6 |
| Openreach support functions | £m | 0.4 | 0.2 | 1.5 | 1.2 | 0.4 | 0.3 | 0.5 | 0.2 | 0.5 | 0.2 | 0.6 | 0.7 | 0.4 | 0.2 | 0.9 | 0.1 | 0.1 | 0.1 | | | | 0.9 | 0.1 | | - | 0.1 | 5.4 | 4.2 |
| Openreach total | £m | 4.3 | 0.3 | 15.5 | 1.6 | 3.9 | 0.3 | 5.2 | 0.3 | 5.0 | 0.2 | 6.1 | 0.7 | 5.8 | 0.7 | 11.9 | 0.3 | 1.3 | 0.1 | 0.5 | 0.1 | - | 1.3 | - | - | (0.3) | (0.1) | 59.2 | 5.8 |
| Rest of BT | _ | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | 2.2 | - | 8.3 | 0.2 | 2.1 | - | 2.7 | - | 2.6 | - | 3.2 | 0.1 | 2.0 | 0.1 | 3.9 | 0.1 | 0.4 | - | 0.2 | - | - | 0.1 | 0.2 | - | 0.1 | 0.3 | 27.9 | 0.9 |
| Property and facilities | £m | 0.2 | - | 0.6 | - 0.2 | 0.1 | - | 0.2 | - | 0.2 | - | 0.2 | 0.1 | 0.1 | - 0.1 | 0.2 | 0.1 | - 0.4 | - | 0.1 | - | - | 0.1 | - 0.3 | - | (0.1) | 0.1 | 1.8 | 0.1 |
| Technology units Consumer and Business | £m £m | 2.2 | - | 8.2 | 0.2 | 2.1 | - | 2.6 | - | 2.6 | - | 3.2 | 0.1 | 1.6 | 0.1 | 3.2 | 0.1 | 0.4 | - | 0.1 | - | - | 0.1 | 0.2 | - | (0.1) | 0.2 | 26.3 | 0.8 |
| Rest of BT total | £m | 4.6 | - | 17.1 | 0.4 | 4.3 | - | 5.5 | - | 5.4 | - | 6.6 | 0.2 | 3.7 | 0.2 | 7.3 | 0.2 | 0.8 | - | 0.3 | - | - | 0.2 | 0.4 | - | - | 0.6 | 56.0 | 1.8 |
| Operating cost before depreciation | £m | 8.9 | 0.3 | 32.6 | 2.0 | 8.2 | 0.3 | 10.7 | 0.3 | 10.4 | 0.2 | 12.7 | 0.9 | 9.5 | 0.9 | 19.2 | 0.5 | 2.1 | 0.1 | 0.8 | 0.1 | - | 1.5 | 0.4 | _ | (0.3) | 0.5 | 115.2 | 7.6 |
| Operating cost before depreciation | Z1[] | 0.9 | 0.3 | 32.0 | 2.0 | 0.2 | 0.3 | 10.7 | 0.3 | 10.4 | 0.2 | 14./ | 0.9 | 9.0 | 0.9 | 13.2 | 0.5 | 2, 1 | U. I | 0.0 | U. I | - | 1.3 | 0.4 | • | (0.3) | 0.5 | 113.2 | 7.0 |

6.1.2. Physical Infrastructure Analysis of Service Cost Restated for the year ended 31 March 2023

| Restated for the year ended 31 March 202 | · [| Lead | -in duct | Spine duct | : - 1 bore | Spine duct | - 2 bore | Spine duct - | - 3+ bore | Facility host manhol | ting (per le entry) | Facility host joint bo | ting (per ox entry) | Poles - mu user atta | | Poles - sing user atta | | Pole top equi | ipment | Cable u | p a pole | (excl. n | etwork | letwork adjustmo above financial l | | R | ounding | | Total |
|--|----------|--------------------|----------|--------------------|------------|--------------------|----------|--------------------|-----------|-------------------------|------------------------|------------------------|------------------------|-------------------------|------------|---------------------------|----------|-------------------|--------|-------------------|----------|--------------|---------------|---------------------------------------|-----|----------------|-------------------|---------------------|-------------------|
| (i) Operating costs by type | ŀ | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | ments) Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attribution of PI costs Wages and salaries | £m | - 1.2 | - 0.1 | - | - 0.4 | 1.2 | - 0.1 | 17 | - 0.1 | 16 | 0.1 | 2.0 | - 0.2 | 112 | - 0.3 | 22.5 | 0.1 | - | 0.1 | - 1 1 | - | - | - 0.4 | - | - | - 0.1 | - | - | - 1.9 |
| Social security costs | £m £m | 1.3 0.1 | 0.1 | 5.0 0.6 | 0.4 | 1.3 0.1 | 0.1 | 1.7 0.2 | 0.1 | 1.6 0.2 | 0.1 | 2.0 0.2 | 0.2 | 11.3 1.3 | 0.3 | 22.5 2.6 | 0.1 | 2.6 0.3 | 0.1 | 1.1 0.1 | - | - | 0.4 0.1 | 0.3 | - | 0.1 0.2 | 0.1 | 50.8 5.9 | 0.2 |
| Other pension costs | £m | 0.2 | - | 0.7 | 0.1 | 0.2 | - | 0.2 | - | 0.2 | - | 0.3 | - | 1.8 | 0.1 | 3.6 | - | 0.4 | - | 0.2 | - | - | 0.1 | 0.1 | - | 0.1 | - | 8.0 | 0.3 |
| Share-based payment expense | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Own work capitalised | £m | (0.8) | - | (3.0) | (0.1) | (8.0) | - | (1.1) | - | (1.0) | - | (1.2) | - | (6.4) | (0.2) | (12.7) | (0.1) | (1.5) | - | (0.6) | - | - | (0.1) | (0.1) | - | 0.1 | - | (29.1) | (0.5) |
| Net indirect labour costs Product costs | £m £m | 0.1 | - | 0.3 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.1 | - | 1.7 | - | 3.5 | - | 0.4 | - | 0.2 | - | - | 0.1 | 0.1 | - | - | 0.1 | 6.7 | 0.2 |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | _ |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | - | - | _ | _ |
| Property and energy costs | £m | 0.1 | - | 0.2 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.3 | - | 0.6 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | - | 1.6 | - |
| Network operating and IT costs | £m | 0.3 | - | 1.2 | - | 0.3 | - | 0.4 | - | 0.4 | - | 0.5 | - | 1.0 | - | 2.0 | - | 0.2 | - | 0.1 | - | - | - | - | - | - | 8.0 | 6.4 | 0.8 |
| TV programme rights charges Provision and installation | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | 0.2 | - |
| Marketing and sales | £m | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 0.1 | - | - | - | - | - | - | - | - | - | - | _ | 0.2 | _ |
| Net impairment of losses on TR and contract assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | - | - | _ | _ |
| Other operating costs | £m | 1.3 | - | 5.0 | 0.1 | 1.3 | - | 1.8 | - | 1.6 | - | 2.0 | - | 3.7 | 0.1 | 7.3 | - | 0.8 | - | 0.4 | - | - | 0.5 | 0.1 | - | (0.1) | 0.1 | 25.2 | 0.8 |
| Other operating income | £m | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | (0.2) | - | - | - | - | - | - | - | - | - | (0.1) | - | (0.4) | - |
| Total operating costs before depreciation | £m | 2.6 | 0.1 | 10.0 | 0.5 | 2.6 | 0.1 | 3.4 | 0.1 | 3.2 | 0.1 | 4.0 | 0.2 | 14.7 | 0.3 | 29.3 | - | 3.3 | 0.1 | 1.5 | - | - | 1.1 | 0.5 | - | 0.2 | 1.1 | 75.3 | 3.7 |
| Depreciation Duct | £m | 17.4 | 0.1 | 66.6 | 0.4 | 16.9 | 0.1 | 24.1 | 0.1 | 21.5 | 0.1 | 27.3 | 0.2 | | | | | | | | | | | 0.4 | | (0.1) | (0.1) | 182.1 | 0.0 |
| Poles | £m | 17.4 | 0.1 | - | 0.4 | 16.9 | 0.1 | 24.1 | 0.1 | 21.5 | 0.1 | 27.3 | 0.2 | 1.9 | - | 3.8 | - | 0.4 | - | 0.2 | - | - | - | 0.4 | - | (0.1) | 0.1 | 6.3 | 0.9 0.1 |
| Copper | £m | 0.1 | _ | 0.4 | _ | 0.1 | _ | 0.1 | - | 0.1 | _ | 0.1 | _ | - | - | - | _ | - | _ | - | _ | _ | _ | - | - | 0.1 | - | 1.0 | - |
| Fibre | £m | 0.1 | - | 0.2 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.3 | - | 0.6 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | - | 1.6 | - |
| Electronics | £m | | - | | - | | - | | - | | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Software | £m £m | (0.1) | - | (0.4) | - | (0.1) 0.1 | - | (0.2) 0.1 | - | (0.1) 0.1 | - | (0.2) 0.1 | - | 0.7 0.2 | - | 1.4 0.4 | - | 0.2 | - | 0.1 | - | - | - | 0.2 | - | - | - | 1.5 | - |
| Land and buildings Right of use assets | £m | 0.1 0.3 | - | 0.2 1.3 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.1 | - | 0.2 | - | 1.8 | - | 0.2 | - | 0.1 | - | - | - | - | - | 0.1 | 0.1 | 1.3 6.3 | 0.1 |
| Other assets | £m | 0.1 | _ | 0.4 | _ | 0.1 | _ | 0.1 | _ | 0.1 | _ | 0.2 | _ | 0.4 | _ | 0.8 | _ | 0.1 | _ | - | _ | _ | _ | _ | _ | 0.1 | 0.1 | 2.4 | 0.1 |
| Less funded assets (BDUK, etc.) | £m | (0.7) | - | (2.8) | - | (0.7) | - | (1.0) | - | (0.9) | - | (1.2) | - | (0.1) | - | (0.1) | - | - | - | - | - | - | - | - | - | (0.1) | - | (7.6) | _ |
| Total depreciation | £m | 17.3 | 0.1 | 65.9 | 0.4 | 16.8 | 0.1 | 23.7 | 0.1 | 21.3 | 0.1 | 26.9 | 0.2 | 4.3 | - | 8.7 | - | 1.0 | - | 0.4 | - | - | - | 8.6 | - | - | 0.2 | 194.9 | 1.2 |
| Specific items Total HCA operating costs | £m £m | 0.2 20.1 | 0.2 | 0.9 76.8 | 0.9 | 0.2 19.6 | 0.2 | 0.3 27.4 | 0.2 | 0.3 24.8 | 0.2 | 0.3 31.2 | 0.4 | 0.8 19.8 | 0.3 | 1.5 39.5 | - | 0.2 4.5 | 0.1 | 0.1 2.0 | - | - | 1.1 | 9.1 | - | 0.2 | 0.1 1.4 | 4.8 275.0 | 0.1 5.0 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | (87.1) | (0.3) | (333.8) | (2.1) | (84.4) | (0.4) | (119.7) | (0.5) | (107.7) | (0.5) | (135.8) | (8.0) | (9.7) | (0.2) | (19.4) | (0.1) | (2.2) | - | (0.9) | - | - | - | - | - | - | (0.1) | (900.7) | (5.0) |
| Supplementary depreciation | £m | 16.7 | 0.1 | 63.7 | 0.4 | 15.9 | 0.1 | 21.8 | 0.1 | 20.6 | 0.1 | 24.7 | 0.1 | 2.9 | 0.1 | 5.9 | - | 0.7 | - | 0.3 | - | - | - | - | - | (0.1) | - | 173.1 | 1.0 |
| Other CCA adjustments Rounding | £m £m | (1.7) (0.1) | - | (6.6) | 0.1 | (1.6) (0.2) | - | (2.2) 0.1 | - | (2.1) | - | (2.5) | 0.1 | 4.6 0.1 | 0.1 0.2 | 9.1 0.1 | 0.3 | 1.0 | - | 0.4 (0.1) | _ | _ | 0.1 | 0.1 | - | (0.1) 0.1 | (1.2) | (1.7) 0.1 | 0.1 (0.4) |
| Total CCA operating costs | £m | (52.1) | - | (199.9) | (0.7) | (50.7) | (0.1) | (72.6) | (0.2) | (64.4) | (0.2) | (82.4) | (0.2) | 17.7 | 0.5 | 35.2 | 0.2 | 4.0 | 0.1 | 1.7 | - | - | 1.2 | 9.2 | - | 0.1 | 0.1 | (454.2) | 0.7 |
| Total CCA operating cost includes the following: | | | | - | | | | - | | | | - | | - | | - | <u>-</u> | - | | | | - | | | | - | | - | |
| Cumulo charges | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Openreach SLGs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | - | - | - | - | - | 0.2 |
| Leaver costs | £m | 0.2 | - | 0.7 | - | 0.2 | - | 0.2 | - | 0.2 | - | 0.3 | - | 0.5 | - | 0.9 | - | 0.1 | - | - | - | - | - | - | - | - | 0.1 | 3.3 | 0.1 |
| | | Lead | -in duct | Spine duct | - 1 bore | Spine duct | - 2 bore | Spine duct - | - 3+ bore | | ting (per le entry) | | ting (per ox entry) | Poles - mu user atta | | Poles - sing user atta | | Pole top equi | ipment | Cable u | p a pole | (excl. n | etwork | letwork adjustm above financial l | | R | ounding | | Total |
| (ii) Operating costs by division | ŀ | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | ments) Ext | Int | Ext | Int | Ext | Int | Ext |
| FOUTHWEST | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EOI input prices Attribution of PI costs | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | 2.1 | - | 8.1 | 0.1 | 2.1 | - | 2.7 | - | 2.6 | - | 3.3 | - | 10.4 | 0.1 | 21.0 | - | 2.4 | 0.1 | 1.2 | - | - | 0.3 | 0.1 | - | 0.3 | 0.3 | 56.3 | 0.9 |
| Openreach support functions | £m | 0.1 | 0.1 | 0.3 | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.5 | 0.1 | 0.9 | | 0.1 | | - | | - | 0.6 | - | - | (0.1) | 0.1 | 2.2 | 1.8 |
| Openreach total | £m | 2.2 | 0.1 | 8.4 | 0.5 | 2.2 | 0.1 | 2.8 | 0.1 | 2.7 | 0.1 | 3.4 | 0.2 | 10.9 | 0.2 | 21.9 | - | 2.5 | 0.1 | 1.2 | - | - | 0.9 | 0.1 | - | 0.2 | 0.4 | 58.5 | 2.7 |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | 0.2 | - | 0.9 | - | 0.2 | - | 0.3 | - | 0.3 | - | 0.3 | - | 2.1 | 0.1 | 4.1 | - | 0.5 | - | 0.2 | - | - | 0.1 | 0.2 | - | - | 0.3 | 9.3 | 0.5 |
| Property and facilities | £m | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 0.2 | - | - | - | - | - | - | - | - | - | 0.2 | 0.1 | 0.5 | 0.1 |
| Technology units Consumer and Business | £m £m | 0.2 | - | 0.8 (0.1) | - | 0.2 | - | 0.3 | - | 0.2 | - | 0.3 | - | 1.5 0.1 | - | 3.0 0.1 | - | 0.3 | - | 0.1 | - | - | 0.1 | 0.2 | - | (0.1) (0.1) | 0.3 | 7.0 | 0.4 |
| Rest of BT total | £m £m | 0.4 | | 1.6 | | | | 0.6 | | 0.5 | | 0.6 | | 3.8 | 0.1 | 7.4 | | | | 0.3 | | | 0.2 | 0.4 | | (0.1) | 0.7 | 16.8 | 1.0 |
| | _ | | | | | | | | | | | | | | | | | | | | | - | | | | | | | |
| Operating cost before depreciation | £m | 2.6 | 0.1 | 10.0 | 0.5 | 2.6 | 0.1 | 3.4 | 0.1 | 3.2 | 0.1 | 4.0 | 0.2 | 14.7 | 0.3 | 29.3 | - | 3.3 | 0.1 | 1.5 | - | - | 1.1 | 0.5 | - | 0.2 | 1.1 | 75.3 | 3.7 |

6.1.3. Physical Infrastructure Analysis of Service MCE For the year ended 31 March 2024

| | | Lead-i | n duct | Spine duct - | 1 bore | Spine duct | - 2 bore | Spine duct - | 3+ bore | Facility hosti manhole | | acility host joint bo | | Poles - mul user atta | | Poles - sing user atta | | Pole top eq | uipment | Cable u | p a pole | - | - | adjustment | etwork above al limit | R | ounding | | Total |
|---|------|--------|--------|--------------|--------|------------|----------|--------------|---------|---------------------------|-------|--------------------------|-------|--------------------------|-------|---------------------------|-------|-------------|---------|---------|----------|-----|-------|------------|-----------------------------|---------|---------|---------|--------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | _ | • | | • | | • | | | | • | | | | • | | | | | • | • | | • | | • | • | • | | | |
| | £m | 707.7 | 5.1 | 2,648.4 | 37.1 | 670.1 | 6.6 | 876.8 | 5.3 | 841.7 | 7.9 | 1,038.4 | 15.6 | - | - | - | - | - | - | - | - | - | - | - | - | (0.2) | -/ | 6,782.9 | 77.6 |
| | £m | - | - | | - | - | - | - | - | - | - | - | - | 96.6 | 5.9 | 193.1 | 4.2 | 21.5 | 1.3 | 8.8 | 0.6 | - | - | - | - | (0.1) | 0.1 | 319.9 | 12.1 |
| - - | £m | 1.6 | - | 5.9 | 0.1 | 1.4 | - | 1.4 | - | 1.9 | - | 1.8 | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.2) | 0.1 | 13.8 | 0.2 |
| | £m | 1.6 | - | 5.6 | 0.1 | 1.3 | - | 1.3 | - | 1.8 | - | 1.7 | - | 14.7 | 1.2 | 29.4 | 0.6 | 3.3 | 0.3 | 1.3 | 0.2 | - | - | - | - | (0.2) | -/ | 61.8 | 2.4 |
| | £m | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - (0.0) | | 0.2 | - |
| | £m | 2.6 | - | 9.7 | 0.2 | 2.4 | - | 3.1 | - | 3.1 | - | 3.7 | 0.1 | 1.3 | 0.1 | 2.5 | 0.1 | 0.3 | - | 0.1 | - | - | - | 0.4 | - | (0.2) | 0.1 | 29.0 | 0.6 |
| • | £m | 0.2 | - | 0.6 | | 0.1 | - | 0.2 | - | 0.2 | - | 0.2 | | 0.1 | | 0.3 | | | - | | - | - | | - | - | (0.1) | 0.1 | 1.8 | 0.1 |
| 9 | £m | 1.9 | - | 7.0 | 0.2 | 1.8 | - | 2.3 | - | 2.2 | - | 2.8 | 0.1 | 2.1 | 0.2 | 4.3 | 0.1 | 0.5 | - | 0.2 | - | - | 0.1 | - | - | (0.2) | 0.3 | 24.9 | 1.0 |
| | £m | 3.2 | - | 11.8 | 0.2 | 3.0 | - | 3.7 | - | 3.7 | - | 4.5 | 0.1 | 0.7 | - | 1.4 | - | 0.2 | - | 0.1 | - | - | - | 0.7 | - | (0.1) | 0.2 | 32.9 | 0.5 |
| , | £m _ | (23.2) | (0.2) | (86.9) | (1.2) | (22.0) | (0.2) | (29.2) | (0.2) | (27.6) | (0.3) | (34.4) | (0.5) | (1.7) | (0.1) | (3.4) | (0.1) | (0.4) | - | (0.2) | - | - | - | - | - | 0.1 | | (228.9) | (2.8) |
| Total non-current assets | £m | 695.6 | 4.9 | 2,602.2 | 36.7 | 658.1 | 6.4 | 859.6 | 5.1 | 827.0 | 7.6 | 1,018.7 | 15.4 | 113.8 | 7.3 | 227.7 | 4.9 | 25.4 | 1.6 | 10.3 | 8.0 | - | 0.1 | 1.1 | - | (1.2) | 0.9 | 7,038.3 | 91.7 |
| Current assets | £m | 10.6 | 0.2 | 39.4 | 1.2 | 10.0 | 0.2 | 13.1 | 0.2 | 12.6 | 0.2 | 15.4 | 0.6 | 7.5 | 0.5 | 15.0 | 0.3 | 1.7 | 0.1 | 0.7 | 0.1 | _ | 0.5 | 1.9 | _ | 0.2 | 0.2 | 128.1 | 4.3 |
| Current liabilities | £m | (6.4) | (1.6) | (24.1) | (8.1) | (6.1) | (1.7) | (7.9) | (1.6) | (7.6) | (1.4) | (9.4) | (4.3) | (6.4) | (1.6) | (12.8) | (1.1) | (1.4) | (0.4) | (0.6) | (0.2) | - | (4.9) | (0.5) | - | 0.1 | -/ | (83.1) | (26.9) |
| Provisions | £m | (0.2) | - | (0.9) | - | (0.2) | - | (0.3) | - | (0.3) | - | (0.3) | - | (0.3) | - | (0.5) | - | (0.1) | - | - | - | - | - | - | - | - | (0.1) | (3.1) | (0.1) |
| Rounding | £m | (0.1) | 0.2 | - | (0.1) | 0.1 | 0.2 | - | 0.1 | - | 0.2 | - | - | 0.2 | - | 0.1 | 0.1 | - | 0.1 | 0.1 | (0.1) | _ | 0.1 | 0.1 | _ | 0.8 | (0.9) | 1.3 | (0.1) |
| Total MCE | £m | 699.5 | 3.7 | 2,616.6 | 29.7 | 661.9 | 5.1 | 864.5 | 3.8 | 831.7 | 6.6 | 1,024.4 | 11.7 | 114.8 | 6.2 | 229.5 | 4.2 | 25.6 | 1.4 | 10.5 | 0.6 | - | (4.2) | 2.6 | - | (0.1) | 0.1 | 7,081.5 | 68.9 |

6.1.3. Physical Infrastructure Analysis of Service MCE Restated for the year ended 31 March 2023

| | | Lead-in duct Spine duct - 1 b | | Lead-in duct Spine duct - 1 bore | | Spine duct - 1 bore | | Spine duct - 1 bore | | Spine duct | - 2 bore S | pine duct - | 3+ bore F | acility host manhol | J 1 | acility host joint bo | J 1 | Poles - mul user atta | | Poles - sing user atta | · . | Pole top equ | uipment | Cable u | p a pole | | - | N adjustments financi | | Ro | ounding | | Total |
|---------------------------------|----|-------------------------------|-------|----------------------------------|----------|---------------------|-------|---------------------|-------|------------|------------|-------------|-----------|------------------------|-------|--------------------------|-------|--------------------------|-------|---------------------------|-------|--------------|---------|---------|----------|-------|-------|-----------------------------|--------|----|---------|--|-------|
| | ŀ | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | | | | |
| Non-current assets | | | | | <u> </u> | | | - | | | | | - | <u> </u> | | | - | - | | <u> </u> | - | | - I | • | | 1 | | - I | | | | | |
| Duct | £m | 612.4 | 2.3 | 2,346.8 | 14.8 | 593.4 | 2.8 | 841.0 | 3.5 | 757.3 | 3.6 | 954.4 | 5.5 | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | (0.1) | 6,105.4 | 32.4 | | | | |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | 70.6 | 1.7 | 140.5 | 0.7 | 16.1 | 0.3 | 6.8 | 0.1 | - | - | - | - | - | 0.1 | 234.0 | 2.9 | | | | |
| Copper | £m | 1.3 | - | 4.9 | - | 1.2 | - | 1.3 | - | 1.6 | - | 1.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 11.8 | 0.1 | | | | |
| Fibre | £m | 1.3 | - | 4.7 | - | 1.1 | - | 1.3 | - | 1.5 | - | 1.4 | - | 11.1 | 0.4 | 22.1 | 0.1 | 2.5 | 0.1 | 1.1 | - | - | - | - | - | - | 0.1 | 48.1 | 0.7 | | | | |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Software | £m | (0.5) | - | (2.0) | - | (0.5) | - | (8.0) | - | (0.7) | - | (0.9) | - | 0.9 | - | 1.8 | - | 0.2 | - | 0.1 | - | - | - | 0.4 | - | - | - | (2.0) | - | | | | |
| Land and buildings | £m | - | - | 0.1 | - | - | - | - | - | - | - | 0.1 | - | 0.1 | - | 0.3 | - | - | - | - | - | - | - | - | - | 0.2 | - | 0.8 | - | | | | |
| Right of use assets | £m | 1.0 | - | 4.0 | 0.1 | 1.0 | - | 1.4 | - | 1.3 | - | 1.6 | - | 2.9 | 0.1 | 5.7 | - | 0.7 | - | 0.3 | - | - | 0.1 | 0.1 | - | (0.1) | 0.2 | 19.9 | 0.5 | | | | |
| Other assets | £m | (1.9) | - | (7.2) | (0.1) | (1.8) | - | (2.7) | - | (2.3) | - | (3.0) | - | 0.3 | - | 0.7 | - | 0.1 | - | - | - | - | - | 0.9 | - | 0.1 | 0.2 | (16.8) | 0.1 | | | | |
| Less funded assets (BDUK, etc.) | £m | (19.5) | (0.1) | (74.9) | (0.5) | (19.0) | (0.1) | (27.1) | (0.1) | (24.1) | (0.1) | (30.8) | (0.2) | (1.5) | - | (3.0) | - | (0.3) | - | (0.1) | - | - | - | - | - | 0.1 | - | (200.2) | (1.1) | | | | |
| Total non-current assets | £m | 594.1 | 2.2 | 2,276.4 | 14.3 | 575.4 | 2.7 | 814.4 | 3.4 | 734.6 | 3.5 | 924.3 | 5.3 | 84.4 | 2.2 | 168.1 | 8.0 | 19.3 | 0.4 | 8.2 | 0.1 | - | 0.1 | 1.4 | - | 0.4 | 0.6 | 6,201.0 | 35.6 | | | | |
| Current assets | £m | 8.1 | 0.1 | 30.8 | 0.5 | 7.8 | 0.1 | 11.0 | 0.1 | 10.0 | 0.1 | 12.5 | 0.2 | 9.0 | 0.2 | 17.9 | 0.1 | 2.0 | _ | 0.9 | _ | _ | 0.4 | 2.8 | _ | (0.1) | 0.1 | 112.7 | 1.9 | | | | |
| Current liabilities | £m | (0.8) | (1.3) | (2.9) | (4.6) | (0.7) | (1.0) | (1.0) | (1.0) | (0.9) | (1.0) | (1.1) | (2.7) | (7.7) | (1.0) | (15.4) | (0.5) | (1.8) | (0.2) | (0.7) | (0.1) | _ | (5.1) | (0.7) | _ | (0.1) | - | (33.8) | (18.5) | | | | |
| Provisions | £m | (0.1) | - | (0.4) | - | (0.1) | - | (0.1) | - | (0.1) | - | (0.2) | - | (0.3) | - | (0.6) | - | (0.1) | - | - | - | _ | - | - | _ | - | _ | (2.0) | - | | | | |
| | | , | | , | | , | | , | | , | | , | | , | | , | | , , | | | | | | | | | | , | | | | | |
| Rounding | £m | - | - | 0.1 | 0.1 | (0.1) | - | 0.2 | - | - | (0.1) | 0.1 | 0.1 | - | - | - | 0.1 | 0.1 | - | (0.1) | 0.1 | - | - | - | - | (0.2) | (0.7) | 0.1 | (0.4) | | | | |
| Total MCE | £m | 601.3 | 1.0 | 2,304.0 | 10.3 | 582.3 | 1.8 | 824.5 | 2.5 | 743.6 | 2.5 | 935.6 | 2.9 | 85.4 | 1.4 | 170.0 | 0.5 | 19.5 | 0.2 | 8.3 | 0.1 | - | (4.6) | 3.5 | - | - | - | 6,278.0 | 18.6 | | | | |

7.1.1 Wholesale Local Access – Area 2 Summary For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|---|---------------------|---------------------|------------------|--------------------|--------------------|------------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | <u>%</u> |
| MPF rentals (SML1) (charge controlled) | _ | 425.8 | 425.8 | 65 | 4,277,558 | lines | 99.53 | 99.53 | _ | 321.8 | _ | 716.0 | 13.8% | 14.5% |
| MPF other rentals | 3.0 | 28.0 | 31.0 | 28,516 | 267,370 | lines | 104.96 | 104.76 | 2.2 | 21.4 | 4.8 | 44.8 | 15.6% | 14.7% |
| FTTC 40/10 rentals (charge controlled) | 38.3 | 95.6 | 133.9 | 547,245 | 1,367,609 | lines | 69.90 | 69.91 | 22.8 | 56.5 | 57.0 | 142.3 | 27.0% | 27.5% |
| FTTC other rentals | 151.2 | 263.6 | 414.8 | 1,684,946 | 3,077,560 | lines | 89.71 | 85.65 | 70.8 | 127.6 | 176.6 | 321.7 | 45.5% | 42.3% |
| FTTP 40/10 rentals (charge controlled) | 7.0 | 5.8 | 12.8 | 36,461 | 29,924 | lines | 193.04 | 193.04 | 8.6 | 7.0 | 40.6 | 33.3 | (3.8)% | (3.7)% |
| FTTP 40/10 rentals (non-charge controlled) | 3.0 | 3.4 | 6.4 | 15,399 | 17,656 | lines | 193.04 | 193.04 | 3.6 | 4.1 | 17.1 | 19.6 | (3.8)% | (3.7)% |
| FTTP other rentals | 254.1 | 204.9 | 459.0 | 1,231,222 | 1,031,996 | lines | 206.40 | 198.53 | 290.1 | 241.7 | 1,370.4 | 1,148.4 | (2.6)% | (3.2)% |
| SOGEA 40/10 rental (charge controlled) | 54.2 | 44.5 | 98.7 | 320,165 | 262,417 | lines | 169.44 | 169.44 | 36.0 | 29.2 | 84.8 | 69.4 | 21.5% | 21.9% |
| SOGEA other rentals | 200.5 | 152.4 | 352.9 | 1,098,017 | 836,594 | lines | 182.62 | 182.12 | 123.9 | 93.4 | 291.0 | 221.5 | 26.3% | 26.6% |
| NGA Visit Assure | 11.5 | 9.4 | 20.9 | 75,690 | 61,727 | amendments | 151.54 | 151.54 | 10.1 | 8.3 | 0.1 | 0.1 | 1,040.2% | 1,040.2% |
| Special Faults Investigation | 2.7 | 1.4 | 4.1 | (ux) | (ux) | (ux) | (sx) | (sx) | 2.5 | 1.4 | 0.1 | - | 194.3% | 2.1% |
| WLA Time Related Charges | 6.7 | 9.2 | 15.9 | (ux) | (ux) | (ux) | (sx) | (sx) | 5.7 | 8.5 | 1.4 | 2.1 | 72.4% | 34.3% |
| Hard Ceases | 2.4 | 2.1 | 4.5 | 186,002 | 124,340 | ceases | 13.06 | 17.01 | 2.0 | 1.4 | (1.0) | (8.0) | (47.2)% | (89.2)% |
| GEA Cancel/Amend/Modify – CRD | 6.0 | 4.6 | 10.6 | 285,216 | 700,777 | amendments | 20.91 | 6.51 | 5.7 | 13.3 | 0.1 | 2.8 | 202.6% | (312.6)% |
| Tie cables | 9.4 | 2.6 | 12.0 | (ux) | (ux) | (ux) | (sx) | (sx) | 2.3 | 1.1 | 14.1 | 6.4 | 50.4% | 22.2% |
| Ancillaries (£0 cap) | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | - | - | - |
| Other ancillaries - CPI-0% ¹ | 5.9 | 9.6 | 15.5 | (ux) | (ux) | (ux) | (sx) | (sx) | 17.8 | 27.6 | 3.8 | 5.2 | (316.9)% | (347.0)% |
| GEA 40/10 (FTTC) PCP Only Install Connections | 1.1 | 2.5 | 3.6 | 20,958 | 45,498 | conns | 54.59 | 54.59 | 1.6 | 3.0 | 0.5 | 1.0 | (88.8)% | (52.4)% |
| GEA Other (FTTC) PCP Only Install Connections | 1.4 | 7.1 | 8.5 | 26,425 | 130,678 | conns | 54.59 | 54.59 | 2.0 | 8.7 | 0.7 | 2.9 | (88.8)% | (52.4)% |
| MPF New Provides | - | 11.8 | 11.8 | 1 | 337,967 | conns | 201.87 | 35.01 | - | 7.1 | - | 0.4 | 563.9% | 1,126.8% |
| Other ancillaries | 14.2 | 8.5 | 22.7 | (ux) | (ux) | (ux) | (sx) | (sx) | 4.4 | 5.2 | - | 1.7 | (121,058.9)% | 201.0% |
| Other WLA services | 99.0 | 82.8 | 181.8 | (ux) | (ux) | (ux) | (sx) | (sx) | 261.9 | 224.3 | 77.5 | 70.9 | (210.1)% | (199.8)% |
| IFRS 15 deferred revenue | (1.3) | (6.7) | (8.0) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.2) | (0.2) | (25.4) | (32.3) | 4.6% | 20.2% |
| IFRS15 SLG | (29.6) | (19.8) | (49.4) | (ux) | (ux) | (ux) | (sx) | (sx) | (32.1) | (21.5) | (3.6) | (2.4) | (69.6)% | (69.6)% |
| Rounding | 0.1 | (0.4) | (0.3) | | | | | | 0.2 | (0.1) | (8.0) | - | - | |
| Total WLA - Area 2 | 840.8 | 1,348.7 | 2,189.5 | | | | | | 841.9 | 1,190.8 | 2,109.8 | 2,775.0 | (0.1)% | 5.7% |

Notes:

 $\label{lem:ancillary} Ancillary \,(\text{CPI-0\%})\,\text{services}\,\text{where individual service total revenue is less than }\pounds5\text{m}\,\text{can}\,\text{be}\,\text{aggregated}\,\text{and reported together}.$

7.1.1 Wholesale Local Access – Area 2 Summary Restated for the year ended 31 March 2023

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|---|---------------------|---------------------|------------------|--------------------|--------------------|------------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| MPF rentals (SML1) (charge controlled) | _ | 449.1 | 449.1 | 178 | 5,010,498 | lines | 89.59 | 89.64 | - | 213.4 | - | 806.6 | 28.7% | 29.2% |
| MPF other rentals | 4.4 | 31.8 | 36.2 | 46,379 | 336,060 | lines | 94.68 | 94.68 | 2.2 | 16.6 | 7.5 | 54.4 | 28.7% | 28.0% |
| FTTC 40/10 rentals (charge controlled) | 44.3 | 109.7 | 154.0 | 703,804 | 1,735,744 | lines | 62.93 | 63.20 | 14.0 | 33.6 | 74.0 | 182.2 | 41.0% | 41.8% |
| FTTC other rentals | 184.4 | 285.6 | 470.0 | 2,271,720 | 3,637,214 | lines | 81.16 | 78.52 | 45.7 | 70.8 | 240.1 | 383.4 | 57.7% | 56.0% |
| FTTP 40/10 rentals (charge controlled) | 5.5 | 2.3 | 7.8 | 31,410 | 13,036 | lines | 173.77 | 173.78 | 8.1 | 3.3 | 47.4 | 19.7 | (5.5)% | (5.4)% |
| FTTP 40/10 rentals (non-charge controlled) | 2.1 | 1.5 | 3.6 | 12,168 | 8,386 | lines | 173.77 | 173.78 | 3.1 | 2.1 | 18.4 | 12.7 | (5.5)% | (5.4)% |
| FTTP other rentals | 170.4 | 112.5 | 282.9 | 812,038 | 566,950 | lines | 209.81 | 198.42 | 209.1 | 145.0 | 1,225.6 | 855.4 | (3.2)% | (3.8)% |
| SOGEA 40/10 rental (charge controlled) | 34.5 | 24.2 | 58.7 | 226,087 | 158,842 | lines | 152.51 | 152.51 | 12.9 | 8.9 | 58.4 | 41.0 | 37.0% | 37.5% |
| SOGEA other rentals | 119.5 | 89.9 | 209.4 | 726,211 | 545,442 | lines | 164.58 | 164.90 | 41.5 | 30.5 | 187.7 | 140.7 | 41.5% | 42.2% |
| NGA Visit Assure | 12.3 | 11.4 | 23.7 | 90,497 | 83,414 | amendments | 136.40 | 136.40 | 15.1 | 13.9 | 1.0 | 0.9 | (274.7)% | (274.7)% |
| Special Faults Investigation | 3.8 | 1.8 | 5.6 | (ux) | (ux) | (ux) | (sx) | (sx) | 6.2 | 3.0 | 0.4 | 0.2 | (569.2)% | (569.2)% |
| WLA Time Related Charges | 5.0 | 10.0 | 15.0 | (ux) | (ux) | (ux) | (sx) | (sx) | 5.4 | 10.7 | 1.4 | 2.7 | (30.1)% | (23.3)% |
| Hard Ceases | 1.2 | 3.6 | 4.8 | 90,885 | 240,608 | ceases | 13.35 | 15.05 | 1.4 | 3.8 | (0.1) | (0.2) | 381.8% | 70.1% |
| GEA Cancel/Amend/Modify – CRD | 3.4 | 4.3 | 7.7 | 242,580 | 729,191 | amendments | 13.93 | 5.86 | 5.1 | 15.1 | 1.8 | 6.4 | (96.4)% | (167.5)% |
| Tie cables | 7.9 | 2.7 | 10.6 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.8 | - | 16.6 | - | 42.5% | (8,740.1)% |
| Ancillaries (£0 cap) | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | - | - | - |
| Other ancillaries - CPI-0% ¹ | 6.2 | 9.5 | 15.7 | (ux) | (ux) | (ux) | (sx) | (sx) | 22.4 | 27.2 | 9.6 | 8.2 | (169.9)% | (217.0)% |
| GEA 40/10 (FTTC) PCP Only Install Connections | 3.0 | 4.4 | 7.4 | 61,499 | 90,062 | conns | 49.14 | 49.14 | 5.6 | 7.0 | 1.9 | 2.4 | (133.4)% | (106.7)% |
| GEA Other (FTTC) PCP Only Install Connections | 4.2 | 13.2 | 17.4 | 86,485 | 268,932 | conns | 49.14 | 49.14 | 7.9 | 20.9 | 2.7 | 7.2 | (133.4)% | (106.7)% |
| MPF New Provides | - | 16.1 | 16.1 | 5 | 499,847 | conns | 23.75 | 32.23 | - | 16.2 | - | 2.7 | (198.5)% | (3.7)% |
| Other ancillaries | 13.5 | 11.0 | 24.5 | (ux) | (ux) | (ux) | (sx) | (sx) | 7.7 | 12.0 | 1.0 | 6.1 | 567.5% | (15.7)% |
| Other WLA services | 77.8 | 65.9 | 143.7 | (ux) | (ux) | (ux) | (sx) | (sx) | 214.9 | 165.6 | 68.3 | 53.8 | (200.9)% | (185.2)% |
| IFRS 15 deferred revenue | (6.1) | 0.3 | (5.8) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.2) | (0.2) | (23.7) | (30.8) | 25.0% | (1.6)% |
| IFRS15 SLG | (33.8) | (25.3) | (59.1) | (ux) | (ux) | (ux) | (sx) | (sx) | (37.2) | (27.9) | (4.1) | (3.1) | (82.9)% | (82.9)% |
| Rounding | | 0.5 | 0.5 | | | | | | 0.6 | - | - | (0.1) | - | |
| Total WLA - Area 2 | 663.5 | 1,236.0 | 1,899.5 | | | | | | 592.3 | 791.5 | 1,935.9 | 2,552.5 | 3.7% | 17.4% |

Notes:

 $Ancillary \, (\text{CPI-0\%}) \, \text{services where individual service total revenue is less than } \pounds 5 \text{m can be aggregated and reported together.}$

7.1.2 Wholesale Local Access – Area 2 Analysis of Service Cost For the year ended 31 March 2024

FTTP other rentals SOGEA 40/10 rental SOGEA other rentals MPF rentals (SML1) MPF other rentals FTTC 40/10 rentals FTTC other rentals FTTP 40/10 rentals FTTP 40/10 rentals **NGA Visit Assure** Special Faults WLA Time Related **Hard Ceases** (charge controlled (charge controlled (charge controlled (charge controlled controlled) (i) Operating costs by type Int Ext Ext Ext Int Ext Int Ext Ext Ext Int Ext Ext Int Ext Int Ext Ext Int Int EOI input prices £m 100.1 28.5 0.7 6.3 3.5 4.3 7.9 0.7 0.4 28.6 24.0 8.3 6.8 21.7 Attribution of PL costs £m 1.4 0.8 0.4 17.9 32.6 3.1 0.9 0.5 2.6 3.9 1.9 1.3 Wages and salaries £m 43.7 0.3 3.3 5.8 14.5 3.0 2.4 1.3 1.4 100.5 84.2 6.1 5.0 20.8 15.8 3.7 Social security costs £m 4.9 0.4 0.7 1.7 2.1 3.9 0.3 0.3 0.1 0.2 11.4 9.6 0.7 0.6 2.4 1.9 0.4 0.3 0.1 0.1 0.3 0.4 0.2 0.1 0.2 Other pension costs £m 7.2 0.1 0.5 0.9 2.3 2.9 5.3 0.5 0.4 0.2 16.4 13.7 1.0 0.8 3.4 2.6 0.6 0.5 0.1 0.1 0.4 0.6 0.3 0.2 Share-based payment expense £m (0.5)(10.3)(1.7)(0.7)(0.8)(47.5)(3.5)(2.9)(12.1)(0.9)Own work capitalised £m (27.1)(0.2)(2.0)(3.4)(8.4)(18.9)(1.4)(56.7)(9.2)(2.2)(1.8)(0.3)(1.6)(2.4)(1.4)Net indirect labour costs £m 7.3 0.1 0.6 0.4 1.1 1.4 2.5 0.2 0.1 0.1 0.1 5.3 4.5 0.7 0.6 2.5 1.9 1.5 1.2 0.6 0.3 0.2 0.3 0.1 0.1 Product costs £m 0.1 0.1 0.3 0.2 0.1 Sales commissions £m Payments to telecommunications operators £m 0.1 (0.1)(0.1)Property and energy costs £m 41.2 0.3 2.5 4.4 11.0 13.6 24.8 1.2 0.6 0.7 47.6 39.8 5.0 4.1 17.3 13.1 0.1 0.1 0.1 0.1 Network operating and IT costs £m 7.4 0.1 0.6 0.9 2.1 2.6 4.8 0.5 0.4 0.2 0.2 15.9 13.3 0.9 8.0 3.2 2.5 0.8 0.7 0.1 0.1 0.5 0.7 0.1 TV programme rights charges £m Provision and installation 0.4 0.1 0.3 0.7 0.1 1.7 0.5 0.4 1.8 0.1 0.1 0.1 0.1 Marketing and sales £m 0.3 0.1 0.1 0.2 0.5 0.4 0.1 0.1 0.5 0.1 0.1 0.1 0.7 0.6 0.1 0.1 0.4 0.3 0.1 0.1 Net impairment of losses on TR and contract assets £m 20.6 0.2 1.9 3.8 9.1 12.2 20.7 (1.7) 3.8 2.8 13.1 9.1 4.1 3.4 0.5 2.3 3.4 0.3 Other operating costs (0.5)1.0 0.4 (0.1)(1.0)Other operating income £m (1.8)(2.4)(0.4)14.6 82.3 5.1 2.2 2.4 170.7 80.2 60.2 2.3 4.9 £m 210.7 1.6 14.4 46.0 9.1 7.6 7.1 1.7 Total operating costs before depreciation Depreciation 0.2 0.8 £m 0.1 0.4 0.9 1.1 2.1 0.2 0.6 Duct £m Poles 20.1 93.3 0.6 5.8 1.2 3.1 3.8 7.0 0.2 0.2 7.7 6.3 26.4 Copper £m 2.1 1.7 0.9 1.0 £m 12.6 15.5 28.3 70.0 58.6 2.9 2.4 10.1 7.7 Fibre 5.0 0.2 12.3 0.2 Electronics £m 0.1 0.3 0.8 1.0 1.8 0.4 0.3 0.2 10.3 0.2 0.7 0.5 Software £m 3.4 0.2 0.6 1.4 1.8 3.2 0.3 0.2 0.1 0.1 10.3 8.6 0.5 0.4 1.8 1.4 0.1 0.1 0.1 0.1 0.1 Land and buildings 0.5 0.2 0.2 0.1 £m 0.1 0.4 1.5 1.3 0.1 0.2 0.2 0.1 Right of use assets £m 4.6 0.3 0.4 1.0 1.2 2.2 0.3 0.2 0.1 0.1 10.0 8.4 0.4 0.3 1.4 1.1 0.3 0.2 0.1 0.2 0.2 0.1 Other assets £m 1.8 0.1 0.4 1.0 12 22 0.2 0.2 0.1 0.1 7.0 59 0.3 0.2 1.0 0.7 0.1 0.1 0.3 0.4 Less funded assets (BDUK, etc.) £m (0.8)(2.0)(2.5)(4.5)(0.1)(0.1)(0.1)(3.6)(3.0)(0.5)(0.4)(1.6)(1.2)Total depreciation £m 103.8 6.4 7.6 19.0 23.3 42.7 3.2 2.5 1.4 1.4 107.7 90.3 11.8 9.7 40.8 31.1 0.6 0.1 0.6 0.7 0.2 0.6 Specific items 21.1 22.7 71.0 128.0 290.2 241.8 123.2 **Total HCA operating costs** £m 318.7 2.2 6.9 3.7 4.0 35.6 29.0 93.0 10.1 8.3 2.5 5.8 8.2 2.1 **CCA** adjustments £m (28.5)(0.2)(1.8)(0.7)(1.9)(2.3)(4.2)(0.2)(0.1)(2.6)(2.1)(8.8)(6.7)Holding gains £m 31.2 0.2 1.9 0.7 2.0 3.7 2.7 2.2 9.3 7.1 Supplementary depreciation 1.6 0.1 0.1 Other CCA adjustments £m 0.3 0.1 0.1 0.2 0.1 0.1 (0.1)0.1 (0.1) (0.1)(0.1)0.2 (0.1)0.1 (0.1)0.1 Rounding £m 0.1 0.1 0.1 **Total CCA operating costs** 70.8 8.6 290.1 10.1 fm 321.8 2.2 21.4 36.0 29.2 123.9 8.3 2.5 1.4 1.4 22.8 56.5 127.6 7.0 3.6 4.1 241.7 93.4 5.7 8.5 2.0 Total CCA operating cost includes the following: Cumulo charges £m 27.5 0.2 1.7 1.3 3.3 4.1 7.5 0.8 0.7 0.4 0.4 28.7 24.1 2.9 2.4 10.1 7.6 1.2 0.7 Openreach SLGs £m 1.9 0.1 0.4 0.4 1.5 0.1 2.5 0.9 0.5 0.2 2.0 0.2 0.1 0.1 0.1 0.2 0.1 Leaver costs 0.2 1.0 2.2 0.2 8.2 0.3 1.0 0.3 0.2 MPF rentals (SML1) FTTC 40/10 rentals FTTP 40/10 rentals FTTP 40/10 rentals FTTP other rentals SOGEA 40/10 rental SOGEA other rentals NGA Visit Assure MPF other rentals FTTC other rentals Special Faults WLA Time Related Hard Ceases (charge controlled (non-charge controlled Ext (ii) Operating costs by division Ext Int Ext Int Int Ext Int **EOI input prices** Attribution of PI costs £m 100.1 0.7 6.3 1.4 3.5 4.3 7.9 0.8 0.7 0.4 0.4 28.6 24.0 8.3 6.8 28.5 21.7 Openreach Service and network delivery £m 41.1 0.4 3.4 6.0 14.6 19.0 33.0 1.2 1.0 0.5 0.6 42.3 34.3 6.4 5.0 22.1 16.0 6.2 1.6 0.9 3.8 5.7 0.9 0.6 Openreach support functions £m 10.0 0.1 0.8 0.4 0.9 1.2 2.2 0.1 0.1 0.1 0.1 4.3 3.6 0.9 8.0 2.5 0.3 0.2 0.2 0.3 0.4 0.3 Openreach total 4.2 20.2 35.2 0.6 0.7 37.9 5.8 25.4 18.5 1.3 51.1 0.5 15.5 Rest of BT 0.2 4.8 £m 9.7 0.1 8.0 1.2 3.1 4.1 7.3 0.9 0.5 0.3 21.9 18.2 1.3 1.1 3.7 0.8 8.0 0.2 0.1 0.5 0.5 0.3 0.2 Group centre Property and facilities £m 29.8 0.2 1.8 1.4 3.6 4.4 8.1 0.9 8.0 0.4 0.5 32.0 26.8 3.1 2.5 10.6 8.0 £m 20.0 0.1 1.3 4.2 10.6 13.0 23.8 1.2 1.0 0.5 0.6 41.6 34.8 3.2 2.6 10.9 8.3 0.6 0.5 0.2 0.1 0.4 0.6 0.1 0.1 Technology units Consumer and Business £m 59.5 3.9 6.8 3.0 26.3 0.9 0.3 £m 0.4 17.3 21.5 39.2 2.3 1.2 1.3 95.5 79.8 7.6 6.2 20.0 1.4 1.3 0.4 0.2 1.1 0.4 Rest of BT total 210.7 170.7 141.7 60.2 Operating cost before depreciation fm 1.6 14.4 14.6 36.3 46.0 82.3 5.1 4.1 2.2 2.4 23.2 18.8 80.2 9.1 7.6 2.3 1.3 4.9 7.1 1.7 1.2

7.1.2 Wholesale Local Access – Area 2 Analysis of Service Cost (continued) For the year ended 31 March 2024

| | | | GEA | Ti | ie cables A | Ancillaries (£0 | cap) | Other and | | GEA 40/10 | | GEA Other | | MPF New P | Provides | Other and | cillaries | Other WLA | services | IFRS 15 d | deferred | IFR | S15 SLG | R | ounding | | Total |
|--|----------|-------------------|------------------|-------------------|-------------------|-----------------|------|--------------------|-----------------------|-----------------|-----------------------|-----------------------|----------------------|-----------|-------------------|------------|------------|---------------------|---------------------|----------------|----------------|-----------------|----------------------|---------------------|----------------|-----------------------|-----------------------|
| | | Cancel/A Modif | Amend/ fy-CRD | | | | | | CPI-0% ¹ | PCP Onl Conr | y Install nections | PCP Only Conn | / Install ections | | | | | | | | revenue | | | | | | |
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Attribution of PI costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 73.0 | 171.4 |
| Wages and salaries | £m | 9.9 | 24.1 | 1.7 | 0.9 | - | - | 30.1 | 33.2 | 1.1 | 2.3 | 1.3 | 6.5 | - | 4.3 | 1.4 | 2.7 | 145.4 | 129.0 | (0.1) | (0.1) | (8.0) | (0.6) | (0.2) | (0.1) | 354.6 | 413.9 |
| Social security costs | £m | 1.1 | 2.6 | 0.2 | 0.1 | - | - | 3.3 | 3.6 | 0.1 | 0.2 | 0.1 | 0.7 | - | 0.5 | 0.2 | 0.3 | 16.1 | 14.3 | - | - | (0.1) | (0.1) | 0.1 | | 39.8 | 46.6 |
| Other pension costs | £m | 1.4 | 3.4 | 0.2 | 0.1 | - | - | 4.3 | 4.8 | 0.2 | 0.3 | 0.2 | 1.0 | - | 0.7 | 0.2 | 0.4 | 22.5 | 20.0 | - | - | (0.2) | (0.1) | 0.1 | 0.2 | 55.7 | 65.2 |
| Share-based payment expense Own work capitalised | £m £m | (9.0) | (22.2) | (1.4) | (0.8) | - | - | (27.4) | (29.6) | (0.6) | (1.4) | (0.8) | (3.9) | - | (3.2) | 0.9 | (1.0) | (60.0) | (48.0) | - | - | 0.4 | 0.2 | (0.2) | 0.2 | (192.4) | (233.3) |
| Net indirect labour costs | £m | 0.5 | 1.3 | 0.1 | 0.1 | - | - | 1.6 | 1.8 | 0.0) | 0.1 | 0.1 | 0.3 | - | 0.3 | 0.9 | 0.2 | 8.2 | 7.0 | - | - | (0.3) | (0.2) | (0.2) | 0.2 | 23.4 | 31.6 |
| Product costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | - | - | - | - | 0.1 | 0.2 | 0.6 | 0.7 |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - |
| Property and energy costs | £m | 0.1 | 0.3 | 0.3 | 0.1 | - | - | 0.4 | 0.5 | - | - | - | 0.1 | - | 0.1 | 0.1 | 0.1 | 4.0 | 2.8 | - | - | (0.1) | - (0.0) | - | 0.1 | 95.2 | 142.7 |
| Network operating and IT costs | £m | (0.2) | (0.4) | - | - | - | - | (0.5) | 5.1 | - | 0.1 | - | 0.2 | - | 0.2 | 0.2 | 8.0 | 7.6 | 7.0 | - | - | (0.2) | (0.2) | 0.1 | (0.1) | 32.8 | 46.3 |
| TV programme rights charges Provision and installation | £m £m | - | _ | _ | - | - | _ | _ | 0.1 | - | _ | - | 0.1 | - | 0.1 | - | _ | 4.8 | 4.7 | - | _ | _ | - | 0.2 | 0.1 | 10.1 | - 16.4 |
| Marketing and sales | £m | - | - | _ | - | - | - | - | - | - | _ | - | - | - | - | - | - | 0.4 | 0.3 | - | - | - | - | 0.2 | - | 1.2 | 1.4 |
| Net impairment of losses on TR and contract assets | £m | 0.1 | 0.1 | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | 0.4 | 0.2 | - | - | - | - | 0.1 | 0.1 | 2.1 | 2.3 |
| Other operating costs | £m | - | - | (0.2) | (0.1) | - | - | 0.7 | 2.2 | 0.5 | 0.7 | 0.7 | 2.1 | - | 3.4 | 0.8 | 0.9 | 70.9 | 49.0 | - | - | (30.2) | (20.2) | - | (0.3) | 83.6 | 107.8 |
| Other operating income | £m | | - | - | - | <u> </u> | | - | - | - | - | - | | - | | - | - | (0.9) | (8.0) | - | - | - | - | (0.1) | (0.1) | (5.6) | (8.6) |
| Total operating costs before depreciation | £m | 3.9 | 9.2 | 0.9 | 0.4 | - | - | 12.6 | 21.8 | 1.4 | 2.3 | 1.6 | 7.1 | - | 6.4 | 3.9 | 4.4 | 219.5 | 185.6 | (0.1) | (0.1) | (31.5) | (21.2) | 0.2 | 0.4 | 574.0 | 804.4 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | (0.1) | - | 2.4 | 4.0 |
| Poles | £m | - | - | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | | |
| Copper | £m | - | - | 1.2 | 0.6 | - | - | - | - | - | - 0 1 | - | - 0.2 | - | - | - | - | 7.0 | | - | - | - | - | 0.2 | - | 41.3 | 136.4 |
| Fibre Electronics | £m £m | - | - | - | - | - | - | - | - | - | 0.1 | - | 0.2 | - | - | - | - | 7.9 | 7.7 | - | - | - | - | 0.1 (0.1) | - | 114.5 15.0 | 120.3 14.2 |
| Software | £m | _ | 0.1 | 0.1 | - | - | _ | 0.1 | 0.3 | _ | _ | - | 0.1 | - | 0.1 | 0.1 | 0.1 | 7.0 | 6.7 | - | _ | (0.4) | (0.3) | (0.1) | 0.3 | 22.6 | 26.5 |
| Land and buildings | £m | 0.2 | 0.6 | - | _ | - | _ | 0.7 | 0.8 | _ | _ | _ | 0.1 | - | - | - | 0.1 | 2.7 | 2.4 | _ | _ | (0.4) | (0.5) | 0.3 | 0.1 | 6.1 | 6.8 |
| Right of use assets | £m | 1.1 | 2.6 | - | - | - | - | 3.3 | 3.4 | 0.1 | 0.2 | 0.1 | 0.6 | - | 0.2 | 0.1 | 0.3 | 13.1 | 11.4 | - | - | (0.1) | - | - | 0.3 | 32.2 | 37.6 |
| Other assets | £m | 0.1 | 0.2 | - | - | - | - | 0.2 | 0.3 | - | - | - | 0.1 | - | - | - | - | 1.9 | 1.7 | - | - | - | - | 0.2 | - | 13.0 | 15.0 |
| Less funded assets (BDUK, etc.) | £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (9.1) | (11.3) |
| Total depreciation | £m | 1.4 | 3.5 | 1.3 | 0.6 | - | - | 4.3 | 4.8 | 0.1 | 0.3 | 0.1 | 1.1 | - | 0.3 | 0.2 | 0.6 | 32.6 | 29.9 | - | - | (0.5) | (0.3) | 0.6 | 0.7 | 238.0 | 349.5 |
| Specific items | £m | 0.4 | 0.6 | - | - | - | - | 0.8 | 1.0 | 0.1 | 0.1 | 0.1 | 0.3 | - | 0.3 | 0.3 | 0.2 | 9.6 | 8.6 | - | - | (0.1) | (0.1) | (0.1) | 0.1 | 29.3 | 33.3 |
| Total HCA operating costs | £m | 5.7 | 13.3 | 2.2 | 1.0 | - | - | 17.7 | 27.6 | 1.6 | 2.7 | 1.8 | 8.5 | - | 7.0 | 4.4 | 5.2 | 261.7 | 224.1 | (0.1) | (0.1) | (32.1) | (21.6) | 0.7 | 1.2 | 841.3 | 1,187.2 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | - | - | (0.7) | (0.3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | (15.4) | (45.6) |
| Supplementary depreciation | £m | - | - | 0.7 | 0.3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 15.7 | 48.2 |
| Other CCA adjustments | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - (0.4) | - (0.4) | - | - | 0.2 | 0.1 | 0.4 | 0.8 |
| Rounding Total CCA operating costs | £m £m | 5.7 | 13.3 | 0.1 2.3 | 0.1 1.1 | | | 0.1 17.8 | 27.6 | 1.6 | 0.3 3.0 | 0.2 2.0 | 0.2 8.7 | - | 0.1 7.1 | 4.4 | 5.2 | 0.2 261.9 | 0.2 224.3 | (0.1) (0.2) | (0.1) (0.2) | (32.1) | 0.1 (21.5) | (0.8) 0.2 | (1.5) (0.1) | (0.1) 841.9 | 0.2 1,190.8 |
| Total CCA operating costs | ΣIII | 3.7 | 13.3 | 2.3 | 1.1 | | | 17.0 | 27.0 | 1.0 | 3.0 | 2.0 | 0.7 | | 7.1 | 4,4 | 3.2 | 201.9 | 224.3 | (0.2) | (0.2) | (32.1) | (21.3) | 0.2 | (0.1) | 041.5 | 1,190.8 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges | £m | - | - | 0.2 | 0.1 | - | - | - | - 0.7 | - | - 0.4 | - | - 1.0 | - | - 47 | - | - | 0.1 | 0.1 | - | - | (20.7) | (40.0) | 0.1 | (0.1) | 48.9 | 75.3 |
| Openreach SLGs Leaver costs | £m £m | 0.1 | 0.2 | - | - | - | - | 0.5 0.3 | 0.7 0.4 | 0.4 | 0.4 0.1 | 0.5 | 1.0 0.2 | - | 1.7 0.2 | 0.2 | 0.1 | 29.4 6.5 | 11.3 6.1 | - | - | (29.7) (0.1) | (19.9) | - | (0.1) | 8.1 19.5 | 0.5 22.0 |
| Ecuver costs | 2111 | 0.1 | 0.2 | | | | | 0.5 | 0.4 | | 0.1 | | 0.2 | | 0.2 | 0.2 | 0.1 | 0.5 | 0.1 | | | (0.1) | | | (0.1) | 13.3 | 22.0 |
| | | C1// | GEA | Ti | ie cables A | Ancillaries (£0 | cap) | Other and | illaries - CPI-0%¹ | GEA 40/10 | ` 1 | GEA Other PCP Only | (FTTC) | MPF New P | Provides | Other and | cillaries | Other WLA | services | IFRS 15 c | | IFR | S15 SLG | R | lounding | | Total |
| | | Cancel/A Modif | fy – CRD | | | | | | CPI-0% | PCP Onl Conr | nections | | ections | | | | | | | | revenue | | | | | | |
| (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | = | = | = | _ | _ | _ | = | _ | _ | _ | _ | _ | = | _ | _ | _ | _ | _ | _ | = | _ | = | _ | _ | | |
| Attribution of PI costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 73.0 | 171.4 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Openreach | C | (0.1) | (0.2) | 0.1 | | | | 0.0 | 7.0 | 0.0 | 1.6 | 1.2 | 4.5 | | 4.7 | 2.0 | 2.0 | 159.8 | 1240 | | | (29.8) | (20.0) | 0.1 | | 246.3 | 207.6 |
| Service and network delivery Openreach support functions | £m £m | (0.1) 1.5 | (0.2) 3.3 | 0.1 0.3 | 0.2 | - | _ | 0.8 4.2 | 7.9 5.4 | 0.9 0.1 | 1.6 0.2 | 1.2 0.1 | 4.5 0.7 | - | 4.7 0.7 | 2.9 0.3 | 2.9 0.5 | 11.4 | 134.9 8.7 | - | - | (0.3) | (0.2) | 0.1 0.1 | (0.2) | 30.5 | 297.6 42.3 |
| Openreach total | £m | 1.4 | 3.1 | 0.4 | 0.2 | <u> </u> | | 5.0 | 13.3 | 1.0 | 1.8 | 1.3 | 5.2 | | 5.4 | 3.2 | 3.4 | 171.2 | 143.6 | | - | (30.1) | (20.2) | 0.1 | (0.2) | 276.8 | 339.9 |
| Openicacii totat | Σ111 | 1 | 3.1 | 0.4 | 0.2 | | | 5.0 | 13.3 | 1.0 | 1.0 | 1.5 | 3.2 | | 3.4 | 3.2 | 3.4 | 17 1.2 | 143.0 | | | (30.1) | (20.2) | 0.2 | (0.2) | 270.0 | 339.9 |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | 2.2 | 5.3 | 0.2 | 0.1 | - | - | 6.6 | 7.2 | 0.3 | 0.3 | 0.2 | 1.4 | - | 0.6 | 0.4 | 0.7 | 31.0 | 27.2 | (0.1) | - | (0.7) | (0.6) | (0.1) | 0.6 | 76.4 | 89.0 |
| Property and facilities | £m | | 0.1 | 0.2 | 0.1 | - | - | 0.1 | 0.1 | | | _ | | - | | - | | 1.3 | 1.0 | - | - (2.4) | (0.1) | , | 0.2 | 0.1 | 54.7 | 83.3 |
| Technology units | £m | 0.3 | 0.7 | 0.1 | - | - | - | 0.9 | 1.2 | 0.1 | 0.2 | 0.1 | 0.5 | - | 0.4 | 0.3 | 0.3 | 16.0 | 13.8 | - | (0.1) | (0.6) | (0.4) | (0.1) | (0.1) | 93.1 | 120.8 |
| Consumer and Business | £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 40.0 | - | - (0.4) | - (0.4) | - (4.4) | - (4.0) | - | - | - | - |
| Rest of BT total | £m | 2.5 | 6.1 | 0.5 | 0.2 | - | - | 7.6 | 8.5 | 0.4 | 0.5 | 0.3 | 1.9 | - | 1.0 | 0.7 | 1.0 | 48.3 | 42.0 | (0.1) | (0.1) | (1.4) | (1.0) | - | 0.6 | 224.2 | 293.1 |
| Operating cost before depreciation | £m | 3.9 | 9.2 | 0.9 | 0.4 | - | - | 12.6 | 21.8 | 1.4 | 2.3 | 1.6 | 7.1 | - | 6.4 | 3.9 | 4.4 | 219.5 | 185.6 | (0.1) | (0.1) | (31.5) | (21.2) | 0.2 | 0.4 | 574.0 | 804.4 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

7.1.2 Wholesale Local Access – Area 2 Analysis of Service Cost

Restated for the year ended 31 March 2023

| | | (charge con | | MPF otner | rentals | (charge con | | FIIC otnei | | (charge con | | (non- | charge | FIIPotne | r rentals | (charge cor | | JGEA otner | rentals | NGA VISI | t Assure | - | tigation | WLA IIMe | Charges | Hard | Ceases |
|---|--------|-------------|---------------|------------|--------------|---------------------|----------------------|----------------------|----------------------|---------------------|------------|-------------|-------------------|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|--------------|--------------|------------|----------|------------|--------------|-------|------------|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | cont Int | rolled) Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices £: | m | | | | | | | _ | | | | | | | | _ | _ | | | _ | | _ | | | _ | _ | |
| · | m | - | (3.0) | - | (0.2) | 0.2 | 0.5 | 0.7 | 1.2 | (0.1) | - | - | - | (2.5) | (1.7) | (0.1) | - | (0.2) | (0.1) | - | - | - | - | - | - | - | - |
| 5 | m | - | 82.4 | 0.9 | 6.7 | | 6.0 | 8.0 | 12.6 | 3.3 | 1.4 | 1.3 | 0.9 | 85.4 | 59.6 | 4.0 | 2.8 | 12.8 | 9.6 | 8.0 | 7.3 | 3.3 | 1.6 | 2.6 | 5.1 | 1.3 | 3.3 |
| Social security costs £ Other pension costs £ | | - | 9.5 | 0.1 | 0.8 1.1 | | 0.7 0.9 | 1.0 | 1.5 1.9 | 0.4 0.5 | 0.2 0.2 | 0.1 | 0.1 0.1 | 10.0 13.8 | 6.9 9.6 | 0.5 0.6 | 0.3 0.4 | 1.5 | 1.1 1.5 | 0.9 1.3 | 0.9 | 0.4 0.5 | 0.2 | 0.3 0.4 | 0.6 | 0.1 | 0.4 0.5 |
| Other pension costs £i Share-based payment expense £i | | - | 13.2 | 0.1 | - | - | 0.9 | 1.2 | 1.9 | 0.5 | - | 0.2 | - | 13.0 | 9.0 | - | - 0.4 | 2.0 | 1.5 | 1.5 | 1.2 | 0.5 | 0.5 | - | 0.8 | 0.2 | 0.5 |
| · · | m | - | (45.8) | (0.5) | (3.7) | | (2.8) | (3.7) | (5.9) | (1.8) | (8.0) | (0.7) | (0.5) | (46.8) | (32.7) | (2.1) | (1.5) | (6.7) | (5.0) | (4.5) | (4.1) | (1.9) | (0.9) | (1.4) | (2.8) | (8.0) | (2.1) |
| | m | - | 10.6 | 0.1 | 0.9 | 0.3 | 0.8 | 1.0 | 1.6 | 0.3 | 0.1 | 0.1 | 0.1 | 8.6 | 6.0 | 0.5 | 0.4 | 1.7 | 1.2 | 8.0 | 8.0 | 0.3 | 0.2 | 0.5 | 1.0 | 0.1 | 0.2 |
| | m m | - | 0.2 | - | - | - | 0.1 | 0.1 | 0.2 | - | - | - | - | 0.3 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators £ | | - | - | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | _ | - | _ | _ | - | _ |
| 3, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, | m | - | 41.2 | 0.4 | 2.8 | | 12.2 | 16.0 | 25.6 | 1.6 | 0.7 | 0.6 | 0.4 | 40.6 | 28.3 | 3.1 | 2.2 | 9.9 | 7.4 | 0.2 | 0.2 | 0.1 | - | 0.1 | 0.1 | - | 0.1 |
| Network operating and IT costs £1 TV programme rights charges £1 | m m | - | 7.2 | 0.1 | 0.6 | 0.3 | 0.7 | 0.9 | 1.4 | 0.4 | 0.1 | 0.1 | 0.1 | 9.3 | 6.5 | 0.4 | 0.3 | 1.2 | 0.9 | 8.0 | 0.7 | 0.3 | 0.1 | 0.3 | 0.6 | - | 0.1 |
| Provision and installation £ | | _ | 1.6 | - | 0.1 | - | - | 0.1 | 0.1 | - | - | - | - | 0.5 | 0.4 | 0.1 | 0.1 | 0.2 | 0.2 | - | - | - | - | - | - | - | _ |
| Marketing and sales £ | m | - | 0.2 | - | - | - | - | - | 0.1 | - | - | - | - | 0.3 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - |
| | m | - | - | - | - | - | - | - | - | - (0.5) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | m m | - | 34.7 (1.2) | 0.4 | 3.2 (0.1) | | 0.2 (1.3) | 1.8 (1.7) | 0.7 (2.7) | (0.5) | (0.2) | (0.2) | (0.2) | (13.5) (1.2) | (10.3) (0.9) | 1.6 (0.2) | 1.0 (0.1) | 5.3 (0.7) | 3.3 (0.5) | 5.8 (0.1) | 5.3 (0.1) | 2.4 | 1.1 | 1.9 | 3.7 (0.1) | 0.3 | 0.8 |
| . • | ''' – | - | 150.8 | 1.6 | 12.2 | | 18.0 | 25.4 | 38.3 | 4.1 | 1.7 | 1.5 | 1.0 | 104.8 | 72.1 | 8.4 | 5.9 | 27.0 | 19.6 | 13.2 | 12.2 | 5.4 | 2.6 | 4.7 | 9.0 | 1.2 | 3.3 |
| | | | | | | | 1010 | | | | | | | | | | | | | | | | | | | | |
| Depreciation Duct £1 | m | | 0.2 | | | 0.5 | 1.2 | 1.6 | 2.5 | | | | | | | 0.2 | 0.1 | 0.5 | 0.4 | | | | | | | | |
| | m | - | 0.2 | _ | _ | 0.5 | 1.2 | 1.6 | 2.5 | - | - | - | - | - | - | - | 0.1 | 0.5 | 0.4 | - | - | _ | _ | - | - | - | _ |
| | m | - | 94.4 | 0.9 | 6.3 | 1.4 | 3.6 | 4.7 | 7.5 | - | - | - | - | 0.2 | 0.2 | 4.7 | 3.3 | 15.1 | 11.4 | - | - | - | - | - | - | - | - |
| | m | - | - | - | - | 5.0 | 12.4 | 16.3 | 26.1 | 2.4 | 1.0 | 0.9 | 0.6 | 61.5 | 42.9 | 1.6 | 1.1 | 5.2 | 3.9 | - | - | - | - | - | - | - | - |
| | m m | - | 0.2 5.3 | 0.1 | 0.4 | 0.3 0.7 | 0.8 1.6 | 1.1 2.2 | 1.8 3.4 | 0.3 0.4 | 0.1 0.2 | 0.1 0.2 | 0.1 0.1 | 8.2 10.3 | 5.7 7.2 | 0.1 0.4 | 0.1 0.3 | 0.4 1.3 | 0.3 1.0 | 0.3 | 0.3 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 |
| Land and buildings | | - | 1.3 | - | 0.4 | | 0.1 | 0.1 | 0.2 | 0.4 | - | - | - | 1.6 | 1.1 | 0.4 | - | 0.2 | 0.1 | 0.3 | 0.3 | 0.1 | - | - | 0.2 | - | - |
| Right of use assets £ | m | - | 9.4 | 0.1 | 0.7 | | 0.6 | 0.8 | 1.2 | 0.4 | 0.2 | 0.2 | 0.1 | 10.4 | 7.2 | 0.3 | 0.2 | 1.1 | 0.8 | 0.6 | 0.6 | 0.3 | 0.1 | 0.2 | 0.4 | 0.1 | 0.2 |
| | m | - | 3.5 | - | 0.3 | | 1.0 | 1.4 | 2.2 | 0.3 | 0.1 | 0.1 | 0.1 | 7.7 | 5.4 | 0.2 | 0.2 | 0.8 | 0.6 | 0.3 | 0.2 | 0.1 | 0.1 | 0.2 | 0.5 | - | 0.1 |
| | m m | - | 114.3 | 1.1 | 7.8 | (0.6) 7.9 | (1.4) 19.9 | (1.9) 26.3 | (3.0) 41.9 | (0.1) 3.8 | 1.6 | 1.5 | 1.0 | (2.1) 97.8 | (1.5) 68.2 | (0.2) 7.4 | (0.1) 5.2 | (0.6) 24.0 | (0.5) 18.0 | 1.3 | 1.2 | 0.6 | 0.3 | 0.5 | 1.2 | 0.2 | 0.4 |
| rotat depreciation | | - | 114.3 | 1.1 | 7.0 | 7.5 | 19.9 | 20.3 | 41.5 | 3.0 | 1.0 | 1.5 | 1.0 | 97.0 | 00.2 | 7.4 | 3.2 | 24.0 | 10.0 | 1.3 | 1.2 | 0.0 | 0.3 | 0.5 | 1.2 | 0.2 | 0.4 |
| · | m _ | - | 5.7 | 0.1 | 0.5 | | 0.4 | 0.6 | 0.9 | 0.3 | 0.1 | 0.1 | 0.1 | 7.0 | 4.9 | 0.3 | 0.2 | 0.8 | 0.6 | 0.5 | 0.5 | 0.2 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 |
| Total HCA operating costs £ | m | - | 270.8 | 2.8 | 20.5 | 15.8 | 38.3 | 52.3 | 81.1 | 8.2 | 3.4 | 3.1 | 2.1 | 209.6 | 145.2 | 16.1 | 11.3 | 51.8 | 38.2 | 15.0 | 13.9 | 6.2 | 3.0 | 5.4 | 10.5 | 1.5 | 3.8 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | - | - |
| | m | - | (94.0) | (0.9) | (6.3) | | (6.5) | (8.5) | (13.7) | - | - | - | - | (0.5) 0.1 | (0.3) | (5.1) | (3.6) 1.4 | (16.3) | (12.2) 4.8 | - | - | - | - | - | - | - | - |
| • | m m | - | 39.8 (3.2) | 0.4 | 2.7 (0.2) | | 1.7 | 2.2 | 3.5 (0.1) | - | - | - | - | 0.1 | - | 2.0 (0.1) | (0.1) | 6.4 (0.5) | (0.4) | - | _ | _ | _ | _ | - | - | _ |
| | m | - | - | (0.1) | (0.1) | | 0.1 | (0.3) | - | (0.1) | (0.1) | - | - | (0.1) | 0.1 | - | (0.1) | 0.1 | 0.1 | 0.1 | - | - | - | - | 0.2 | (0.1) | _ |
| Total CCA operating costs £ | m | - | 213.4 | 2.2 | 16.6 | 14.0 | 33.6 | 45.7 | 70.8 | 8.1 | 3.3 | 3.1 | 2.1 | 209.1 | 145.0 | 12.9 | 8.9 | 41.5 | 30.5 | 15.1 | 13.9 | 6.2 | 3.0 | 5.4 | 10.7 | 1.4 | 3.8 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | m | - | 26.1 | 0.2 | 1.8 | 1.6 | 4.0 | 5.3 | 8.4 | 0.9 | 0.4 | 0.3 | 0.2 | 22.6 | 15.8 | 1.8 | 1.2 | 5.7 | 4.3 | - | - | - | - | - | - | - | _ |
| · | m | - | 2.5 | 0.1 | 0.2 | | 0.6 | 2.3 | 1.6 | 0.1 | | - | - | 2.2 | 0.6 | 0.4 | 0.1 | 1.5 | 0.5 | | | - | - | - | | - | |
| Leaver costs £ | m | - | 2.9 | - | 0.2 | 0.1 | 0.2 | 0.3 | 0.5 | 0.1 | 0.1 | 0.1 | | 3.8 | 2.7 | 0.1 | 0.1 | 0.5 | 0.3 | 0.3 | 0.3 | 0.1 | 0.1 | 0.1 | 0.2 | - | 0.1 |
| | N | MPF rentals | (SML1) | MPF other | rentals | FTTC 40/10 | rentals | FTTC other | | | | TTP 40/10 | rentals | FTTP othe | | OGEA 40/1 | | OGEA other | rentals | NGA Visit | t Assure | Specia | l Faults | WLA Time | Related | Hard | Ceases |
| | | (charge con | trolled) | | | (charge con | trolled) | | (| (charge con | trolled) | | charge rolled) | | | (charge cor | trolled) | | | | | Inves | tigation | (| Charges | | |
| (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| FOllowstanics | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | m m | - | (3.0) | - | (0.2) | 0.2 | 0.5 | 0.7 | 1.2 | (0.1) | - | - | - | (2.5) | (1.7) | (0.1) | - | (0.2) | (0.1) | - | - | - | - | - | - | - | - |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| • | m | - | 77.2 | 0.9 | 6.7 | 0.8 | 1.1 | 3.0 | 2.6 | 1.2 | 0.5 | 0.4 | 0.3 | 30.3 | 20.2 | 3.4 | 2.2 | 11.1 | 7.7 | 10.2 | 9.4 | 4.2 | 2.0 | 3.5 | 6.9 | 8.0 | 2.1 |
| • | m _ | - | 10.1 | 0.1 | 0.9 | | 1.2 | 1.6 | 2.5 | 0.1 | - | - | - | 2.5 | 1.7 | 0.5 | 0.4 | 1.8 | 1.3 | 0.6 | 0.6 | 0.2 | 0.1 | 0.3 | 0.6 | 0.2 | 0.5 |
| Openreach total £ | m | - | 87.3 | 1.0 | 7.6 | 1.3 | 2.3 | 4.6 | 5.1 | 1.3 | 0.5 | 0.4 | 0.3 | 32.8 | 21.9 | 3.9 | 2.6 | 12.9 | 9.0 | 10.8 | 10.0 | 4.4 | 2.1 | 3.8 | 7.5 | 1.0 | 2.6 |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | m | - | 14.7 | 0.1 | 1.1 | | 1.4 | 2.1 | 3.0 | 0.7 | 0.3 | 0.2 | 0.1 | 16.7 | 11.6 | 0.9 | 0.7 | 2.4 | 1.8 | 1.3 | 1.2 | 0.6 | 0.3 | 0.6 | 0.9 | 0.1 | 0.5 |
| -13 | m m | - | 29.3 21.8 | 0.3 0.2 | 2.0 1.6 | | 4.2 9.5 | 5.5 12.4 | 8.9 19.9 | 1.0 1.2 | 0.4 0.5 | 0.4 0.5 | 0.3 0.3 | 25.4 31.7 | 17.7 22.1 | 1.9 1.8 | 1.3 1.3 | 6.0 5.8 | 4.5 4.3 | 0.1 1.0 | 0.1 0.9 | 0.4 | 0.2 | 0.3 | 0.6 | 0.1 | 0.2 |
| | m | - | 0.7 | - | 0.1 | | 9.5 0.1 | 0.1 | 0.2 | 1.2 | - | - | - | 0.7 | 0.5 | 1.0 | 1.3 | 0.1 | 4.3 0.1 | 1.0 | 0.9 | - | - | - | - | - | - |
| | m _ | - | 66.5 | 0.6 | 4.8 | | 15.2 | 20.1 | 32.0 | 2.9 | 1.2 | 1.1 | 0.7 | 74.5 | 51.9 | 4.6 | 3.3 | 14.3 | 10.7 | 2.4 | 2.2 | 1.0 | 0.5 | 0.9 | 1.5 | 0.2 | 0.7 |
| Onevation cost before description | _ | | 1500 | 4.0 | 42.0 | | 40.0 | 25.4 | 20.2 | 4.4 | 4.7 | 4.5 | 10 | 1040 | 70.4 | 6.4 | F ^ | 27.0 | 40.0 | 42.2 | 42.0 | F 4 | 2.0 | 47 | 0.0 | 4.0 | |
| Operating cost before depreciation £ | m _ | - | 150.8 | 1.6 | 12.2 | 7.7 | 18.0 | 25.4 | 38.3 | 4.1 | 1.7 | 1.5 | 1.0 | 104.8 | 72.1 | 8.4 | 5.9 | 27.0 | 19.6 | 13.2 | 12.2 | 5.4 | 2.6 | 4.7 | 9.0 | 1.2 | 3.3 |

MPF rentals (SML1) MPF other rentals FTTC 40/10 rentals FTTC other rentals FTTP 40/10 rentals FTTP 40/10 rentals FTTP 40/10 rentals FTTP other rentals SOGEA 40/10 rentals SOGEA other rentals NGA Visit Assure

Special Faults WLA Time Related

Hard Ceases

7.1.2 Wholesale Local Access – Area 2 Analysis of Service Cost (continued) Restated for the year ended 31 March 2023

| Restated for the year ended 31 March 2023 | | GEA Cancel Mod | /Amend/ dify – CRD | Tie cab | oles A | | es (£0 Of cap) | ther ancil - CP | | TTC) PC | 40/10 P Only (F Install ections | TTC) PC | Other CP Only Install ections | | PF New (rovides | Other and | illaries | | er WLA services | IFRS 15 c | deferred revenue | | RS15 SLG | | Rounding | | Total |
|--|----------|-------------------|-----------------------|-----------------|--------|-----|-------------------|--------------------|----------------------|------------|--|------------|--|-----|----------------------|------------|------------|-----------------------|-----------------------|-----------|---------------------|--------------------|----------|----------------|---------------------|-----------------------|-----------------------|
| (i) Operating costs by type | | Int | Ext | Int I | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ex | t In | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | - | - | - | _ |
| Attribution of PI costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - (0.4) | (0.4 | | - (4.0) | 0.1 | (0.1) | (1.9) | (3.4) |
| Wages and salaries Social security costs | £m £m | 8.9 1.0 | 26.5 2.9 | 1.7 0.2 | - | - | - | 37.1 4.1 | 24.5 2.7 | 3.5 0.4 | 5.0 0.6 | 4.9 0.6 | 15.0 1.7 | - | 9.6 1.1 | 2.3 0.3 | 5.1 | 113.3 13.0 | 95.1 10.9 | (0.1) | (0.1 | | | (0.3) (0.1) | (0.1) | 303.2 34.9 | 378.9 43.6 |
| Other pension costs | £m | 1.0 | 3.5 | 0.2 | - | - | - | 5.0 | 3.3 | 0.4 | 0.6 | 0.6 | 2.2 | - | 1.1 | 0.3 | 0.6 0.7 | 17.1 | 14.4 | _ | | - (0.2) - (0.2) | | 0.1 | 0.2 | 34.9 46.2 | 57.9 |
| Share-based payment expense | £m | - | - | - | - | _ | _ | - | - | - | - | - | - | _ | - | - | - | - | - | _ | | - (0.2 | - (0.2) | - | - | | - |
| Own work capitalised | £m | (7.2) | (21.5) | (1.2) | - | - | - (| (29.9) | (18.4) | (2.3) | (3.3) | (3.2) | (9.8) | - | (6.0) | 1.4 | (1.1) | (63.5) | (53.4) | - | | - 0.5 | 0.4 | 0.1 | 0.2 | (177.3) | (221.5) |
| Net indirect labour costs | £m | 0.1 | 0.4 | - | - | - | - | 0.6 | 0.7 | 0.1 | 0.2 | 0.2 | 0.5 | - | 0.6 | 0.4 | 0.6 | 4.6 | 3.5 | - | | (0.4) | (0.3) | 0.1 | (0.4) | 20.0 | 29.7 |
| Product costs | £m | - | 0.1 | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | 0.2 | 0.1 | - | | | - | 0.2 | 0.2 | 0.9 | 1.1 |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Payments to telecommunications operators Property and energy costs | £m £m | 0.1 | 0.3 | 0.3 | - | - | - | 0.4 | 0.3 | 0.1 | 0.1 | 0.1 | 0.2 | - | 0.2 | 0.1 | 0.2 | 2.9 | 16 | - | | - (0.1 | (0.1) | (0.2) | 0.2 | 81.3 | - 124.2 |
| Network operating and IT costs | £m | (0.1) | (0.4) | - | - | - | - | (0.5) | 5.7 | - | 0.1 | - | 0.2 | - | 0.5 | 0.1 | 2.0 | 2.9 | 2.1 | _ | | - (0.1) | | (0.2) | 0.2 | 16.5 | 29.6 |
| TV programme rights charges | £m | - | - | _ | - | _ | _ | - | - | _ | - | _ | - | _ | - | - | - | | | _ | | | | - | _ | - | - |
| Provision and installation | £m | - | - | - | - | - | - | - | - | 0.2 | 0.3 | 0.3 | 0.9 | - | 0.1 | - | - | 10.5 | 9.2 | - | | | | 0.2 | 0.1 | 12.1 | 13.1 |
| Marketing and sales | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.2 | - | | | - | 0.1 | 0.1 | 0.6 | 0.8 |
| Net impairment of losses on TR and contract assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | · - | - | - | - | - |
| Other operating costs | £m | (0.5) | (1.7) | (0.3) | - | - | - | (1.3) | 3.5 | 2.4 | 2.5 | 3.4 | 7.3 | - | 6.9 | 1.7 | 2.3 | 89.9 | 62.2 | - | | - (34.4) | | - (0.2) | 0.2 | 66.6 | 100.7 |
| Other operating income Total operating costs before depreciation | £m £m | 3.5 | 10.1 | 0.9 | | | | 15.6 | (0.1) 22.2 | 4.9 | 6.2 | 7.0 | (0.1) 18.1 | - | (0.1) 14.3 | 6.9 | 10.4 | (0.8) 190.1 | (0.6) 145.3 | (0.1) | | 0.1 (36.0) | | (0.3) | (0.1) 0.6 | (5.4) 397.8 | (7.9) 546.9 |
| rotat operating costs before depreciation | ΣIII | 3.3 | 10.1 | 0.9 | - | - | - | 15.6 | 22.2 | 4.9 | 0.2 | 7.0 | 10.1 | - | 14.3 | 0.9 | 10.4 | 190.1 | 145.5 | (0.1) | (0.1 | (36.0) | (20.9) | - | 0.6 | 397.0 | 540.9 |
| Depreciation | S | | | | | | | | | | | | | | | | 0.0 | | | | | | | (0.4) | (0.4) | 2.7 | 4.5 |
| Duct Poles | £m £m | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | - | - | - | | | · - | (0.1) | (0.1) | 2.7 | 4.5 |
| Copper | £m | _ | _ | 1.4 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | | · - | 0.1 | (0.1) | 28.5 | 126.6 |
| Fibre | £m | - | _ | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.2 | - | - | - | - | 2.2 | 2.0 | - | | | | - | - | 95.2 | 90.3 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | 0.4 | - | 10.9 | 9.1 |
| Software | £m | - | 0.1 | 0.1 | - | - | - | 0.3 | 0.6 | 0.1 | 0.2 | 0.2 | 0.5 | - | 0.5 | 0.1 | 0.2 | 8.3 | 6.7 | - | (0.1 | (0.8) | (0.6) | (0.2) | - | 24.3 | 28.3 |
| Land and buildings | £m | 0.2 | 0.7 | - | - | - | - | 1.0 | 0.6 | 0.1 | 0.1 | 0.1 | 0.3 | - | 0.1 | 0.1 | 0.1 | 1.8 | 1.5 | - | | | | (0.1) | 0.3 | 5.5 | 6.8 |
| Right of use assets Other assets | £m £m | 1.1 | 3.3 0.3 | - | - | - | - | 4.6 | 2.7 | 0.3 | 0.5 0.1 | 0.4 0.1 | 1.4 0.2 | - | 0.5 | 0.3 0.1 | 0.6 | 8.4 | 6.8 | - | | - (0.1) | | (0.1) | (0.1) | 29.6 | 37.4 |
| Less funded assets (BDUK, etc.) | £m | 0.1 | 0.3 | _ | - | - | - | 0.4 | 0.3 | _ | 0.1 | 0.1 | 0.2 | - | 0.2 | 0.1 | 0.2 | 1.7 | 1.3 | _ | | - (0.1) | (0.1) | (0.1) | (0.1) (0.1) | 13.7 (5.5) | 16.7 (6.6) |
| Total depreciation | £m | 1.4 | 4.4 | 1.5 | - | - | - | 6.3 | 4.2 | 0.5 | 1.0 | 0.9 | 2.6 | - | | 0.6 | 1.3 | 22.4 | 18.3 | - | (0.1 | (1.0 | (0.8) | (0.1) | (0.1) | 204.9 | 313.1 |
| Specific items | £m | 0.1 | 0.4 | _ | _ | _ | _ | 0.6 | 0.5 | 0.1 | 0.1 | 0.1 | 0.3 | _ | 0.5 | 0.3 | 0.3 | 2.4 | 1.8 | _ | | - (0.1 | (0.1) | (0.3) | _ | 13.6 | 18.2 |
| Total HCA operating costs | £m | 5.0 | 14.9 | 2.4 | - | - | - | 22.5 | 26.9 | 5.5 | 7.3 | 8.0 | 21.0 | - | 16.1 | 7.8 | 12.0 | 214.9 | 165.4 | (0.1) | | | | (0.4) | 0.5 | 616.3 | 878.2 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | - | - | (2.4) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | (36.3) | (136.6) |
| Supplementary depreciation Other CCA adjustments | £m £m | - | - | 0.8 (0.1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | (0.1) | 0.1 | 12.6 (0.8) | 54.0 (4.0) |
| Rounding | £m | 0.1 | 0.2 | 0.1 | - | - | _ | (0.1) | 0.3 | 0.1 | (0.3) | (0.1) | (0.1) | - | 0.1 | (0.1) | _ | - | 0.2 | (0.1) | | - (0.1) | (0.1) | 1.1 | (0.6) | 0.5 | (0.1) |
| Total CCA operating costs | £m | 5.1 | 15.1 | 0.8 | - | | - | | 27.2 | 5.6 | 7.0 | 7.9 | 20.9 | | 16.2 | 7.7 | 12.0 | 214.9 | 165.6 | (0.2) | (0.2 | | (27.9) | 0.6 | - | 592.3 | 791.5 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges | £m | - | - | 0.3 | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | | | | (0.1) | (0.1) | 38.6 | 62.2 |
| Openreach SLGs | £m | - | - | - | - | - | - | 0.6 | 1.6 | 1.3 | 0.8 | 1.8 | 2.5 | - | 3.0 | - | - | | 12.0 | - | | - (33.9) | (25.4) | - | 0.1 | 7.3 | 0.7 |
| Leaver costs | £m | 0.1 | 0.2 | - | - | - | - | 0.3 | 0.3 | - | 0.1 | 0.1 | 0.2 | - | 0.3 | 0.2 | 0.2 | 1.3 | 1.0 | - | | | - | - | (0.1) | 7.5 | 9.9 |
| | | GEA Cancel | | Tie cab | oles A | | · 1 | ther ancil | | | 40/10 | | Other | | | Other and | illaries | | | IFRS 15 c | | | RS15 SLG | | Rounding | | Total |
| | | Mod | dify – CRD | | | | cap) | - CP | 1-0% ⁻ (F | | P Only (F | | Install | Pi | rovides | | | S | ervices | | revenue | | | | | | |
| (ii) Operating costs by division | | Int | Ext | Int I | Ext | Int | Ext | Int | Ext | Int | ections Ext | Int | ections Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ex | t In | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | - | - | - | _ |
| Attribution of PI costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | 0.1 | (0.1) | (1.9) | (3.4) |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | (0.1) | (0.2) | 0.1 | - | - | - | 0.8 | 10.9 | 3.7 | 4.3 | 5.2 | 12.9 | - | 10.7 | 5.1 | 6.9 | 153.3 | | - | | - (34.3) | (25.7) | 0.1 | 0.1 | 203.7 | 274.9 |
| Openreach support functions | £m | 1.4 | 4.1 | 0.4 | - | - | | 5.9 | 5.4 | 0.4 | 0.6 | 0.5 | 1.7 | | 1.2 | 0.5 | 1.4 | 9.7 | 8.0 | | | | | | (0.1) | 27.2 | 42.2 |
| Openreach total | £m | 1.3 | 3.9 | 0.5 | - | - | - | 6.7 | 16.3 | 4.1 | 4.9 | 5.7 | 14.6 | - | 11.9 | 5.6 | 8.3 | 163.0 | 124.1 | - | | - (34.3) | (25.7) | 0.1 | - | 230.9 | 317.1 |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | 1.9 | 5.3 | 0.1 | - | - | - | 7.6 | 4.5 | 0.6 | 1.1 | 1.0 | 2.7 | - | 1.4 | 0.8 | 1.3 | 18.4 | 15.1 | (0.1) | (0.1 | | | (0.4) | 0.6 | 55.5 | 68.9 |
| Property and facilities | £m | - | 0.1 | 0.3 | - | - | - | 0.1 | 0.1 | - | - | - | 0.1 | - | 0.1 | - | 0.1 | 0.7 | 0.4 | - | | - (0.1) | | - | (0.1) | 43.3 | 69.5 |
| Technology units Consumer and Business | £m £m | 0.3 | 8.0 | - | - | - | - | 1.1 0.1 | 1.2 0.1 | 0.2 | 0.2 | 0.3 | 0.7 | - | 0.9 | 0.5 | 0.7 | 7.5 0.5 | 5.3 0.4 | - | | - (0.7) - (0.1) | | (0.1) | (0.1) | 68.3 | 92.4 2.4 |
| Rest of BT total | £m £m | 2.2 | 6.2 | 0.4 | | | | 8.9 | 5.9 | 0.8 | 1.3 | 1.3 | 3.5 | | 2.4 | 1.3 | 2.1 | 27.1 | 21.2 | (0.1) | | | | 0.3 (0.2) | 0.3 0.7 | 1.7 168.8 | 233.2 |
| NOSCOT D'I COLUC | 2111 | 2.2 | 0.2 | J. 7 | - | _ | _ | 3.9 | 3.3 | 0.0 | 1.3 | 1.3 | 3.3 | - | 2.4 | 1.3 | 2, 1 | 27.1 | 21,2 | (0.1) | (0.1 | , (1.7 | (1.2) | (0.2) | 0.7 | 100.0 | 233.2 |
| Operating cost before depreciation | £m | 3.5 | 10.1 | 0.9 | - | - | - | 15.6 | 22.2 | 4.9 | 6.2 | 7.0 | 18.1 | - | 14.3 | 6.9 | 10.4 | 190.1 | 145.3 | (0.1) | (0.1 | (36.0) | (26.9) | - | 0.6 | 397.8 | 546.9 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

7.1.3 Wholesale Local Access – Area 2 Analysis of Service MCE

For the year ended 31 March 2024

| | | tals (SML | 1 | ner rentals | FTTC 40/1 | 0 rentals | FTTC othe | r rentals | FTTP 40/10 | rentals F | TTP 40/10 | rentals | FTTP other | er rentals S | OGEA 40/1 | 0 rental | SOGI | EA other | NGA Visit | Assure | Specia | l Faults \ | VLA Time | | Hard | Ceases |
|------------------------------------|---------|-----------|----------|-------------|------------|-----------|-----------|-----------|-------------|-----------|-----------|----------|------------|--------------|-------------|----------|--------|----------|-----------|--------|--------|------------|-----------------|---------|-------|----------|
| | (charge | controlle | d) | | (charge co | ntrolled) | | | (charge con | trolled) | - | -charge | | 1 | (charge con | trolled) | | rentals | | | Invest | igation | (| Charges | | |
| | | | | | | | | | | | con | trolled) | | | | | | | | | | | | | | |
| | lı | nt E | xt Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | | - ! | 5.6 - | 0.4 | 14.1 | 35.2 | 43.3 | 79.2 | - | - | - | - | 1.5 | 1.2 | 8.7 | 7.1 | 29.7 | 22.6 | - | - | - | - | - | - | - | - |
| Poles £m | | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | | - 65 | .7 4.3 | 40.7 | 15.6 | 39.0 | 48.1 | 87.8 | 0.1 | 0.1 | - | - | 3.5 | 2.9 | 57.7 | 47.3 | 197.8 | 150.7 | - | - | - | - | - | - | - | - |
| Fibre £m | | - | | - | 36.4 | 91.0 | 112.1 | 204.7 | 36.6 | 30.0 | 15.5 | 17.7 | 1,236.1 | 1,036.1 | 21.3 | 17.5 | 73.0 | 55.6 | - | - | - | - | - | - | - | - |
| Electronics £m | | - : | 2.2 - | 0.1 | 1.9 | 4.8 | 5.9 | 10.7 | 3.1 | 2.6 | 1.3 | 1.5 | 105.2 | 88.2 | 1.3 | 1.0 | 4.3 | 3.3 | - | - | - | - | - | - | - | - |
| Software £m | | - 10 | 0.1 | 0.7 | 1.3 | 3.1 | 3.9 | 7.0 | 0.5 | 0.4 | 0.2 | 0.3 | 18.2 | 15.2 | 1.4 | 1.1 | 4.8 | 3.6 | 0.3 | 0.3 | 0.1 | - | 0.2 | 0.3 | 0.1 | 0.1 |
| Land and buildings £m | | - : | 2.5 - | 0.2 | 0.1 | 0.3 | 0.4 | 0.7 | 0.1 | 0.1 | - | 0.1 | 3.7 | 3.1 | 0.1 | 0.1 | 0.5 | 0.4 | 0.1 | - | - | - | - | 0.1 | - | - |
| Right of use assets £m | | - 1 | .9 0.1 | 0.9 | 1.3 | 3.3 | 4.0 | 7.4 | 0.9 | 0.7 | 0.4 | 0.4 | 30.6 | 25.6 | 1.3 | 1.1 | 4.6 | 3.5 | 1.0 | 0.8 | 0.2 | 0.1 | 0.6 | 0.8 | 0.2 | 0.1 |
| Other assets £m | | - 20 | 0.1 | 1.3 | 3.6 | 9.0 | 11.2 | 20.4 | 1.1 | 0.9 | 0.5 | 0.5 | 38.2 | 31.9 | 3.1 | 2.5 | 10.5 | 8.0 | (0.1) | (0.1) | - | - | 1.3 | 1.9 | - | - |
| Less funded assets (BDUK, etc.) £m | | - (0 | 2) - | - | (14.0) | (34.9) | (43.0) | (78.5) | (1.9) | (1.5) | (8.0) | (0.9) | (63.6) | (53.3) | (8.2) | (6.7) | (28.0) | (21.4) | - | - | - | - | - | - | - | <u> </u> |
| Total non-current assets £m | | - 70 | l.8 4.6 | 44.3 | 60.3 | 150.8 | 185.9 | 339.4 | 40.5 | 33.3 | 17.1 | 19.6 | 1,373.4 | 1,150.9 | 86.7 | 71.0 | 297.2 | 226.3 | 1.3 | 1.0 | 0.3 | 0.1 | 2.1 | 3.1 | 0.3 | 0.2 |
| Current assets £m | | - 5 | 5.6 0.4 | 3.8 | 7.2 | 17.9 | 23.5 | 42.2 | 3.2 | 2.7 | 1.4 | 1.6 | 110.3 | 91.9 | 8.1 | 6.6 | 28.4 | 21.4 | 2.3 | 1.9 | 0.6 | 0.3 | 1.5 | 2.2 | 0.5 | 0.3 |
| Current liabilities £m | | - (43 | 0) (0.3) | (3.1) | (10.4) | (26.0) | (32.4) | (59.0) | (3.2) | (2.6) | (1.4) | (1.6) | (109.7) | (91.5) | (9.8) | (8.0) | (34.0) | (25.8) | (3.3) | (2.7) | (8.0) | (0.4) | (2.1) | (3.1) | (1.7) | (1.3) |
| Provisions £m | | - (1 | 3) - | (0.1) | (0.2) | (0.4) | (0.5) | (0.9) | (0.1) | (0.1) | - | (0.1) | (3.5) | (2.9) | (0.2) | (0.1) | (0.5) | (0.4) | (0.1) | (0.1) | - | - | (0.1) | (0.1) | - | - |
| Rounding £m | | - (0 | 1) 0.1 | (0.1) | 0.1 | _ | 0.1 | _ | 0.2 | - | - | 0.1 | (0.1) | _ | - | (0.1) | (0.1) | _ | (0.1) | - | - | _ | _ | _ | (0.1) | _ |
| Total MCE £m | | - 710 | 5.0 4.8 | 44.8 | 57.0 | 142.3 | 176.6 | 321.7 | 40.6 | 33.3 | 17.1 | 19.6 | 1,370.4 | 1,148.4 | 84.8 | 69.4 | 291.0 | 221.5 | 0.1 | 0.1 | 0.1 | - | 1.4 | 2.1 | (1.0) | (8.0) |

7.1.3 Wholesale Local Access – Area 2 Analysis of Service MCE (continued)

For the year ended 31 March 2024

| | Cancel// Modif | GEA Amend/ fy-CRD | Tie | e cables A | Ancillaries (£0 | cap) | Other and | illaries - CPI-0%¹ | GEA 40/10 PCP Onl Conr | - | GEA Other PCP Onl Conr | - | /IPF New P | rovides | Other and | cillaries C | ther WLA | services | IFRS 15 | deferred revenue | IFR | 515 SLG | R | ounding | | Total |
|------------------------------------|-------------------|-------------------------|-------|------------|-----------------|------|-----------|-----------------------|------------------------------|-------|------------------------------|-------|------------|---------|-----------|-------------|----------|----------|---------|---------------------|-------|---------|-------|---------|---------|---------|
| | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.2 | - | - | - | - | - | - | - | 0.1 | 97.3 | 152.6 |
| Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | - | - | 13.3 | 6.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 340.4 | 1,026.4 |
| Fibre £m | - | - | - | - | - | - | - | - | 0.3 | 0.6 | 0.4 | 1.8 | - | - | - | - | 61.3 | 59.8 | - | - | - | - | (0.1) | 0.1 | 1,592.9 | 1,514.9 |
| Electronics £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.3 | - | - | - | - | - | - | 123.3 | 114.7 |
| Software £m | 0.1 | 0.3 | 0.2 | 0.1 | - | - | 0.4 | 0.8 | 0.1 | 0.1 | 0.1 | 0.3 | - | 0.3 | 0.1 | 0.2 | 11.9 | 10.7 | (0.1) | (0.1) | (1.3) | (0.9) | - | - | 42.6 | 54.2 |
| Land and buildings £m | (0.1) | (0.2) | - | - | - | - | (0.3) | (0.3) | - | - | - | - | - | - | - | - | 0.7 | 0.6 | - | - | - | - | 0.1 | (0.1) | 5.4 | 7.6 |
| Right of use assets £m | 3.7 | 8.9 | - | - | - | - | 11.1 | 11.6 | 0.4 | 0.8 | 0.4 | 2.2 | - | 0.6 | 0.5 | 1.0 | 44.4 | 38.9 | - | - | (0.2) | (0.1) | (0.1) | (0.1) | 105.4 | 120.4 |
| Other assets £m | 0.4 | 1.0 | 0.5 | 0.2 | - | - | 1.3 | 1.8 | 0.1 | 0.1 | 0.1 | 0.2 | - | 0.1 | - | 0.1 | 4.5 | 1.4 | (0.1) | (0.2) | (2.6) | (1.8) | (0.3) | (0.2) | 73.4 | 99.8 |
| Less funded assets (BDUK, etc.) £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | (159.4) | (197.4) |
| Total non-current assets £m | 4.1 | 10.0 | 14.0 | 6.4 | - | - | 12.5 | 13.9 | 0.9 | 1.6 | 1.0 | 4.5 | - | 1.0 | 0.6 | 2.5 | 123.1 | 111.7 | (0.2) | (0.3) | (4.1) | (2.8) | (0.3) | (0.1) | 2,221.3 | 2,893.2 |
| Current assets £m | 1.4 | 3.0 | 0.7 | 0.3 | - | - | 3.9 | 5.9 | 0.3 | 0.6 | 0.4 | 1.7 | - | 1.7 | 1.4 | 1.3 | 44.0 | 36.6 | (0.1) | (0.3) | (1.2) | (0.8) | (0.1) | (0.3) | 238.1 | 298.1 |
| Current liabilities £m | (5.2) | (9.6) | (0.6) | (0.3) | - | - | (12.0) | (13.9) | (0.5) | (1.1) | (0.6) | (3.1) | - | (2.2) | (1.9) | (2.0) | (85.7) | (73.9) | (25.1) | (31.7) | 1.7 | 1.2 | 0.1 | - | (338.9) | (404.7) |
| Provisions £m | (0.2) | (0.6) | - | - | - | - | (0.7) | (0.7) | - | (0.1) | - | (0.2) | | (0.1) | (0.1) | (0.1) | (3.9) | (3.5) | - | - | - | - | (0.1) | 0.2 | (10.2) | (11.6) |
| Rounding £m | - | - | - | - | - | - | 0.1 | - | (0.2) | - | (0.1) | - | - | - | - | - | - | - | - | - | - | - | (0.4) | 0.2 | (0.5) | _ |
| Total MCE £m | 0.1 | 2.8 | 14.1 | 6.4 | - | - | 3.8 | 5.2 | 0.5 | 1.0 | 0.7 | 2.9 | - | 0.4 | - | 1.7 | 77.5 | 70.9 | (25.4) | (32.3) | (3.6) | (2.4) | (8.0) | - | 2,109.8 | 2,775.0 |

7.1.3 Wholesale Local Access – Area 2 Analysis of Service MCE

Restated for the year ended 31 March 2023

| | MPF | rentals (S | SML1) | MPF other | rentals | FTTC 40/1 | 0 rentals | FTTC othe | r rentals | FTTP 40/10 | rentals F | TTP 40/10 | rentals | FTTP othe | r rentals S | OGEA 40/1 | 0 rental | SOG | EA other | NGA Visit | Assure | Specia | l Faults \ | WLA Time | Related | Hard | Ceases |
|------------------------------------|------|------------|--------|-----------|---------|------------|-----------|-----------|-----------|-------------|-----------|-----------|----------|-----------|-------------|-------------|----------|--------|----------|-----------|--------|--------|------------|----------|---------|-------|--------|
| | (cha | arge contr | olled) | | | (charge co | ntrolled) | | | (charge cor | trolled) | - | -charge | | | (charge con | trolled) | | rentals | | | Invest | igation | (| Charges | | |
| | | | | | | | | | | | | con | trolled) | | | | | | | | | | | | | | |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | | - | 5.3 | - | 0.4 | 17.6 | 43.3 | 56.7 | 90.8 | 0.1 | - | - | - | 1.6 | 1.1 | 5.9 | 4.1 | 18.9 | 14.2 | - | - | - | - | - | - | - | - |
| Poles £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | | - | 712.9 | 6.6 | 47.8 | 18.3 | 45.1 | 59.0 | 94.5 | 0.1 | 0.1 | 0.1 | - | 3.6 | 2.5 | 37.9 | 26.6 | 121.7 | 91.4 | - | - | - | - | - | - | - | - |
| Fibre £m | | - | - | - | - | 44.7 | 110.3 | 144.3 | 231.1 | 40.6 | 16.9 | 15.7 | 10.9 | 1,050.8 | 733.6 | 14.4 | 10.1 | 46.1 | 34.7 | - | - | - | - | - | - | - | - |
| Electronics £m | | - | 2.2 | - | 0.1 | 2.6 | 6.4 | 8.4 | 13.4 | 3.6 | 1.5 | 1.4 | 1.0 | 93.0 | 64.9 | 0.9 | 0.6 | 2.9 | 2.2 | - | - | - | - | - | - | - | - |
| Software £m | | - | 9.7 | 0.1 | 0.7 | 1.1 | 2.6 | 3.5 | 5.5 | 0.6 | 0.2 | 0.2 | 0.2 | 14.9 | 10.4 | 0.7 | 0.5 | 2.3 | 1.7 | 0.4 | 0.4 | 0.2 | 0.1 | 0.2 | 0.3 | 0.1 | 0.2 |
| Land and buildings £m | | - | 3.6 | - | 0.3 | 0.1 | 0.2 | 0.3 | 0.4 | 0.1 | 0.1 | - | - | 3.2 | 2.2 | 0.1 | 0.1 | 0.3 | 0.2 | 0.1 | 0.1 | - | - | - | 0.1 | - | - |
| Right of use assets £m | | - | 24.2 | 0.3 | 1.9 | 0.7 | 1.7 | 2.2 | 3.5 | 1.1 | 0.5 | 0.4 | 0.3 | 29.2 | 20.4 | 1.0 | 0.7 | 3.2 | 2.4 | 1.9 | 1.8 | 8.0 | 0.4 | 0.6 | 1.2 | 0.2 | 0.5 |
| Other assets £m | | - | 21.1 | 0.2 | 1.4 | 5.5 | 13.4 | 17.6 | 28.0 | 1.7 | 0.7 | 0.7 | 0.5 | 44.9 | 31.2 | 2.3 | 1.6 | 7.3 | 5.4 | 0.2 | 0.2 | 0.1 | - | 0.9 | 1.7 | - | 0.1 |
| Less funded assets (BDUK, etc.) £m | | - | (0.2) | - | - | (15.4) | (38.0) | (49.7) | (79.5) | (2.2) | (0.9) | (8.0) | (0.6) | (56.4) | (39.4) | (5.0) | (3.5) | (15.9) | (11.9) | - | - | - | - | - | - | - | |
| Total non-current assets £m | | - | 778.8 | 7.2 | 52.6 | 75.2 | 185.0 | 242.3 | 387.7 | 45.7 | 19.1 | 17.7 | 12.3 | 1,184.8 | 826.9 | 58.2 | 40.8 | 186.8 | 140.3 | 2.6 | 2.5 | 1.1 | 0.5 | 1.7 | 3.3 | 0.3 | 8.0 |
| Current assets £m | | - | 94.6 | 1.0 | 7.0 | 9.4 | 22.9 | 32.0 | 50.2 | 5.3 | 2.2 | 2.1 | 1.4 | 139.0 | 96.5 | 6.9 | 4.8 | 22.6 | 16.8 | 4.5 | 4.1 | 1.8 | 0.9 | 1.7 | 3.4 | 0.4 | 1.2 |
| Current liabilities £m | | - | (64.3) | (0.7) | (5.1) | (10.4) | (25.5) | (34.0) | (54.2) | (3.6) | (1.5) | (1.4) | (1.0) | (95.2) | (66.1) | (6.6) | (4.6) | (21.5) | (16.1) | (5.9) | (5.5) | (2.4) | (1.1) | (2.0) | (4.0) | (8.0) | (2.1) |
| Provisions £m | | - | (2.5) | - | (0.2) | (0.1) | (0.2) | (0.2) | (0.4) | (0.1) | - | - | - | (2.9) | (2.0) | (0.1) | (0.1) | (0.3) | (0.3) | (0.2) | (0.2) | (0.1) | - | (0.1) | (0.1) | - | - |
| Rounding £m | | - | - | - | 0.1 | (0.1) | - | - | 0.1 | 0.1 | (0.1) | - | - | (0.1) | 0.1 | - | 0.1 | 0.1 | - | - | - | - | (0.1) | 0.1 | 0.1 | - | (0.1) |
| Total MCE £m | | - | 806.6 | 7.5 | 54.4 | 74.0 | 182.2 | 240.1 | 383.4 | 47.4 | 19.7 | 18.4 | 12.7 | 1,225.6 | 855.4 | 58.4 | 41.0 | 187.7 | 140.7 | 1.0 | 0.9 | 0.4 | 0.2 | 1.4 | 2.7 | (0.1) | (0.2) |

7.1.3 Wholesale Local Access – Area 2 Analysis of Service MCE (continued)

Restated for the year ended 31 March 2023

| | | ncel/Am Modify - | - 1 | Tie | cables | Ancillaries (£ | (0 cap) | Other and | illaries - CPI-0%¹ | | (FTTC) ly Install nections | GEA Other PCP Onl Conr | - | MPF New P | rovides | Other an | cillaries C | Other WLA | services | IFRS 15 | deferred revenue | IFRS | 515 SLG | Ro | ounding | | Total |
|------------------------------------|----|---------------------|-------|-------|--------|----------------|---------|-----------|-----------------------|-------|----------------------------------|------------------------------|-------|-----------|---------|----------|-------------|-----------|----------|---------|---------------------|-------|---------|-------|---------|---------|---------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3.8 | - | - | - | - | - | - | (0.1) | - | 100.7 | 163.0 |
| Poles £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | | - | - | 15.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 262.8 | 1,021.0 |
| Fibre £m | | - | - | - | - | - | - | - | - | 0.4 | 0.6 | 0.6 | 1.8 | - | - | - | - | 21.8 | 19.1 | - | - | - | - | 0.1 | (0.2) | 1,379.5 | 1,168.9 |
| Electronics £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | 0.1 | 112.9 | 92.5 |
| Software £m | | 0.1 | 0.2 | 0.2 | - | - | - | 0.4 | 1.0 | 0.2 | 0.3 | 0.3 | 0.8 | - | 0.6 | 0.2 | 0.4 | 12.1 | 9.6 | (0.1) | (0.1) | (1.7) | (1.3) | (0.1) | - | 35.9 | 44.0 |
| Land and buildings £m | (0 | 0.1) | (0.2) | - | - | - | - | (0.3) | (0.1) | - | - | - | (0.1) | - | 0.1 | - | - | 0.2 | (0.1) | - | - | - | - | 0.1 | - | 4.1 | 6.9 |
| Right of use assets £m | | 3.3 | 9.8 | - | - | - | - | 13.7 | 8.0 | 0.9 | 1.4 | 1.3 | 4.1 | - | 1.7 | 1.0 | 1.8 | 24.7 | 20.4 | - | - | (0.3) | (0.2) | - | (0.2) | 86.2 | 106.3 |
| Other assets £m | | 0.7 | 2.2 | 0.6 | - | - | - | 3.2 | 2.8 | 0.6 | 0.7 | 0.8 | 2.2 | - | 0.6 | - | 0.4 | 22.1 | 17.1 | (0.2) | (0.3) | (3.6) | (2.7) | - | 0.2 | 105.6 | 128.5 |
| Less funded assets (BDUK, etc.) £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | (145.3) | (174.0) |
| Total non-current assets £m | | 4.0 | 12.0 | 16.3 | - | - | - | 17.0 | 11.7 | 2.1 | 3.0 | 3.0 | 8.8 | - | 3.0 | 1.2 | 6.4 | 81.0 | 66.2 | (0.3) | (0.4) | (5.6) | (4.2) | 0.1 | - | 1,942.4 | 2,557.1 |
| Current assets £m | | 1.7 | 4.8 | 0.8 | 0.1 | _ | _ | 7.1 | 8.1 | 1.4 | 1.7 | 2.0 | 5.2 | _ | 5.0 | 2.6 | 3.7 | 47.9 | 35.9 | (0.2) | _ | (1.3) | (1.0) | (0.1) | 0.1 | 288.6 | 369.6 |
| Current liabilities £m | | 3.7) | (9.8) | (0.4) | (0.1) | _ | - | (13.7) | (11.1) | (1.6) | (2.2) | (2.2) | (6.6) | - | (5.2) | (2.7) | (3.9) | (58.7) | (46.7) | (23.1) | (30.4) | 2.8 | 2.1 | (0.1) | 0.1 | (287.9) | (364.9) |
| Provisions £m | | 0.2) | (0.6) | - | - | - | - | (0.8) | (0.5) | (0.1) | (0.1) | (0.1) | (0.3) | - | (0.2) | (0.1) | (0.2) | (1.8) | (1.4) | - | - | - | - | - | - | (7.2) | (9.3) |
| Rounding £m | | _ | _ | (0.1) | _ | - | _ | _ | _ | 0.1 | _ | - | 0.1 | - | 0.1 | - | 0.1 | (0.1) | (0.2) | (0.1) | _ | _ | _ | 0.1 | (0.3) | _ | _ |
| Total MCE £m | | 1.8 | 6.4 | 16.6 | - | - | - | 9.6 | 8.2 | 1.9 | 2.4 | 2.7 | 7.2 | - | 2.7 | 1.0 | 6.1 | 68.3 | 53.8 | (23.7) | (30.8) | (4.1) | (3.1) | - | (0.1) | 1,935.9 | 2,552.5 |

7.2.1 Wholesale Local Access – Area 3 Summary

For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|---|---------------------|---------------------|------------------|--------------------|--------------------|------------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| MPF rentals (SML1) (charge controlled) | _ | 189.8 | 189.8 | 14 | 1,907,311 | lines | 99.53 | 99.53 | _ | 143.5 | _ | 319.3 | 13.7% | 14.5% |
| MPF other rentals | 0.6 | 12.5 | 13.1 | 6,097 | 119,217 | lines | 104.96 | 104.76 | 0.5 | 9.5 | 1.0 | 20.0 | 15.5% | 15.0% |
| FTTC 40/10 rentals (charge controlled) | 41.4 | 57.3 | 98.7 | 591,979 | 820,115 | lines | 69.90 | 69.91 | 24.7 | 33.9 | 61.7 | 85.3 | 27.0% | 27.5% |
| FTTC other rentals | 129.9 | 122.3 | 252.2 | 1,447,686 | 1,427,489 | lines | 89.71 | 85.65 | 60.8 | 59.2 | 151.7 | 149.2 | 45.5% | 42.3% |
| FTTP 40/10 rentals (charge controlled) | 3.4 | 2.6 | 6.0 | 17,523 | 13,493 | lines | 193.04 | 193.04 | 4.1 | 3.2 | 19.5 | 15.0 | (3.8)% | (3.7)% |
| FTTP 40/10 rentals (non-charge controlled) | 2.7 | 2.0 | 4.7 | 13,887 | 10,216 | lines | 193.04 | 193.04 | 3.3 | 2.4 | 15.5 | 11.4 | (3.8)% | (3.7)% |
| FTTP other rentals | 183.5 | 110.5 | 294.0 | 888,951 | 556,767 | lines | 206.40 | 198.53 | 209.3 | 130.4 | 989.4 | 619.5 | (2.6)% | (3.2)% |
| SOGEA 40/10 rental (charge controlled) | 40.4 | 29.9 | 70.3 | 238,702 | 176,453 | lines | 169.44 | 169.44 | 26.9 | 19.7 | 63.2 | 46.7 | 21.4% | 21.9% |
| SOGEA other rentals | 124.9 | 78.6 | 203.5 | 684,150 | 431,772 | lines | 182.62 | 182.12 | 77.3 | 48.3 | 181.3 | 114.3 | 26.3% | 26.6% |
| NGA Visit Assure | 9.9 | 4.3 | 14.2 | 65,032 | 28,631 | amendments | 151.54 | 151.54 | 8.7 | 3.8 | 0.1 | - | 1,040.2% | 1,040.2% |
| Special Faults investigation | 2.3 | 0.6 | 2.9 | (ux) | (ux) | (ux) | (sx) | (sx) | 2.2 | 0.6 | 0.1 | - | 194.3% | 2.1% |
| WLA Time Related Charges | 5.7 | 4.3 | 10.0 | (ux) | (ux) | (ux) | (sx) | (sx) | 4.9 | 3.9 | 1.2 | 1.0 | 72.4% | 34.3% |
| Hard Ceases | 3.4 | 1.3 | 4.7 | 257,434 | 76,921 | ceases | 13.06 | 17.01 | 2.7 | 0.8 | (1.4) | (0.5) | (47.2)% | (89.2)% |
| GEA Cancel/Amend/Modify – CRD | 3.7 | 2.8 | 6.5 | 176,443 | 433,521 | amendments | 20.91 | 6.51 | 3.6 | 8.2 | 0.1 | 1.7 | 202.6% | (312.6)% |
| Tie cables | 5.8 | 1.6 | 7.4 | (ux) | (ux) | (ux) | (sx) | (sx) | 1.4 | 0.7 | 8.7 | 4.0 | 50.4% | 22.2% |
| Ancillaries (£0 cap) | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | - | - | - |
| Other ancillaries - CPI-0% ¹ | 4.0 | 4.9 | 8.9 | (ux) | (ux) | (ux) | (sx) | (sx) | 12.2 | 13.7 | 2.6 | 2.6 | (308.0)% | (347.0)% |
| GEA 40/10 (FTTC) PCP Only Install Connections | 0.8 | 1.3 | 2.1 | 14,182 | 23,595 | conns | 54.59 | 54.59 | 1.1 | 1.6 | 0.4 | 0.5 | (88.8)% | (52.4)% |
| GEA Other (FTTC) PCP Only Install Connections | 0.7 | 3.7 | 4.4 | 13,704 | 67,768 | conns | 54.59 | 54.59 | 1.1 | 4.5 | 0.3 | 1.5 | (88.8)% | (52.4)% |
| MPF New Provides | - | 3.3 | 3.3 | 1 | 94,749 | conns | 56.60 | 35.01 | - | 2.0 | - | 0.1 | 408.6% | 1,126.8% |
| Other ancillaries | 9.2 | 3.9 | 13.1 | (ux) | (ux) | (ux) | (sx) | (sx) | 3.7 | 2.3 | - | 0.7 | 22,512.9% | 240.1% |
| Other WLA services | 37.1 | 32.9 | 70.0 | (ux) | (ux) | (ux) | (sx) | (sx) | 101.9 | 89.4 | 30.5 | 28.3 | (212.3)% | (199.4)% |
| IFRS 15 deferred revenue | (1.1) | (3.1) | (4.2) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.1) | (0.1) | (21.8) | (15.0) | 4.6% | 20.2% |
| IFRS15 SLG | (25.4) | (9.2) | (34.6) | (ux) | (ux) | (ux) | (sx) | (sx) | (27.6) | (10.0) | (3.1) | (1.1) | (69.6)% | (69.6)% |
| Rounding | | 0.1 | 0.1 | | | | | | (0.2) | (0.1) | 0.1 | - | - | |
| Total WLA - Area 3 | 582.9 | 658.2 | 1,241.1 | | | | | | 522.5 | 571.4 | 1,501.1 | 1,404.5 | 4.0% | 6.2% |

Notes: 1) FTTP homes passed in Area 3

Premises passed by FTTP - A premise is passed by FTTP if Openreach's GEA FTTP product is available for connection and supply at that premise.

| | Measure | Additions for the | Cumulative total |
|---------------------------------------|------------------|-------------------|------------------|
| | | year | as at 31 March |
| | | | 2024 |
| Non-subsidised homes passed with FTTP | Million premises | 0.7 | 3.2 |

 $^{1}\text{Ancillary (CPI-0\%) services where individual service total revenue is less than £5m can be aggregated and reported together.}$

7.2.1 Wholesale Local Access – Area 3 Summary Restated for the year ended 31 March 2023

External External Internal External External Internal External Total Internal External Measure Internal Internal Internal MCE MCE ROCE ROCE Revenue Revenue Volume Opex Opex Revenue Volume average average price price £m £m £m £m £m £m £m MPF rentals (SML1) (charge controlled) 197.1 197.1 2,199,283 89.59 89.64 93.7 354.0 28.7% 29.2% 1.5 MPF other rentals 0.9 14.0 14.9 9,294 147,509 lines 94.68 94.68 0.4 7.2 23.9 28.7% 28.2% FTTC 40/10 rentals (charge controlled) 45.8 64.7 110.5 727,050 1,023,312 lines 62.93 63.20 14.4 19.8 76.4 107.4 41.0% 41.8% FTTC other rentals 146.8 131.4 278.2 1,809,143 1,672,898 81.16 78.52 36.4 32.6 191.2 176.3 57.7% 56.0% FTTP 40/10 rentals (charge controlled) 2.6 0.9 3.5 14,688 4,924 lines 173.77 173.78 3.8 1.3 22.2 7.4 (5.5)% (5.4)% FTTP 40/10 rentals (non-charge controlled) 2.4 1.0 3.4 13,828 5,930 173.77 173.78 3.6 1.5 20.9 8.9 (5.5)% (5.4)% FTTP other rentals 136.3 61.2 197.5 649,444 308,222 lines 209.81 198.42 167.3 78.8 980.2 465.0 (3.2)% (3.8)% SOGEA 40/10 rental (charge controlled) 22.5 14.4 36.9 147,513 94,421 152.51 152.51 24.4 37.0% 37.5% lines SOGEA other rentals 70.3 42.4 112.7 427,340 257,424 164.58 164.90 24.4 14.4 110.4 66.4 41.5% 42.2% 9.8 0.4 (274.7)% (274.7)% NGA Visit Assure 5.2 15.0 72,070 38,365 amendments 136.40 136.40 12.0 6.4 0.8 Special Faults investigation 3.1 0.8 3.9 5.0 0.3 0.1 (569.2)% (569.2)% (ux) (ux) (ux) (sx) (sx) WLA Time Related Charges 4.0 4.6 8.6 4.3 4.9 1.2 (sx) 1.1 (30.1)% (23.3)% (ux) (ux) (ux) (sx) Hard Ceases 1.2 2.6 3.8 88,999 173,467 13.32 15.05 1.4 2.7 (0.1)(0.1)388.7% 70.1% ceases GEA Cancel/Amend/Modify - CRD 2.4 3.1 5.5 174,889 525,712 13.93 5.86 3.7 10.9 4.6 (167.5)% (96.4)% amendments 5.7 7.6 1.9 0.6 12.0 42.5% (8,740.1)% (sx) Tie cables (ux) (ux) (sx) (ux) Ancillaries (£0 cap) (sx) (ux) (ux) (ux) (sx) 4.3 Other ancillaries - CPI-0%1 5.3 9.6 15.7 14.0 6.7 4.3 (168.4)% (202.3)% (ux) (sx) (sx) (ux) (ux) GEA 40/10 (FTTC) PCP Only Install Connections 2.6 2.2 4.8 45,389 (133.4)% (106.7)% 52.925 49.14 49.14 4.8 1.7 1.2 3.5 conns GEA Other (FTTC) PCP Only Install Connections 2.1 6.7 43,587 135,536 49.14 3.6 (133.4)% (106.7)% 8.8 49.14 4.0 10.6 1.4 conns 127,474 23.75 32.23 0.7 (198.5)% MPF New Provides 4.1 4.1 4.1 (3.7)% conns 7.4 5.9 Other ancillaries 5.0 0.8 2.8 185.8% (16.3)% 12.4 (ux) (ux) (ux) (sx) (sx) 5.5 Other WLA services 28.7 26.2 54.9 84.3 67.4 27.5 22.2 (201.8)% (186.2)% (ux) (ux) (ux) (sx) (sx) 25.0% IFRS 15 deferred revenue (4.9)0.1 (4.8)(ux) (ux) (ux) (sx) (sx) (0.1)(0.1)(18.9)(14.2)(1.6)% IFRS15 SLG (26.9)(11.6)(29.6)(12.8)(38.5)(ux) (ux) (ux) (sx) (sx) (3.3)(1.4)(82.9)% (82.9)% Rounding (0.1)(0.2)(0.1)1,050.4 16.7% Total WLA - Area 3 467.0 583.4 370.5 373.0 1,472.3 1,259.2 6.6%

Notes:

1) FTTP homes passed in Area 3

remises passed by FTTP - A premise is passed by FTTP if Openreach's GEA FTTP product is available for connection and supply at that premise.

| | Measure | Additions for the | Cumulative total |
|---------------------------------------|------------------|-------------------|------------------|
| | | year | as at 31 March |
| | | | 2023 |
| Ion-subsidised homes passed with FTTP | Million premises | 0.8 | 2.5 |

Ancillary (CPI-0%) services where individual service total revenue is less than £5m can be aggregated and reported together.

7.2.2 Wholesale Local Access – Area 3 Analysis of Service Cost For the year ended 31 March 2024

| | | MPF rentals (charge cor | | MPF other | rentals | FTTC 40/10 (charge con | - 1 | FTTC other | r rentals | FTTP 40/10 (charge con | | | rentals -charge | FTTP othe | | OGEA 40/1 (charge con | | OGEA other | rentals | NGA Visi | t Assure | - | al Faults tigation | WLA Time | Related Charges | Hard | l Ceases |
|---|----------|----------------------------|-----------------------|-------------------|---------------------|---------------------------|----------------------|----------------------|----------------------|---------------------------|--------------|--------------|--------------------|-----------------------|-----------------------|--------------------------|----------------------|----------------------|----------------------|---------------------|--------------|--------------|-----------------------|--------------|--------------------|--------------|--------------|
| (1) On any time and a backers | | | | 14 | F.A | | | 11 | F. 4 | | | con | trolled) | 11 | | | | 11 | | 11 | F. 4 | | | | | 11 | F.4 |
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices Attribution of PI costs | £m £m | - | - 44.6 | 0.1 | 2.8 | - 1.5 | 2.1 | - 3.7 | 3.7 | 0.4 | 0.3 | 0.3 | 0.2 | 20.7 | 13.0 | - 6.2 | - 4.6 | - 17.8 | - 11.2 | - | - | - | - | - | - | - | - |
| Wages and salaries | £m | - | 19.5 | 0.1 | 1.4 | 6.3 | 8.7 | 15.3 | 15.1 | 1.4 | 1.1 | 1.1 | 0.2 | 72.6 | 45.4 | 4.5 | 3.3 | 13.0 | 8.2 | 3.2 | 1.4 | 0.7 | 0.2 | 2.2 | 1.8 | 2.6 | 0.8 |
| Social security costs | £m | - | 2.2 | - | 0.2 | 0.7 | 1.0 | 1.8 | 1.8 | 0.2 | 0.1 | 0.1 | 0.1 | 8.3 | 5.2 | 0.5 | 0.4 | 1.5 | 1.0 | 0.4 | 0.2 | 0.1 | - | 0.3 | 0.2 | 0.3 | 0.1 |
| Other pension costs | £m | - | 3.2 | - | 0.2 | 1.0 | 1.4 | 2.5 | 2.4 | 0.2 | 0.2 | 0.2 | 0.1 | 11.8 | 7.4 | 0.7 | 0.6 | 2.1 | 1.4 | 0.5 | 0.2 | 0.1 | - | 0.4 | 0.3 | 0.4 | 0.1 |
| Share-based payment expense | £m | - | (12.1) | - | - (0.0) | (2.6) | (F O) | - (0.0) | - (0.0) | (0.0) | (0.6) | (0.6) | - (0.5) | (40.0) | (25.6) | (2.6) | (1.0) | (7.6) | - (4.0) | (1.0) | - (0.0) | (0.4) | (0.1) | - (1.4) | - (1.1) | - (1.0) | (0.6) |
| Own work capitalised Net indirect labour costs | £m £m | _ | 3.3 | - | (0.9) 0.2 | (3.6) 0.5 | (5.0) 0.7 | (8.9) 1.2 | (8.8) 1.2 | (0.8) 0.1 | (0.6) 0.1 | (0.6) 0.1 | (0.5) | (40.9) 3.9 | (25.6) 2.4 | (2.6) 0.5 | (1.9) 0.4 | (7.6) 1.6 | (4.8) 1.0 | (1.9) 1.3 | (0.8) 0.6 | (0.4) 0.5 | (0.1) 0.1 | (1.4) 0.2 | (1.1) 0.2 | (1.9) 0.2 | (0.6) 0.1 |
| Product costs | £m | - | 0.1 | _ | - | - | - | - | - | - | - | - | _ | 0.2 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators | £m | - | - | - | - | - | | | | - | - | - | - | (0.1) | | - | - | | - | | - | - | - | | - | - | - |
| Property and energy costs | £m | - | 18.4 | 0.1 | 1.1 | 4.8 | 6.6 | 11.7 | 11.5 | 0.7 | 0.5 | 0.5 | 0.4 | 34.2 | 21.5 | 3.8 | 2.8 | 10.8 | 6.8 | 0.1 0.7 | - 0.2 | - 0.1 | - | 0.1 | - 0.2 | - 0.1 | - |
| Network operating and IT costs TV programme rights charges | £m £m | - | 3.3 | - | 0.3 | 0.9 | 1.3 | 2.3 | 2.2 | 0.2 | 0.2 | 0.2 | 0.1 | 11.4 | 7.2 | 0.7 | 0.5 | 2.0 | 1.3 | 0.7 | 0.3 | 0.1 | _ | 0.4 | 0.3 | 0.1 | - |
| Provision and installation | £m | - | 2.8 | - | 0.2 | 0.1 | 0.2 | 0.3 | 0.3 | - | - | - | _ | 1.5 | 0.9 | 0.4 | 0.3 | 1.1 | 0.7 | 0.1 | _ | - | _ | 0.1 | _ | _ | _ |
| Marketing and sales | £m | | 0.1 | | - | - | - | 0.1 | 0.1 | - | - | - | - | 0.3 | 0.2 | - | - | 0.1 | - | - | - | - | - | - | - | - | - |
| Net impairment of losses on TR and contract assets | £m | | 0.2 | - | - | - | - | 0.1 | 0.1 | - | - | | - | 0.5 | 0.3 | 0.1 | 0.1 | 0.2 | 0.1 | - | - | - | - | - | - | 0.1 | - |
| Other operating costs | £m | - | 9.2 | - | 0.8 | 4.2 | 5.4 | 10.5 | 9.6 | - | - | - | - | (0.4) | (0.9) | 2.8 | 1.9 | 8.2 | 4.7 | 3.6 | 1.6 | 0.8 | 0.2 | 2.0 | 1.6 | 0.5 | 0.2 |
| Other operating income Total operating costs before depreciation | £m £m | _ | (0.8) 94.0 | 0.3 | (0.1) 6.2 | (0.5) 15.9 | (0.6) 21.8 | (1.1) 39.5 | (1.1) 38.1 | 2.4 | 1.9 | 1.9 | 1.2 | (0.9) 123.1 | (0.5) 76.6 | (0.3) 17.3 | (0.2) 12.8 | (0.8) 50.0 | (0.5) 31.1 | 8.0 | 3.5 | 1.9 | 0.4 | 4.3 | 3.3 | 2.3 | 0.7 |
| rotat operating costs before depreciation | 2111 | | 34.0 | 0.5 | 0.2 | 13.3 | 21.0 | 33.3 | 30.1 | 2,4 | 1.5 | 1.5 | 1.2 | 123.1 | 70.0 | 17.3 | 12.0 | 30.0 | 31.1 | 0.0 | 3.3 | 1.5 | 0.4 | 4.5 | 3.3 | 2.3 | 0.7 |
| Depreciation | £ | | 0.1 | | | 0.4 | 0.6 | 1.0 | 1.0 | | | | | | | 0.2 | 0.1 | 0.5 | 0.3 | | | | | | | | |
| Duct Poles | £m £m | _ | 0.1 | - | _ | 0.4 | 0.6 | 1.0 | 1.0 | _ | _ | - | - | _ | _ | 0.2 | 0.1 | 0.5 | 0.3 | _ | - | - | _ | | - | _ | _ |
| Copper | £m | - | 41.6 | 0.1 | 2.6 | 1.4 | 1.9 | 3.3 | 3.3 | - | - | - | _ | 0.2 | 0.1 | 5.7 | 4.2 | 16.4 | 10.4 | - | _ | - | _ | _ | _ | _ | _ |
| Fibre | £m | - | - | - | - | 5.4 | 7.5 | 13.3 | 13.1 | 1.0 | 0.8 | 0.8 | 0.6 | 50.5 | 31.6 | 2.2 | 1.6 | 6.3 | 4.0 | - | - | - | - | - | - | - | - |
| Electronics | £m | - | 0.1 | - | - | 0.3 | 0.5 | 0.8 | 0.8 | 0.2 | 0.1 | 0.1 | 0.1 | 8.9 | 5.6 | 0.1 | 0.1 | 0.4 | 0.3 | - | - | - | - | | - | - | - |
| Software | £m | - | 1.5 | - | 0.1 | 0.6 | 0.9 0.1 | 1.5 | 1.5 | 0.1 | 0.1 | 0.1 | 0.1 | 7.4 | 4.6 0.7 | 0.4 | 0.3 | 1.2 | 0.7 | 0.1 | - | - | - | 0.1 | - | 0.1 | - |
| Land and buildings Right of use assets | £m £m | - | 0.2 2.1 | - | 0.1 | 0.1 0.4 | 0.1 | 0.2 1.0 | 0.2 1.0 | 0.1 | 0.1 | 0.1 | 0.1 | 1.1 7.2 | 4.5 | 0.1 0.3 | 0.2 | 0.1 0.9 | 0.1 0.6 | 0.2 | 0.1 | 0.1 | - | 0.1 | 0.1 | 0.1 | - |
| Other assets | £m | - | 0.8 | - | 0.1 | 0.4 | 0.6 | 1.1 | 1.0 | 0.1 | 0.1 | 0.1 | 0.1 | 5.0 | 3.2 | 0.2 | 0.2 | 0.6 | 0.4 | 0.1 | - | - | - | 0.2 | 0.2 | - | - |
| Less funded assets (BDUK, etc.) | £m | | - | - | - | (0.9) | (1.2) | (2.1) | (2.1) | (0.1) | - | - | - | (2.6) | (1.6) | (0.3) | (0.3) | (1.0) | (0.6) | - | - | - | - | - | - | - | _ |
| Total depreciation | £m | - | 46.4 | 0.1 | 2.9 | 8.1 | 11.5 | 20.1 | 19.8 | 1.4 | 1.2 | 1.2 | 1.0 | 77.7 | 48.7 | 8.9 | 6.4 | 25.4 | 16.2 | 0.4 | 0.1 | 0.1 | - | 0.4 | 0.3 | 0.2 | - |
| Specific items | £m | | 1.9 | - | 0.1 | 0.6 | 0.8 | 1.4 | 1.4 | 0.2 | 0.1 | 0.1 | 0.1 | 8.5 | 5.3 | 0.5 | 0.3 | 1.4 | 0.9 | 0.4 | 0.2 | 0.1 | - | 0.2 | 0.2 | 0.2 | 0.1 |
| Total HCA operating costs | £m | - | 142.3 | 0.4 | 9.2 | 24.6 | 34.1 | 61.0 | 59.3 | 4.0 | 3.2 | 3.2 | 2.3 | 209.3 | 130.6 | 26.7 | 19.5 | 76.8 | 48.2 | 8.8 | 3.8 | 2.1 | 0.4 | 4.9 | 3.8 | 2.7 | 0.8 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | | (12.7) | | (8.0) | (8.0) | (1.1) | (2.0) | (2.0) | - | - | - | - | (0.1) | (0.1) | (1.9) | (1.4) | (5.5) | (3.5) | - | - | - | - | - | - | - | - |
| Supplementary depreciation | £m | - | 13.9 | - | 0.9 | 0.7 | 1.0 | 1.7 | 1.7 | - | - | - | - | 0.1 | - | 2.0 | 1.5 | 5.8 | 3.6 | - | - | - | - | - | - | - | - |
| Other CCA adjustments | £m £m | - | (0.1) | - 0.1 | 0.2 | - 0.2 | (0.1) | 0.1 | 0.1 | 0.1 | - | 0.1 | 0.1 | - | (0.1) | 0.1 | 0.1 | 0.1 0.1 | 0.1 | (0.1) | - | 0.1 | - 0.2 | - | 0.1 | - | - |
| Rounding Total CCA operating costs | £m | | (0.1) 143.5 | 0.1 0.5 | 9.5 | 0.2 24.7 | (0.1) 33.9 | 60.8 | 0.1 59.2 | 4.1 | 3.2 | 3.3 | 2.4 | 209.3 | (0.1) 130.4 | 26.9 | 19.7 | 77.3 | (0.1) 48.3 | (0.1) 8.7 | 3.8 | 2.2 | 0.2 0.6 | 4.9 | 3.9 | 2.7 | 0.8 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges | £m | - | 12.3 | - | 0.7 | 1.4 | 2.0 | 3.5 | 3.5 | 0.4 | 0.3 | 0.3 | 0.2 | 20.6 | 13.0 | 2.2 | 1.6 | 6.3 | 4.0 | - | - | - | - | - | - | - | - |
| Openreach SLGs Leaver costs | £m £m | - | 0.8 1.0 | - | 0.1 0.1 | 0.4 0.4 | 0.3 0.6 | 1.3 1.0 | 0.5 1.0 | 0.1 | 0.1 | 0.1 | 0.1 | 1.8 5.9 | 0.5 3.7 | 0.4 0.3 | 0.1 0.2 | 1.2 0.8 | 0.3 0.5 | 0.3 | 0.1 | 0.1 | - | 0.2 | 0.1 | 0.1 | _ |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | MPF rentals (charge cor | - | MPF other | rentals | (charge con | | FTTC other | r rentals | FTTP 40/10 (charge con | | | rentals -charge | FTTP othe | | OGEA 40/1 | I . | OGEA other | rentals | NGA Visi | t Assure | | al Faults tigation | WLA Time | Related Charges | Hard | l Ceases |
| | | | | | | | | | | | | con | trolled) | | | | | | | | | | | | | | |
| (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | - | - | - | _ | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | _ |
| Attribution of PI costs | £m | - | 44.6 | 0.1 | 2.8 | 1.5 | 2.1 | 3.7 | 3.7 | 0.4 | 0.3 | 0.3 | 0.2 | 20.7 | 13.0 | 6.2 | 4.6 | 17.8 | 11.2 | - | - | - | - | - | - | - | - |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | - | 18.3 | 0.1 | 1.5 | 6.5 | 8.7 | 16.3 | 15.3 | 0.6 | 0.4 | 0.5 | 0.3 | 30.6 | 18.5 | 4.8 | 3.4 | 13.8 | 8.3 | 5.3 | 2.4 | 1.4 | 0.4 | 3.3 | 2.7 | 1.3 | 0.4 |
| Openreach support functions | £m | | 4.5 | - | 0.3 | 0.4 | 0.6 | 1.0 | 1.0 | 0.1 | - | - | - | 3.1 | 1.9 | 0.7 | 0.5 | 2.1 | 1.3 | 1.3 | 0.6 | 0.3 | 0.1 | 0.2 | 0.1 | 0.5 | 0.2 |
| Openreach total | £m | - | 22.8 | 0.1 | 1.8 | 6.9 | 9.3 | 17.3 | 16.3 | 0.7 | 0.4 | 0.5 | 0.3 | 33.7 | 20.4 | 5.5 | 3.9 | 15.9 | 9.6 | 6.6 | 3.0 | 1.7 | 0.5 | 3.5 | 2.8 | 1.8 | 0.6 |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | - | 4.4 | 0.1 | 0.2 | 1.3 | 1.9 | 3.5 | 3.3 | 0.3 | 0.4 | 0.2 | 0.1 | 15.7 | 10.0 | 0.9 | 0.8 | 2.9 | 1.8 | 0.9 | 0.3 | 0.1 | (0.1) | 0.5 | 0.2 | 0.3 | - |
| Property and facilities | £m | - | 13.3 | - | 0.8 | 1.6 | 2.2 | 3.8 | 3.8 | 0.4 | 0.3 | 0.4 | 0.3 | 23.0 | 14.4 | 2.3 | 1.7 | 6.6 | 4.2 | - | | | - | | - | | |
| Technology units | £m | - | 8.9 | - | 0.6 | 4.6 | 6.3 | 11.2 | 11.0 | 0.6 | 0.5 | 0.5 | 0.3 | 30.0 | 18.8 | 2.4 | 1.8 | 6.8 | 4.3 | 0.5 | 0.2 | 0.1 | - | 0.3 | 0.3 | 0.2 | 0.1 |
| Consumer and Business Rest of BT total | £m £m | - | 26.6 | 0.1 | 1.6 | 7.5 | 10.4 | 18.5 | 18.1 | 1.3 | 1.2 | 1.1 | 0.7 | 68.7 | 43.2 | 5.6 | 4.3 | 16.3 | 10.3 | 1.4 | 0.5 | 0.2 | (0.1) | 0.8 | 0.5 | 0.5 | 0.1 |
| | | | | | | | . 3.7 | | | | | | | | | | | | | | | 4.E | | | | J. J | |
| Operating cost before depreciation | £m | - | 94.0 | 0.3 | 6.2 | 15.9 | 21.8 | 39.5 | 38.1 | 2.4 | 1.9 | 1.9 | 1.2 | 123.1 | 76.6 | 17.3 | 12.8 | 50.0 | 31.1 | 8.0 | 3.5 | 1.9 | 0.4 | 4.3 | 3.3 | 2.3 | 0.7 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

7.2.2 Wholesale Local Access – Area 3 Analysis of Service Cost (continued) For the year ended 31 March 2024

| | GEA Cance | l/Amend/ dify-CRD | Tie | cables | Ancillarie | s (£0 Oth cap) | | aries -0%¹ | GEA 4 (FTTC) | | GEA (FTTC | Other C) PCP | | F New O | ther anci | llaries | | r WLA IFF ervices | RS 15 deferred | revenue | IF | RS15 SLG | | Rounding | | Total |
|--|--------------|----------------------|------------|------------|--------------|-------------------|------------|---------------|-----------------|------------|--------------|-----------------|-----|------------|--------------|-----------|-------------|----------------------|----------------|---------|----------------|-----------|--------------|--------------|---------------|---------------|
| | | | | | | | | | Only In | nstall | | Install | | | | | | | | | | | | | | |
| (i) Operating costs by type | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attribution of PI costs £m | - 6.1 | 140 | - 1.0 | - | - | - | - | - | 0.7 | - 1 2 | 0.7 | 3.4 | - | - 1 2 | - 12 | - 1.2 | - | - | - | - | - (0.7) | - (0.2) | 0.1 | - 0.1 | 50.8 | 82.5 198.1 |
| Wages and salaries £m Social security costs £m | 6.1 0.7 | 14.9 1.6 | 1.0 0.1 | 0.5 0.1 | - | - | 2.3 | 17.1 | 0.7 | 1.2 0.1 | 0.7 | 0.4 | - | 1.2 0.1 | 1.2 0.1 | 0.1 | 6.2 | 51.1 5.7 | _ | - | (0.7) (0.1) | (0.3) | 0.1 | 0.1 (0.2) | 209.7 23.7 | 22.3 |
| Other pension costs £m | 0.9 | 2.1 | 0.1 | 0.1 | - | - | 3.0 | 2.5 | 0.1 | 0.2 | 0.1 | 0.5 | _ | 0.1 | 0.1 | 0.1 | 8.7 | 7.9 | - | - | (0.1) | _ | 0.1 | (0.2) | 33.1 | 31.2 |
| Share-based payment expense £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Own work capitalised £m | (5.6) | (13.7) | (0.9) | (0.5) | - | - (| , , | 15.3) | (0.4) | (0.7) | (0.4) | (2.0) | - | (0.9) | 0.7 | (0.4) | , | (18.8) | - | - | 0.3 | 0.1 | (0.1) | | (119.3) | (115.0) |
| Net indirect labour costs £m Product costs £m | 0.3 | 0.8 | 0.1 | - | - | - | 1.1 | 0.9 | - | 0.1 | - | 0.2 | - | 0.1 | 0.1 | 0.1 | 3.2 0.1 | 2.8 | - | - | (0.2) | (0.1) | (0.3) 0.1 | (0.2) 0.1 | 14.4 0.4 | 15.0 0.3 |
| Product costs £m Sales commissions £m | - | - | _ | - | - | _ | _ | _ | _ | - | - | - | - | - | _ | _ | 0.1 | - | - | - | - | _ | 0.1 | 0.1 | 0.4 | 0.5 |
| Payments to telecommunications operators £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | _ |
| Property and energy costs £m | 0.1 | 0.2 | 0.2 | 0.1 | - | - | 0.3 | 0.2 | - | - | - | 0.1 | - | - | - | - | 1.4 | 1.1 | - | - | (0.1) | - | - | 0.2 | 68.7 | 71.5 |
| Network operating and IT costs £m | (0.1) | (0.3) | - | - | - | - | (0.3) | 2.4 | - | - | - | 0.1 | - | 0.1 | 0.2 | 0.3 | 3.0 | 2.8 | - | - | (0.2) | (0.1) | - | 0.1 | 21.6 | 22.4 |
| TV programme rights charges £m Provision and installation £m | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | 1.9 | - 1.9 | - | - | - | - | 0.1 | 0.1 | 5.6 | - 7.5 |
| Marketing and sales £m | - | _ | - | - | - | - | - | - | - | - | - | - | _ | _ | - | - | 0.1 | 0.1 | - | - | - | - | 0.1 | 0.1 | 0.7 | 0.7 |
| Net impairment of losses on TR and contract assets £m | 0.1 | - | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | 0.1 | 1.3 | 1.1 |
| Other operating costs £m | - | - | (0.1) | (0.1) | - | - | 0.3 | 1.0 | 0.4 | 0.4 | 0.4 | 1.1 | - | 1.0 | 0.7 | 0.4 | 27.5 | 19.5 | - | - | (25.9) | (9.4) | (0.1) | (0.1) | 35.4 | 48.1 |
| Other operating income £m | | | - | | - | - | - | - | | - | - | | - | | | | (0.3) | (0.3) | | - | - | | (0.1) | (0.2) | (4.0) | (4.3) |
| Total operating costs before depreciation £m | 2.5 | 5.6 | 0.6 | 0.2 | - | - | 8.6 | 10.8 | 0.9 | 1.3 | 0.9 | 3.9 | - | 1.8 | 3.2 | 1.9 | 85.4 | 73.9 | - | - | (27.0) | (9.8) | - | 0.2 | 342.0 | 381.4 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 2.0 | 2.0 |
| Copper £m | - | - | 0.8 | 0.4 | - | _ | _ | - | _ | - | - | - | - | - | _ | _ | - | - | - | - | - | - | - | (0.1) | 27.9 | 64.4 |
| Fibre £m | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | 3.1 | 3.1 | - | - | - | - | 0.1 | 0.1 | 82.7 | 62.5 |
| Electronics £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | (0.1) | 11.0 | 7.5 |
| Software £m | - | - | 0.1 | - | - | - | 0.1 | 0.1 | - | - | - | 0.1 | - | - | - | - | 2.8 | 2.7 | - | - | (0.3) | (0.1) | - | 0.3 | 14.3 | 12.9 |
| Land and buildings £m Right of use assets £m | 0.2 0.7 | 0.4 1.6 | - | - | - | - | 0.5 2.3 | 0.4 1.8 | 0.1 | 0.1 | 0.1 | 0.1 0.3 | - | - | 0.1 | 0.1 | 1.1 5.1 | 0.9 4.5 | - | - | - | - | 0.1 | 0.2 0.2 | 3.5 18.9 | 3.3 18.1 |
| Other assets £m | - | 0.1 | - | - | - | - | 0.2 | 0.1 | - | - | - | - | _ | _ | - | - | 0.7 | 0.7 | - | - | - | - | (0.6) | (0.1) | 8.1 | 7.5 |
| Less funded assets (BDUK, etc.) £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (7.0) | (5.9) |
| Total depreciation £m | 0.9 | 2.1 | 0.9 | 0.4 | - | - | 3.1 | 2.4 | 0.1 | 0.1 | 0.1 | 0.6 | - | - | 0.1 | 0.1 | 12.8 | 11.9 | - | - | (0.3) | (0.1) | (0.3) | 0.3 | 161.4 | 172.3 |
| Specific items £m | 0.2 | 0.4 | _ | - | - | - | 0.6 | 0.5 | - | 0.1 | _ | 0.2 | - | 0.1 | 0.2 | 0.1 | 3.7 | 3.4 | _ | - | (0.1) | _ | _ | (0.1) | 18.2 | 16.1 |
| Total HCA operating costs £m | 3.6 | 8.1 | 1.5 | 0.6 | - | - | 12.3 | 13.7 | 1.0 | 1.5 | 1.0 | 4.7 | - | 1.9 | 3.5 | 2.1 | 101.9 | 89.2 | - | - | (27.4) | (9.9) | (0.3) | 0.4 | 521.6 | 569.8 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains £m | - | - | (0.4) | (0.2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | (10.7) | (21.7) |
| Supplementary depreciation £m Other CCA adjustments £m | - | - | 0.5 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 10.8 | 22.9 |
| Other CCA adjustments £m Rounding £m | - | 0.1 | (0.2) | 0.1 | - | _ | (0.1) | _ | 0.1 | 0.1 | 0.1 | (0.2) | _ | 0.1 | 0.2 | 0.2 | - | 0.2 | (0.1) | (0.1) | (0.2) | (0.1) | 0.1 | 0.1 (0.8) | 0.3 0.5 | 0.4 |
| Total CCA operating costs £m | 3.6 | 8.2 | | 0.7 | - | | · / | 13.7 | 1.1 | 1.6 | 1.1 | 4.5 | - | 2.0 | 3.7 | | 101.9 | 89.4 | (0.1) | (0.1) | (27.6) | (10.0) | (0.2) | (0.1) | 522.5 | 571.4 |
| | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total CCA operating cost includes the following: | | | 0.1 | 0.1 | | | | | | | | | | | | | | | | | | | 0.2 | | 25.4 | 27.7 |
| Cumulo charges £m Openreach SLGs £m | - | - | 0.1 | 0.1 | - | - | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 | 0.5 | - | 0.5 | - | - | - 11.4 | 4.5 | - | - | (25.5) | (9.2) | 0.3 0.2 | 0.1 | 35.1 (8.2) | 37.7 (0.5) |
| Leaver costs £m | 0.1 | 0.1 | - | - | - | - | 0.2 | 0.2 | - | - | - | 0.1 | - | 0.1 | 0.1 | 0.1 | 2.6 | 2.4 | - | - | (20.0) | - | (0.1) | 0.1 | 12.2 | 10.6 |
| | GEA Cance | 1/0 | T:a | | cillaries(£0 | \\\\\ | | | GEA 4 | 0./40 | CEA | Other | МВ | - Naudo | ther anci | lla via a | Othe | | RS 15 deferred | | | RS15 SLG | | Rounding | | Total |
| | | dify – CRD | He | CablesAn | Cillaries(£ | сар)Оп | | -0%¹ | (FTTC) | | (FTTC | | | ovides | rtiler alici | llaries | | ervices | KS 15 deterred | revenue | ır | KS 15 SLG | ' | Rounding | | Totat |
| | | | | | | | | | Only In | | Only Conne | Install | | | | | | | | | | | | | | |
| (ii) Operating costs by division | Int | Ext | Int | Ext | Int | Ext | Int | Ext | | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices £m | | = | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | | |
| Attribution of PI costs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 50.8 | 82.5 |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Openreach Service and network delivery £m | _ | (0.1) | 0.1 | _ | _ | _ | 0.3 | 3.7 | 0.6 | 0.8 | 0.6 | 2.3 | _ | 1.3 | 2.5 | 1.3 | 62.6 | 53.8 | _ | _ | (25.6) | (9.3) | (0.7) | 0.1 | 124.9 | 134.5 |
| Openreach support functions £m | 1.0 | 2.0 | | 0.1 | - | - | 3.0 | 2.7 | 0.1 | 0.1 | 0.1 | 0.3 | - | 0.2 | 0.2 | 0.2 | 4.2 | 3.4 | - | - | (0.3) | (0.1) | (0.4) | 0.2 | 17.8 | 20.2 |
| Openreach total £m | 1.0 | 1.9 | | 0.1 | - | - | 3.3 | 6.4 | 0.7 | 0.9 | 0.7 | 2.6 | - | 1.5 | 2.7 | 1.5 | 66.8 | 57.2 | - | - | (25.9) | (9.4) | (1.1) | 0.3 | 142.7 | 154.7 |
| D . (DT | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rest of BT Group centre £m | 1.3 | 2.2 | 0.1 | | | | 4.7 | 3.7 | 0.1 | 0.3 | 0.1 | 1.0 | | 0.2 | 0.2 | 0.3 | 12.0 | 10.8 | | | (0.5) | (0.2) | 1.0 | (0.1) | 45.7 | 12.6 |
| Group centre £m Property and facilities £m | 1.3 | 3.3 | 0.1 | 0.1 | - | - | 4./ | 3.7 0.1 | J. I | U.S - | - | 1.0 | - | 0.2 | 0.2 | 0.3 | 12.0 0.5 | 0.4 | - | - | (0.5) | (0.2) | 1.0 0.1 | (0.1) | 45.7 38.9 | 42.6 41.6 |
| Technology units £m | 0.2 | 0.4 | - | - | - | - | 0.6 | 0.6 | 0.1 | 0.1 | 0.1 | 0.3 | - | 0.1 | 0.3 | 0.1 | 6.1 | 5.5 | - | - | (0.6) | (0.2) | (0.1) | - | 63.9 | 60.0 |
| Consumer and Business £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rest of BT total £m | 1.5 | 3.7 | 0.3 | 0.1 | - | - | 5.3 | 4.4 | 0.2 | 0.4 | 0.2 | 1.3 | - | 0.3 | 0.5 | 0.4 | 18.6 | 16.7 | - | - | (1.1) | (0.4) | 1.0 | (0.1) | 148.5 | 144.2 |
| Operating cost before depreciation £m | 2.5 | 5.6 | 0.6 | 0.2 | - | - | 8.6 | 10.8 | 0.9 | 1.3 | 0.9 | 3.9 | - | 1.8 | 3.2 | 1.9 | 85.4 | 73.9 | - | - | (27.0) | (9.8) | - | 0.2 | 342.0 | 381.4 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |

7.2.2 Wholesale Local Access – Area 3 Analysis of Service Cost

Restated for the year ended 31 March 2023

| | | charge contr | - | MPF other r | entals | (charge con | | · I I C otner | | charge cont | | (non- | rentals r charge trolled) | IIPotner | | charge cont | | SOGE | rentals | NGA VISIT | Assure | - | igation | WLA IIMe | Charges | Hard | Ceases |
|---|--------------|---------------|-------------|-------------|------------|--------------------|------------|----------------------|--------------------|-------------------|------------|------------|---------------------------------|---------------------|--------------------|---------------------|------------|--------------------|------------|--------------------|------------|-------------------|-------------------|------------|---------------------|------------|------------|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | m | - | (1.3) | - | (0.1) | 0.2 | 0.3 | 0.6 | 0.5 | - | - | - | - | (2.0) | (0.9) | - | - | (0.1) | (0.1) | - | - | - | - | - | - | - | - |
| • | m | - | 36.1 | 0.2 | 2.9 | 2.5 | 3.5 | 6.3 | 5.8 | 1.5 | 0.5 | 1.5 | 0.6 | 68.3 | 32.4 | 2.6 | 1.7 | 7.5 | 4.5 | 6.3 | 3.4 | 2.6 | 0.7 | 2.0 | 2.3 | 1.2 | 2.4 |
| Social security costs £: Other pension costs £: | | - | 4.2 5.8 | - | 0.3 | 0.3 0.4 | 0.4 0.5 | 0.8 0.9 | 0.7 0.9 | 0.2 0.2 | 0.1 0.1 | 0.2 0.2 | 0.1 0.1 | 8.0 11.0 | 3.8 5.2 | 0.3 0.4 | 0.2 0.3 | 0.9 1.2 | 0.5 0.7 | 0.7 1.0 | 0.4 0.5 | 0.3 0.4 | 0.1 0.1 | 0.2 0.3 | 0.3 0.4 | 0.1 0.2 | 0.3 0.4 |
| | m | - | J.0 - | - | 0.5 | - | 0.5 | 0.9 | 0.9 | - | - | - | - | - | 5.2 | - | - | - | - | 1.0 | 0.5 | - | - | - | - | - | - |
| Own work capitalised £r | | - | (20.1) | (0.1) | (1.6) | (1.2) | (1.6) | (2.9) | (2.7) | (0.8) | (0.3) | (8.0) | (0.3) | (37.5) | (17.8) | (1.4) | (0.9) | (4.0) | (2.4) | (3.6) | (1.9) | (1.5) | (0.4) | (1.1) | (1.3) | (8.0) | (1.5) |
| Net indirect labour costs £r | m | - | 4.6 | - | 0.4 | 0.3 | 0.5 | 0.8 | 0.7 | 0.2 | 0.1 | 0.1 | 0.1 | 6.9 | 3.3 | 0.3 | 0.2 | 1.0 | 0.6 | 0.7 | 0.4 | 0.3 | 0.1 | 0.4 | 0.5 | 0.1 | 0.1 |
| | m | - | 0.1 | - | - | - | - | 0.1 | 0.1 | - | - | - | - | 0.3 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - |
| | m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | m | - | 10.1 | 0.1 | 1 2 | | 7.2 | 12.0 | 110 | - 0.7 | - 0.2 | - 0.7 | - 0.2 | - 22.5 | 15.4 | - 2.0 | 1 2 | - | 2.5 | - 0.2 | - 0 1 | 0.1 | - | - 0 1 | 0.1 | - | - |
| Property and energy costs Network operating and IT costs £ | | - | 18.1 3.2 | 0.1 | 1.2 0.3 | 5.1 0.3 | 7.2 0.4 | 12.8 0.7 | 11.8 0.6 | 0.7 0.2 | 0.2 0.1 | 0.7 0.2 | 0.3 0.1 | 32.5 7.4 | 15.4 3.5 | 2.0 0.2 | 1.3 0.2 | 5.8 0.7 | 3.5 0.4 | 0.2 0.6 | 0.1 0.3 | 0.1 | 0.1 | 0.1 0.3 | 0.1 | _ | 0.1 |
| | m | _ | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - |
| Provision and installation £ | | - | 0.7 | - | 0.1 | - | - | - | - | - | - | - | - | 0.4 | 0.2 | 0.1 | - | 0.1 | 0.1 | _ | - | - | - | - | - | - | - |
| Marketing and sales £r | m | - | 0.1 | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - |
| Net impairment of losses on TR and contract assets £r | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other operating costs £ | | - | 15.2 | 0.1 | 1.4 | 0.4 | 0.1 | 1.5 | 0.3 | (0.3) | (0.1) | (0.2) | (0.1) | (10.8) | (5.6) | 1.0 | 0.6 | 3.1 | 1.6 | 4.6 | 2.4 | 1.9 | 0.5 | 1.5 | 1.7 | 0.3 | 0.6 |
| . 3 | m | - | (0.5) | - | | (0.5) | (0.8) | (1.4) | (1.2) | - 10 | - | - 10 | - | (1.0) | (0.5) | (0.1) | (0.1) | (0.4) | (0.2) | (0.1) | - | - 42 | - 42 | | - 42 | - | |
| Total operating costs before depreciation £ | m | - | 66.2 | 0.3 | 5.4 | 7.8 | 10.5 | 20.2 | 17.5 | 1.9 | 0.7 | 1.9 | 0.9 | 83.7 | 39.2 | 5.4 | 3.5 | 15.8 | 9.2 | 10.4 | 5.6 | 4.3 | 1.2 | 3.7 | 4.3 | 1.1 | 2.4 |
| Depreciation Duct £r | | | 0.1 | | | 0.5 | 0.7 | 1.2 | 1.1 | | | | | | | 0.1 | 0.1 | 0.3 | 0.2 | | | | | | | | |
| | m | - | 0.1 | _ | _ | 0.5 | 0.7 | 1.2 | 1.1 | - | - | - | - | - | | 0.1 | 0.1 | 0.3 | 0.2 | - | - | - | | | - | - | _ |
| Copper £i | | _ | 41.4 | 0.2 | 2.8 | 1.5 | 2.1 | 3.7 | 3.4 | - | _ | - | _ | 0.2 | 0.1 | 3.1 | 2.0 | 8.9 | 5.4 | - | _ | _ | - | - | - | _ | _ |
| Fibre £r | | - | - | - | - | 5.2 | 7.3 | 13.0 | 12.0 | 1.1 | 0.4 | 1.0 | 0.4 | 49.2 | 23.3 | 1.1 | 0.7 | 3.1 | 1.8 | - | - | - | - | - | - | - | - |
| Electronics £r | m | - | 0.1 | - | - | 0.4 | 0.5 | 0.9 | 0.8 | 0.1 | - | 0.1 | 0.1 | 6.5 | 3.1 | 0.1 | - | 0.2 | 0.1 | - | - | - | - | - | - | - | - |
| Software £r | | - | 2.3 | - | 0.2 | 0.7 | 1.0 | 1.7 | 1.6 | 0.2 | 0.1 | 0.2 | 0.1 | 8.2 | 3.9 | 0.3 | 0.2 | 0.8 | 0.5 | 0.2 | 0.1 | 0.1 | - | 0.1 | 0.1 | 0.1 | 0.1 |
| 5 | m | - | 0.6 | - | - | - | 0.1 | 0.1 | 0.1 | - | - | - | - | 1.3 | 0.6 | - | - | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | - | - |
| Right of use assets £: Other assets £: | m m | - | 4.1 1.5 | - | 0.3 | 0.2 0.4 | 0.3 0.6 | 0.6 1.1 | 0.6 1.0 | 0.2 0.1 | 0.1 | 0.2 0.1 | 0.1 0.1 | 8.3 6.2 | 3.9 2.9 | 0.2 0.2 | 0.1 0.1 | 0.6 0.4 | 0.4 0.3 | 0.5 0.2 | 0.3 0.1 | 0.2 0.1 | 0.1 | 0.2 0.2 | 0.2 0.2 | 0.1 | 0.1 |
| Less funded assets (BDUK, etc.) | | - | 1.5 | - | 0.1 | (0.6) | (0.8) | (1.5) | (1.4) | 0.1 | - | 0.1 | 0.1 | (1.7) | (0.8) | (0.1) | (0.1) | (0.4) | (0.2) | 0.2 | 0.1 | 0.1 | - | 0.2 | 0.2 | - | _ |
| | m | - | 50.1 | 0.2 | 3.4 | 8.3 | 11.8 | 20.8 | 19.2 | 1.7 | 0.6 | 1.6 | 0.8 | 78.2 | 37.0 | 5.0 | 3.1 | 14.0 | 8.6 | 1.0 | 0.6 | 0.4 | 0.1 | 0.5 | 0.5 | 0.2 | 0.2 |
| | | | •••• | V | • | 0.0 | | | | ••• | 0.0 | | 0.0 | , | 07.0 | 0.0 | • | | 0.0 | | •.• | ••• | • | 0.0 | 0.0 | V | |
| Specific items £r | m | - | 2.5 | - | 0.2 | 0.2 | 0.3 | 0.5 | 0.4 | 0.1 | - | 0.1 | 0.1 | 5.6 | 2.7 | 0.2 | 0.1 | 0.5 | 0.3 | 0.4 | 0.2 | 0.2 | - | 0.1 | 0.2 | 0.1 | 0.1 |
| Total HCA operating costs £1 | m | - | 118.8 | 0.5 | 9.0 | 16.3 | 22.6 | 41.5 | 37.1 | 3.7 | 1.3 | 3.6 | 1.8 | 167.5 | 78.9 | 10.6 | 6.7 | 30.3 | 18.1 | 11.8 | 6.4 | 4.9 | 1.3 | 4.3 | 5.0 | 1.4 | 2.7 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains £r | m | - | (41.2) | (0.2) | (2.8) | (2.7) | (3.8) | (6.8) | (6.3) | - | - | - | - | (0.4) | (0.2) | (3.3) | (2.1) | (9.6) | (5.8) | - | - | - | - | - | - | - | - |
| | m | - | 17.5 | 0.1 | 1.2 | 0.7 | 1.0 | 1.8 | 1.6 | - | - | - | - | 0.1 | - | 1.3 | 0.8 | 3.8 | 2.3 | - | - | - | - | - | - | - | - |
| • | m | - | (1.4) | - | (0.1) | - | - | (0.4) | - | - 0.1 | - | - | (0.2) | - | - | (0.1) | (0.1) | (0.3) | (0.2) | - | - | - 0.1 | - | - | (0.4) | - | - |
| Rounding £: Total CCA operating costs £: | m | <u> </u> | 93.7 | 0.4 | (0.1) | 0.1 14.4 | 19.8 | (0.1) 36.4 | 0.2 32.6 | 0.1 3.8 | 1.3 | 3.6 | (0.3) 1.5 | 0.1 167.3 | 0.1 78.8 | (0.1) 8.4 | 5.3 | 0.2 24.4 | 14.4 | 0.2 12.0 | 6.4 | 0.1 5.0 | 0.1 1.4 | 4.3 | (0.1) 4.9 | 1.4 | 2.7 |
| Total CCA operating costs | ··· <u> </u> | - | 93.7 | 0.4 | 7.2 | 14.4 | 19.0 | 30.4 | 32.0 | 3.0 | 1.3 | 3.0 | 1.5 | 107.3 | 70.0 | 0.4 | 5.5 | 24.4 | 14.4 | 12.0 | 0.4 | 5.0 | 1.4 | 4.3 | 4.9 | 1.4 | 2.7 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges £r | | - | 11.5 | - | 0.8 | 1.7 | 2.4 | 4.2 | 3.9 | 0.4 | 0.1 | 0.4 | 0.2 | 18.1 | 8.6 | 1.2 | 0.7 | 3.3 | 2.0 | - | - | - | - | - | - | - | - |
| | m m | - | 1.1 1.3 | - | 0.1 0.1 | 0.6 0.1 | 0.4 0.1 | 1.9 0.2 | 0.7 0.2 | 0.1 | - | 0.1 | - | 1.7 3.1 | 0.3 1.5 | 0.3 0.1 | 0.1 0.1 | 0.9 0.3 | 0.2 0.2 | 0.3 | 0.1 | 0.1 | - | 0.1 | 0.1 | - | 0.1 |
| Leaver Costs El | 111 | | 1.5 | | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 | | 0.1 | | 3.1 | 1.5 | 0.1 | 0.1 | 0.3 | 0.2 | 0.3 | 0.1 | 0.1 | | 0.1 | 0.1 | | 0.1 |
| | | PF rentals (S | - 1 | MPF other r | | | | TTC other | | TTP 40/10 | | - | | TTP other | | | | | A other | NGA Visit | Assure | • | | WLA Time | | Hard (| Ceases |
| | (0 | harge contr | olled) | | | (charge con | trolled) | | (| charge cont | rolled) | | charge rolled) | | (| charge cont | trolled) | | rentals | | | invest | igation | • | Charges | | |
| (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| | m | - | (1.3) | - | (0.1) | 0.2 | 0.3 | 0.6 | 0.5 | - | - | - | - | (2.0) | (0.9) | - | - | (0.1) | (0.1) | - | - | - | - | - | - | - | - |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| • | m | _ | 33.9 | 0.2 | 2.9 | 0.8 | 0.6 | 2.4 | 1.2 | 0.5 | 0.2 | 0.5 | 0.2 | 24.2 | 11.0 | 2.2 | 1.3 | 6.5 | 3.6 | 8.1 | 4.3 | 3.4 | 0.9 | 2.8 | 3.2 | 0.8 | 1.5 |
| Openreach support functions £ | | _ | 4.4 | - | 0.4 | 0.5 | 0.7 | 1.3 | 1.2 | - | - | - | - | 2.0 | 0.9 | 0.4 | 0.2 | 1.0 | 0.6 | 0.5 | 0.3 | 0.1 | - | 0.2 | 0.3 | 0.2 | 0.3 |
| · · · · · · · · · · · · · · · · · · · | m | - | 38.3 | 0.2 | 3.3 | 1.3 | 1.3 | 3.7 | 2.4 | 0.5 | 0.2 | 0.5 | 0.2 | 26.2 | 11.9 | 2.6 | 1.5 | 7.5 | 4.2 | 8.6 | 4.6 | 3.5 | 0.9 | 3.0 | 3.5 | 1.0 | 1.8 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre £ | | - | 6.4 | - | 0.6 | 0.5 | 0.7 | 1.5 | 1.3 | 0.3 | 0.1 | 0.5 | 0.3 | 13.3 | 6.3 | 0.4 | 0.5 | 1.4 | 1.0 | 0.9 | 0.6 | 0.5 | 0.2 | 0.4 | 0.5 | - | 0.4 |
| Property and facilities £: Technology units £: | | - | 12.9 | 0.1 | 0.9 | 1.8 | 2.5 | 4.4 | 4.1 | 0.5 | 0.2 | 0.4 | 0.2 | 20.3 25.3 | 9.6 | 1.2 | 0.8 | 3.5 | 2.1 | 0.1 | - 0.4 | - 0.3 | - 0.1 | - | - 0.3 | 0.1 | - 0.2 |
| Technology units £: Consumer and Business £: | | - | 9.6 0.3 | - | 0.7 | 4.0 | 5.6 0.1 | 9.9 0.1 | 9.1 0.1 | 0.6 | 0.2 | 0.5 | 0.2 | 25.3 0.6 | 12.0 0.3 | 1.2 | 0.7 | 3.4 0.1 | 2.0 | 0.8 | 0.4 | 0.3 | 0.1 | 0.3 | 0.3 | 0.1 | 0.2 |
| Consumer and Business £1 Rest of BT total £1 | | <u>-</u> | 29.2 | 0.1 | 2.2 | 6.3 | 8.9 | 15.9 | 14.6 | 1.4 | 0.5 | 1.4 | 0.7 | 59.5 | 28.2 | 2.8 | 2.0 | 8.4 | 5.1 | 1.8 | 1.0 | 0.8 | 0.3 | 0.7 | 0.8 | 0.1 | 0.6 |
| nostor or total | | _ | 23.2 | V. I | 2.2 | 0.5 | 3.5 | 13.3 | 1-7.0 | 1.4 | 0.5 | 1.4 | J., | 33.3 | 20.2 | 2.0 | 2.0 | J. 4 | 3.1 | 1.0 | 1.0 | 0.0 | 5.5 | 0.7 | 0.0 | V. I | 5.0 |
| Operating cost before depreciation £ | m | - | 66.2 | 0.3 | 5.4 | 7.8 | 10.5 | 20.2 | 17.5 | 1.9 | 0.7 | 1.9 | 0.9 | 83.7 | 39.2 | 5.4 | 3.5 | 15.8 | 9.2 | 10.4 | 5.6 | 4.3 | 1.2 | 3.7 | 4.3 | 1.1 | 2.4 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

MPF rentals (SML1) MPF other rentals FTTC 40/10 rentals FTTC other rentals FTTP 40/10 rentals FTTP 40/10 rentals FTTP 40/10 rentals FTTP 40/10 rentals

Special Faults WLA Time Related

Hard Ceases

SOGEA other NGA Visit Assure

7.2.2 Wholesale Local Access – Area 3 Analysis of Service Cost (continued) Restated for the year ended 31 March 2023

| Restated for the year ended 31 March 2023 | GEA Cancel/Amend Modify – CF | - 1 | s Ancillaries (£0 cap) | Other ancillaries - CPI-0% ¹ | GEA 40/10 (FTTC) PCP Only Install | GEA Other (FTTC) PCP Only Install | MPF New Provides | Other ancillari | es Other WLA se | vices I | IFRS 15 deferred revenue | IFRS15 SLG | Rounding | Total |
|---|---------------------------------|---------------------------------------|---------------------------|---|--|--|--------------------------------|----------------------------|---|--------------------------------|--------------------------|--|---|--|
| (i) Operating costs by type | Int E | ct Int Ex | t Int Ext | Int Ext | Connections Int Ext | Connections Int Ext | Int Ext | Int E | xt Int | Ext | Int Ext | Int Ext | Int Ext | Int Ext |
| EOI input prices £m Attribution of PI costs £m Wages and salaries £m Social security costs £m Other pension costs £m | - 6.4 19 0.7 2 0.9 2 | | | 26.4 13.2 2.9 1.5 3.5 1.8 | 3.0 2.5 0.3 0.3 0.4 0.4 | 2.5 7.6 0.3 0.9 0.4 1.1 | 2.4 - 0.3 - 0.4 | 0.2 0 0.3 0 | | - 38.0 (4.4 5.8 | (0.1) | (1.1) (0.5) (0.1) (0.1) (0.2) (0.1) | (0.3) (0.2) 0.3 0.1 0.1 (0.2) 0.2 (0.2) | 186.4 181.5 21.5 20.9 |
| Share-based payment expense £m Own work capitalised £m Net indirect labour costs £m Product costs £m Sales commissions £m Payments to telecommunications operators £m | (5.2) (15. 0.1 0 | | | (21.3) (9.9) 0.4 0.4 0.1 - | (1.9) (1.7) 0.1 0.1 | (1.6) (4.9) 0.1 0.2 | - (1.5) - 0.1 | 1.0 (0. 0.3 0 | 5) (24.0) 0.3 1.7 - 0.1 | (21.0) 1.4 0.1 | | 0.4 0.2 (0.3) (0.2) | 0.2 (0.3) (0.4) - 0.1 | (109.0) (107.6) 13.2 13.8 0.6 0.5 |
| Property and energy costs £m Network operating and IT costs £m TV programme rights charges £m Provision and installation £m Marketing and sales £m | 0.1 (0.1) (0. | .2 0.2 3) - | | 0.3 0.2 (0.4) 2.6 | 0.2 0.1 | - 0.1 - 0.1 0.1 0.4 | - 0.1 - 0.1 | | 0.1 0.9 0.9 1.0 - 4.4 - 0.1 | 0.7 0.9 - 3.9 0.1 | | (0.1) - 0.1 - | (0.3) (0.2) - (0.1) 0.2 0.2 | 11.6 13.8 |
| Net impairment of losses on TR and contract assets Other operating costs Other operating income Total operating costs before depreciation Depreciation | (0.4) (1. | <u> </u> | | | 2.1 1.2 4.2 2.9 | 1.7 3.7 3.5 9.2 | - 1.8 | = | .1 35.6 - (0.3) | 25.5 (0.3) 59.5 (| (0.1) | (27.4) (11.9) 0.1 - (28.6) (12.6) | 2.3 0.1 (0.2) (0.3) 2.2 (1.1) | |
| Depreciation | - - - - - | 1.0 1.1 0.1 | | 0.2 0.4 | | | 0.1 | - 0 | | - - 0.8 - 2.9 | | | | 2.1 2.3 |
| Land and buildings £m Right of use assets £m Other assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m | 0.8 2 0.1 0 | .5 - .4 - .2 - .2 1.1 | | | 0.1 0.1 0.3 0.2 0.5 0.4 | - 0.2 0.2 0.7 - 0.1 | - 0.1 - 0.1 - 0.3 | 0.2 0 0.1 0 | 0.7 0.3 0.1 0.1 0.6 0.7 8.7 | 0.6 2.7 0.5 - | | (0.1) - (0.1) - (0.1) - (0.8) (0.3) | 0.3 (0.1) - (0.2) 0.3 0.1 (0.1) (0.1) 0.3 (0.3) | 3.6 3.3 19.1 18.2 10.3 8.2 (4.4) (3.4) 148.0 151.1 |
| Specific items £m Total HCA operating costs £m | 0.1 0 3.7 10 | | | 0.4 0.3 15.6 14.1 | 0.1 - 4.8 3.3 | - 0.1 3.8 10.6 | - 0.1 - 4.1 | | 0.2 0.8 6.7 84.2 | 0.7 67.7 (| (0.1) | (0.1) - (29.5) (12.9) | (0.1) (0.1) 2.4 (1.5) | 9.4 8.7 388.7 411.6 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m | - - - - 0 | - (1.7) - 0.6 - (0.1) .1 0.1 | | 0.1 (0.1) 15.7 14.0 | 0.2 4.8 3.5 | | - 4.1 | - - 0.2 (0. 5.9 5 | 2) 0.1 5.5 84.3 | (0.3) 67.4 | (0.1) (0.1) (0.1) | (0.1) 0.1 (29.6) (12.8) | (0.1) (2.5) 1.4 (0.2) (0.1) | (0.5) (1.8) (1.3) 1.0 |
| Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m | - - 0.1 0 | - 0.2 2 - | | 0.3 0.8 0.2 0.2 | 1.1 0.4 | 0.9 1.3 - 0.1 | - 0.8 - 0.1 | - - 0.1 0 | - 11.8 0.1 0.5 | - 4.7 0.4 | | (27.0) (11.7) | - (0.1) 0.1 0.1 (0.1) (0.2) | (7.4) (0.7) |
| | GEA Cancel/Amend Modify – CF | | sAncillaries(£0cap) | Other ancillaries - CPI-0%¹ | GEA 40/10 (FTTC) PCP Only Install Connections | GEA Other (FTTC) PCP Only Install Connections | MPF New Provides | Other ancillari | es Other WLA se | vices I | IFRS 15 deferred revenue | IFRS15 SLG | Rounding | Total |
| (ii) Operating costs by division EOI input prices £m Attribution of PI costs £m | Int E | ct Int Ex | t Int Ext | Int Ext | Int Ext | Int Ext | Int Ext | Int E | xt Int | Ext | Int Ext | Int Ext | Int Ext (0.3) (0.2) | |
| Openreach Service and network delivery Openreach support functions Openreach total £m | | .0 0.3 | | 4.2 2.8 | 3.2 2.2 0.3 0.3 3.5 2.5 | 2.6 6.5 0.3 0.8 2.9 7.3 | - 2.7 - 0.3 - 3.0 | 0.4 | 6.2 61.0 6.6 3.6 6.8 64.6 | 47.7 3.1 50.8 | | (27.3) (11.8) | 0.7 0.2 1.3 (0.4) 2.0 (0.2) | 96.8 120.9 17.6 19.8 |
| Rest of BT Group centre £m Property and facilities £m Technology units £m Consumer and Business £m Rest of BT total £m | 1.3 3 - 0.2 0 | 9 - - 0.2 5 - | | 5.3 2.6 0.1 - 0.8 0.6 | 0.5 0.3 0.2 0.1 | 0.5 1.5 0.1 0.4 | - 0.5 0.2 0.7 | 0.5 0 - 0.4 0 | 7.0 7.0 - 0.2 3.3 2.7 - 0.2 0.1 10.1 | 6.2 (0.2 2.1 0.2 | (0.1) | (0.6) (0.6) (0.6) (0.2) (0.1) - (1.3) (0.8) | 0.6 (0.9) (0.5) 0.1 (0.1) 0.1 0.5 - | 34.7 33.1 32.3 33.6 50.1 45.2 1.4 1.0 |
| Operating cost before depreciation £m | | | | 10.7 11.5 | | | - 3.7 | | .8 74.7 | | (0.1) - | (28.6) (12.6) | 2.2 (1.1) | |

7.2.3 Wholesale Local Access – Area 3 Analysis of Service MCE

For the year ended 31 March 2024

| | MPF rer | ntals (SN | ML1) N | /IPF other i | rentals | FTTC 40/10 |) rentals | FTTC othe | r rentals | FTTP 40/10 | rentals F | TTP 40/10 | rentals I | TTP othe | r rentals S0 | DGEA 40/1 | 0 rental | SOGE | A other | NGA Visit | Assure | - | | VLA Time I | | Hard | Ceases |
|------------------------------------|---------|-----------|---------|--------------|---------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|----------|--------------|------------|----------|--------|---------|-----------|--------|--------|---------|------------|--------|-------|--------|
| | (charge | contro | olled) | | | (charge con | trolled) | | - 1 | (charge con | trolled) | (non- | -charge | | (| charge con | trolled) | | rentals | | | invest | igation | C | harges | | |
| | | | | | | | | | | | | con | trolled) | | | | | | | | | | | | | | |
| | l l | nt | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | | - | 2.5 | - | 0.2 | 15.2 | 21.1 | 37.2 | 36.7 | - | - | - | - | 1.1 | 0.7 | 6.5 | 4.8 | 18.5 | 11.7 | - | - | - | - | - | - | - | - |
| Poles £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | | - 2 | 290.6 | 0.9 | 18.2 | 16.9 | 23.4 | 41.3 | 40.7 | - | - | - | - | 2.5 | 1.6 | 43.0 | 31.8 | 123.3 | 77.8 | - | - | - | - | - | - | - | - |
| Fibre £m | | - | - | - | - | 39.4 | 54.5 | 96.3 | 94.9 | 17.6 | 13.5 | 13.9 | 10.3 | 892.5 | 559.0 | 15.9 | 11.7 | 45.5 | 28.7 | - | - | - | - | - | - | - | - |
| Electronics £m | | - | 1.0 | - | 0.1 | 2.1 | 2.9 | 5.0 | 5.0 | 1.5 | 1.2 | 1.2 | 0.9 | 76.0 | 47.6 | 0.9 | 0.7 | 2.7 | 1.7 | - | - | - | - | - | - | - | - |
| Software £m | | - | 4.6 | - | 0.3 | 1.4 | 1.9 | 3.3 | 3.3 | 0.3 | 0.2 | 0.2 | 0.2 | 13.1 | 8.2 | 1.0 | 0.8 | 3.0 | 1.9 | 0.3 | 0.1 | 0.1 | - | 0.2 | 0.1 | 0.1 | - |
| Land and buildings £m | | - | 1.1 | - | 0.1 | 0.1 | 0.2 | 0.3 | 0.3 | 0.1 | - | - | - | 2.7 | 1.7 | 0.1 | 0.1 | 0.3 | 0.2 | 0.1 | - | - | - | - | - | - | - |
| Right of use assets £m | | - | 5.3 | - | 0.4 | 1.4 | 2.0 | 3.5 | 3.4 | 0.4 | 0.3 | 0.3 | 0.3 | 22.1 | 13.8 | 1.0 | 0.7 | 2.8 | 1.8 | 8.0 | 0.4 | 0.2 | 0.1 | 0.5 | 0.4 | 0.3 | 0.1 |
| Other assets £m | | - | 9.3 | - | 0.6 | 3.9 | 5.4 | 9.7 | 9.5 | 0.5 | 0.4 | 0.4 | 0.3 | 27.6 | 17.2 | 2.3 | 1.7 | 6.6 | 4.1 | (0.1) | - | - | - | 1.1 | 0.9 | - | - |
| Less funded assets (BDUK, etc.) £m | | - | (0.1) | - | - | (15.1) | (20.9) | (36.9) | (36.4) | (0.9) | (0.7) | (0.7) | (0.5) | (45.9) | (28.8) | (6.1) | (4.5) | (17.5) | (11.0) | - | - | - | - | - | - | - | |
| Total non-current assets £m | | - 3 | 314.3 | 0.9 | 19.9 | 65.3 | 90.5 | 159.7 | 157.4 | 19.5 | 14.9 | 15.3 | 11.5 | 991.7 | 621.0 | 64.6 | 47.8 | 185.2 | 116.9 | 1.1 | 0.5 | 0.3 | 0.1 | 1.8 | 1.4 | 0.4 | 0.1 |
| Current assets £m | | - | 24.8 | 0.1 | 1.7 | 7.8 | 10.7 | 20.2 | 19.6 | 1.6 | 1.2 | 1.2 | 0.9 | 79.6 | 49.6 | 6.0 | 4.4 | 17.7 | 11.1 | 2.0 | 0.9 | 0.5 | 0.1 | 1.3 | 1.0 | 0.6 | 0.2 |
| Current liabilities £m | | - (1 | 19.2) | (0.1) | (1.4) | (11.3) | (15.6) | (27.8) | (27.3) | (1.6) | (1.2) | (1.2) | (0.9) | (79.2) | (49.4) | (7.3) | (5.4) | (21.2) | (13.3) | (2.8) | (1.2) | (0.7) | (0.2) | (1.8) | (1.4) | (2.3) | (8.0) |
| Provisions £m | | - | (0.6) | - | - | (0.2) | (0.2) | (0.4) | (0.4) | (0.1) | - | - | - | (2.5) | (1.6) | (0.1) | (0.1) | (0.3) | (0.2) | (0.1) | - | - | - | (0.1) | - | - | - |
| Rounding £m | | - | - | 0.1 | (0.2) | 0.1 | (0.1) | _ | (0.1) | 0.1 | 0.1 | 0.2 | (0.1) | (0.2) | (0.1) | _ | - | (0.1) | (0.2) | (0.1) | (0.2) | - | - | - | - | (0.1) | _ |
| Total MCE £m | | - 3 | 319.3 | 1.0 | 20.0 | 61.7 | 85.3 | 151.7 | 149.2 | 19.5 | 15.0 | 15.5 | 11.4 | 989.4 | 619.5 | 63.2 | 46.7 | 181.3 | 114.3 | 0.1 | - | 0.1 | - | 1.2 | 1.0 | (1.4) | (0.5) |

7.2.3 Wholesale Local Access – Area 3 Analysis of Service MCE (continued)

For the year ended 31 March 2024

| | (| Cancel/A | - 1 | Tie | cables | Ancillaries (£ | 0 cap) | Other and | illaries - CPI-0%¹ | GEA 40/10 PCP Onl Conr | ` 1 | GEA Other PCP Onl Conr | - | MPF New I | Provides | Other an | cillaries C | other WLA | services | | deferred revenue | IFR | 515 SLG | Ro | ounding | Total |
|------------------------------------|---|----------|-------|-------|--------|----------------|--------|-----------|-----------------------|------------------------------|-------|------------------------------|-------|-----------|----------|----------|-------------|-----------|----------|--------|---------------------|-------|---------|-------|---------|----------------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £r | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.5 | - | - | - | - | - | - | - | (0.1) | 78.5 78.1 |
| Poles £r | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | |
| Copper £r | n | - | - | 8.2 | 3.8 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - / | 236.2 487.9 |
| Fibre £r | n | - | - | - | - | - | - | - | - | 0.2 | 0.3 | 0.2 | 0.9 | - | - | - | - | 24.2 | 23.9 | - | - | - | - | - | 0.2 | 1,145.7 797.9 |
| Electronics £r | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | - | - | - | - | (0.2) | (0.3) | 89.3 60.9 |
| Software £r | n | 0.1 | 0.2 | 0.1 | 0.1 | - | - | 0.3 | 0.4 | - | 0.1 | - | 0.2 | - | 0.1 | 0.1 | 0.1 | 4.7 | 4.3 | (0.1) | (0.1) | (1.1) | (0.4) | - | (0.3) | 27.1 26.3 |
| Land and buildings £r | n | (0.1) | (0.1) | - | - | - | - | (0.2) | (0.1) | - | - | - | - | - | - | - | - | 0.2 | 0.2 | - | - | - | - | 0.1 | -/ | 3.7 3.7 |
| Right of use assets £r | n | 2.3 | 5.5 | - | - | - | - | 7.8 | 6.0 | 0.2 | 0.4 | 0.2 | 1.1 | - | 0.2 | 0.4 | 0.4 | 17.2 | 15.4 | - | - | (0.2) | (0.1) | 0.1 | (0.1) | 61.3 57.8 |
| Other assets £r | n | 0.2 | 0.6 | 0.3 | 0.1 | - | - | 0.9 | 0.9 | - | - | - | 0.1 | - | - | (0.1) | - | 1.3 | 0.5 | (0.2) | (0.1) | (2.3) | (8.0) | 0.2 | - / | 52.3 50.7 |
| Less funded assets (BDUK, etc.) £r | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | (123.1)(102.9) |
| Total non-current assets £r | n | 2.5 | 6.2 | 8.6 | 4.0 | - | - | 8.8 | 7.2 | 0.4 | 0.8 | 0.4 | 2.3 | - | 0.3 | 0.4 | 1.0 | 47.7 | 44.4 | (0.3) | (0.2) | (3.6) | (1.3) | 0.3 | (0.6) | 1,571.01,460.4 |
| Current assets £r | n | 0.9 | 1.8 | 0.5 | 0.2 | - | - | 2.7 | 2.9 | 0.2 | 0.3 | 0.2 | 0.9 | - | 0.5 | 1.0 | 0.6 | 17.0 | 14.6 | - | (0.1) | (1.0) | (0.4) | (0.1) | (0.1) | 160.0 147.4 |
| Current liabilities £r | n | (3.2) | (5.9) | (0.4) | (0.2) | - | - | (8.3) | (7.1) | (0.3) | (0.6) | (0.3) | (1.6) | - | (0.6) | (1.4) | (0.9) | (32.8) | (29.4) | (21.5) | (14.7) | 1.5 | 0.5 | (0.1) | | (224.1)(197.8) |
| Provisions £r | n | (0.1) | (0.3) | - | - | - | - | (0.5) | (0.4) | ` - | - | - | (0.1) | - | | (0.1) | - | (1.5) | (1.4) | - | - | - | - | (0.1) | (0.3) | (6.1) (5.6) |
| Rounding £r | n | - | (0.1) | - | _ | - | - | (0.1) | _ | 0.1 | - | - | - | - | (0.1) | 0.1 | _ | 0.1 | 0.1 | - | - | _ | 0.1 | 0.1 | 1.0 | 0.3 0.1 |
| Total MCE £r | n | 0.1 | 1.7 | 8.7 | 4.0 | - | - | 2.6 | 2.6 | 0.4 | 0.5 | 0.3 | 1.5 | - | 0.1 | - | 0.7 | 30.5 | 28.3 | (21.8) | (15.0) | (3.1) | (1.1) | 0.1 | - | 1,501.11,404.5 |

7.2.3 Wholesale Local Access – Area 3 Analysis of Service MCE

Restated for the year ended 31 March 2023

| | | entals (S ge contro | - 1 | MPF other | | FTTC 40/1 (charge co | | FTTC othe | | FTTP 40/10 (charge cor | | | rentals -charge | FTTP othe | I | OGEA 40/1 (charge con | I | | A other rentals | NGA Visit | Assure | • | l Faults tigation | WLA Time | Related Charges | Hard | Ceases |
|------------------------------------|---|------------------------|--------|-----------|-------|-------------------------|--------|-----------|--------|------------------------|-------|-------|--------------------|-----------|--------|--------------------------|-------|--------|-----------------|-----------|--------|-------|----------------------|----------|--------------------|-------|--------|
| | (| , | , | | | (| , | | | (| , | - | trolled) | | 1 | , | , | | | | | | | | J | | |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | | - | 2.3 | - | 0.2 | 18.2 | 25.6 | 45.2 | 41.8 | - | - | - | - | 1.2 | 0.6 | 3.8 | 2.5 | 11.1 | 6.7 | - | - | - | - | - | - | - | - |
| Poles £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | | - | 312.9 | 1.3 | 21.0 | 18.9 | 26.6 | 47.0 | 43.5 | 0.1 | - | 0.1 | - | 2.9 | 1.4 | 24.7 | 15.8 | 71.6 | 43.2 | - | - | - | - | - | - | - | - |
| Fibre £m | | - | - | - | - | 46.2 | 65.0 | 114.9 | 106.3 | 19.0 | 6.4 | 17.9 | 7.7 | 840.4 | 398.8 | 9.4 | 6.0 | 27.1 | 16.4 | - | - | - | - | - | - | - | - |
| Electronics £m | | - | 1.0 | - | 0.1 | 2.7 | 3.8 | 6.7 | 6.2 | 1.7 | 0.6 | 1.6 | 0.7 | 74.4 | 35.3 | 0.6 | 0.4 | 1.7 | 1.0 | - | - | - | - | - | - | - | - |
| Software £m | | - | 4.3 | - | 0.3 | 1.1 | 1.6 | 2.8 | 2.5 | 0.3 | 0.1 | 0.3 | 0.1 | 11.9 | 5.6 | 0.5 | 0.3 | 1.3 | 0.8 | 0.3 | 0.2 | 0.1 | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Land and buildings £m | | - | 1.6 | - | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 | - | 0.1 | - | 2.6 | 1.2 | 0.1 | - | 0.2 | 0.1 | 0.1 | - | - | - | - | - | - | - |
| Right of use assets £m | | - | 10.6 | 0.1 | 0.8 | 0.7 | 1.0 | 1.8 | 1.6 | 0.5 | 0.2 | 0.5 | 0.2 | 23.4 | 11.1 | 0.6 | 0.4 | 1.9 | 1.1 | 1.5 | 0.8 | 0.6 | 0.2 | 0.5 | 0.6 | 0.2 | 0.3 |
| Other assets £m | | - | 9.3 | - | 0.6 | 5.6 | 7.9 | 14.1 | 12.9 | 0.8 | 0.3 | 0.8 | 0.3 | 35.9 | 17.0 | 1.5 | 0.9 | 4.3 | 2.6 | 0.2 | 0.1 | 0.1 | - | 0.7 | 0.8 | - | 0.1 |
| Less funded assets (BDUK, etc.) £m | | - | (0.1) | - | - | (15.9) | (22.4) | (39.6) | (36.6) | (1.0) | (0.3) | (1.0) | (0.4) | (45.1) | (21.4) | (3.2) | (2.1) | (9.4) | (5.6) | - | - | - | - | - | - | - | |
| Total non-current assets £m | | - | 341.9 | 1.4 | 23.1 | 77.6 | 109.2 | 193.1 | 178.4 | 21.5 | 7.3 | 20.3 | 8.6 | 947.6 | 449.6 | 38.0 | 24.2 | 109.8 | 66.3 | 2.1 | 1.1 | 8.0 | 0.2 | 1.3 | 1.5 | 0.3 | 0.5 |
| Current assets £m | | - | 41.5 | 0.2 | 3.1 | 9.7 | 13.5 | 25.5 | 23.1 | 2.5 | 0.8 | 2.3 | 1.0 | 111.2 | 52.5 | 4.5 | 2.9 | 13.3 | 7.9 | 3.6 | 1.9 | 1.4 | 0.4 | 1.4 | 1.6 | 0.4 | 0.8 |
| Current liabilities £m | | - (| (28.2) | (0.1) | (2.2) | (10.7) | (15.1) | (27.1) | (24.9) | (1.7) | (0.6) | (1.6) | (0.7) | (76.1) | (35.9) | (4.3) | (2.8) | (12.7) | (7.6) | (4.7) | (2.5) | (1.9) | (0.5) | (1.6) | (1.8) | (8.0) | (1.5) |
| Provisions £m | | - | (1.1) | - | (0.1) | (0.1) | (0.1) | (0.2) | (0.2) | (0.1) | - | - | - | (2.3) | (1.1) | (0.1) | - | (0.2) | (0.1) | (0.2) | (0.1) | (0.1) | - | (0.1) | (0.1) | - | - |
| Rounding £m | | - | (0.1) | - | - | (0.1) | (0.1) | (0.1) | (0.1) | - | (0.1) | (0.1) | - | (0.2) | (0.1) | - | 0.1 | 0.2 | (0.1) | - | - | 0.1 | - | 0.1 | - | - | 0.1 |
| Total MCE £m | | - | 354.0 | 1.5 | 23.9 | 76.4 | 107.4 | 191.2 | 176.3 | 22.2 | 7.4 | 20.9 | 8.9 | 980.2 | 465.0 | 38.1 | 24.4 | 110.4 | 66.4 | 0.8 | 0.4 | 0.3 | 0.1 | 1.1 | 1.2 | (0.1) | (0.1) |

7.2.3 Wholesale Local Access – Area 3 Analysis of Service MCE (continued)

Restated for the year ended 31 March 2023

| | (| Cancel/Ar Modify | | Tie | cables A | ncillaries (£ | 0 cap) | Other and | illaries - CPI-0%¹ | GEA 40/10 PCP On Con | | GEA Other PCP Onl Conr | | MPF New I | Provides | Other and | cillaries C | Other WLA | services | IFRS 15 | deferred revenue | IFR: | S15 SLG | Ro | ounding | Total |
|---------------------------------|---|---------------------|-------|-------|----------|---------------|--------|-----------|-----------------------|----------------------------|-------|------------------------------|-------|-----------|----------|-----------|-------------|-----------|----------|---------|---------------------|-------|---------|-------|---------|----------------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £r | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.7 | - | - | - | - | - | - | (0.1) | (0.3) | 79.4 81.1 |
| Poles £r | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Copper £r | n | - | - | 11.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.5) | (0.1) | 177.2 464.3 |
| Fibre £r | n | - | - | - | - | - | - | - | - | 0.4 | 0.3 | 0.3 | 0.9 | - | - | - | - | 9.1 | 8.0 | - | - | - | - | (0.3) | (0.1) | 1,084.4 615.7 |
| Electronics £r | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.2) | 89.4 48.9 |
| Software £r | n | 0.1 | 0.2 | 0.1 | - | - | - | 0.3 | 0.5 | 0.2 | 0.1 | 0.2 | 0.4 | - | 0.2 | 0.2 | 0.2 | 4.9 | 4.0 | (0.1) | (0.1) | (1.3) | (0.6) | (0.1) | 0.1 | 23.3 21.0 |
| Land and buildings £r | n | (0.1) | (0.2) | - | - | - | - | (0.2) | (0.1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | 0.2 | 3.1 3.2 |
| Right of use assets £r | n | 2.4 | 7.1 | - | - | - | - | 9.7 | 4.2 | 0.8 | 0.7 | 0.7 | 2.1 | - | 0.4 | 0.7 | 0.8 | 9.1 | 7.9 | - | - | (0.2) | (0.1) | (0.1) | - | 55.4 52.0 |
| Other assets £r | n | 0.5 | 1.6 | 0.4 | - | - | - | 2.2 | 1.4 | 0.5 | 0.4 | 0.4 | 1.1 | - | 0.2 | - | 0.2 | 8.8 | 7.0 | (0.2) | (0.1) | (2.9) | (1.3) | 0.1 | (0.1) | 73.8 63.2 |
| Less funded assets (BDUK, etc.) | n | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | (115.1) (88.9) |
| Total non-current assets £ | n | 2.9 | 8.7 | 11.6 | - | - | - | 12.0 | 6.0 | 1.9 | 1.5 | 1.6 | 4.5 | - | 0.8 | 0.9 | 2.9 | 31.9 | 26.9 | (0.3) | (0.2) | (4.4) | (2.0) | (1.0) | (0.5) | 1,470.91,260.5 |
| Current assets £r | n | 1.2 | 3.5 | 0.6 | 0.1 | _ | _ | 5.0 | 4.2 | 1.2 | 0.9 | 1.0 | 2.6 | - | 1.3 | 1.8 | 1.7 | 18.3 | 14.4 | (0.2) | - | (1.1) | (0.5) | 0.1 | (0.1) | 203.9 179.1 |
| Current liabilities £r | n | (2.7) | (7.1) | (0.3) | (0.1) | - | - | (9.7) | (5.7) | (1.3) | (1.1) | (1.1) | (3.3) | - | (1.3) | (1.9) | (1.8) | (22.2) | (18.7) | (18.4) | (14.0) | 2.2 | 1.0 | _ | | (198.7)(176.4) |
| Provisions £: | n | (0.1) | (0.4) | - | - | - | - | (0.6) | (0.3) | (0.1) | - | - | (0.1) | - | - | (0.1) | (0.1) | (0.7) | (0.6) | - | - | - | - | 0.2 | (0.1) | (4.8) (4.5) |
| Rounding £r | n | - | (0.1) | 0.1 | - | - | - | - | 0.1 | - | (0.1) | (0.1) | (0.1) | - | (0.1) | 0.1 | 0.1 | 0.2 | 0.2 | - | _ | - | 0.1 | 0.8 | 0.8 | 1.0 0.5 |
| Total MCE £r | n | 1.3 | 4.6 | 12.0 | - | - | - | 6.7 | 4.3 | 1.7 | 1.2 | 1.4 | 3.6 | - | 0.7 | 8.0 | 2.8 | 27.5 | 22.2 | (18.9) | (14.2) | (3.3) | (1.4) | 0.1 | 0.1 | 1,472.31,259.2 |

| Section | 8: Review | of Leased | lline A | ccess Ma | rkets |
|----------|------------|-----------|---------|----------|---------|
| CC CTO!! | O. IVEATEM | OI Leased | | CCC33 Ma | I NC LS |

8.1.1 Leased Lines Access – Area 2 Summary For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average | External average | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|---|---------------------|---------------------|------------------|--------------------|--------------------|-------------|---------------------|------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | _ | | | | | | price | price | | | _ | | • | • |
| - | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | <u>%</u> |
| Ethernet services basket | | | | | | | | | | | | | | |
| Connections | 32.3 | 30.5 | 62.8 | 15,312 | 13,892 | ccts | 2,108.52 | 2,192.81 | 17.0 | 14.9 | 1.3 | 1.0 | 1,221.1% | 1,632.7% |
| EAD 1Gbit/s rentals | 18.0 | 31.5 | 49.5 | 8,679 | 15,073 | ccts | 2,079.44 | 2,090.44 | 13.7 | 23.9 | 45.8 | 79.5 | 9.4% | 9.6% |
| Other EAD rentals | 18.8 | 30.7 | 49.5 | 7,351 | 11,056 | ccts | 2,559.89 | 2,776.97 | 14.7 | 23.1 | 45.9 | 69.6 | 9.1% | 10.9% |
| EAD LA 1Gbit/s rentals | 59.9 | 42.9 | 102.8 | 36,115 | 25,748 | ccts | 1,658.77 | 1,666.73 | 55.8 | 39.8 | 186.9 | 133.2 | 2.2% | 2.3% |
| Other EAD LA rentals | 74.2 | 67.6 | 141.8 | 43,978 | 39,223 | ccts | 1,686.90 | 1,723.83 | 67.5 | 61.2 | 226.6 | 203.4 | 3.0% | 3.2% |
| Other rentals | - | 0.2 | 0.2 | 19 | 130 | ccts | 1,448.18 | 1,418.93 | - | 0.1 | 0.1 | 0.6 | 11.2% | 8.0% |
| Main link | 14.0 | 31.3 | 45.3 | 68,299 | 153,094 | km | 204.78 | 204.17 | 4.9 | 10.9 | 2.9 | 6.5 | 311.7% | 310.8% |
| Total Ethernet services basket | 217.2 | 234.7 | 451.9 | | | | | | 173.6 | 173.9 | 509.5 | 493.8 | 8.6% | 12.3% |
| Optical services - rentals | 32.9 | 10.8 | 43.7 | 19,433 | 7,990 | ccts | 1,690.58 | 1,346.90 | 18.4 | 7.5 | 69.9 | 28.9 | 20.7% | 11.4% |
| Optical services - rentals Optical services - connections | 6.5 | 3.6 | 10.1 | 2,298 | 726 | ccts | 2,841.41 | 4,994.79 | 1.5 | 0.7 | (0.2) | (0.1) | (2,808.2)% | (2,575.5)% |
| Optical services - connections Optical services - main link | 12.1 | 3.6 4.7 | 16.8 | 48.451 | 16,316 | km | 250.30 | 288.52 | 3.4 | 1.2 | 1.6 | 0.1) | 543.5% | 710.2% |
| Optical services - main link | 12.1 | 4.7 | 10.0 | 40,451 | 10,510 | KIII | 250.50 | 200.52 | 5.4 | 1.2 | 1.0 | 0.5 | 545.5% | 710.2% |
| Direct ECC basket | 10.2 | 5.8 | 16.0 | (ux) | (ux) | (ux) | (sx) | (sx) | 10.4 | 5.9 | 1.2 | 0.7 | (12.5)% | (12.5)% |
| Time related charges | 0.5 | 0.6 | 1.1 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.5 | 0.6 | 0.1 | 0.1 | (12.6)% | (12.5)% |
| Other ancillaries ¹ | 4.5 | 4.0 | 8.5 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.7 | 0.3 | (0.2) | (0.1) | (2,465.6)% | (2,508.6)% |
| IFRS 15 deferred revenue | (3.8) | 7.1 | 3.3 | (ux) | (ux) | (ux) | (sx) | (sx) | (0.3) | (0.1) | (40.7) | (21.2) | 8.6% | (34.2)% |
| IFRS15 SLG | (6.3) | (4.6) | (10.9) | (ux) | (ux) | (ux) | (sx) | (sx) | (6.8) | (5.0) | (0.8) | (0.6) | (69.6)% | (69.6)% |
| Rounding | 0.1 | (0.1) | - | () | , | (*) | (- / | (- / | (0.1) | (0.1) | - | - | ,, | , . |
| Total LLA - Area 2 | 273.9 | 266.6 | 540.5 | | | | | | 201.3 | 184.9 | 540.4 | 502.0 | 13.4% | 16.3% |

Notes:

1 Ancillary services where individual service total revenue is less than £5m can be aggregated and reported together.

8.1.1 Leased Lines Access – Area 2 Summary Restated for the year ended 31 March 2023

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|--------------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Ethernet services basket | | | | | | | | | | | | | | _ |
| Connections | 27.3 | 30.6 | 57.9 | 13,999 | 14,988 | ccts | 1,950.34 | 2,038.46 | 15.0 | 13.1 | 3.8 | 3.0 | 323.1% | 574.9% |
| EAD 1Gbit/s rentals | 15.1 | 27.6 | 42.7 | 7,820 | 14,232 | ccts | 1,933.00 | 1,942.71 | 11.3 | 20.6 | 41.5 | 75.6 | 9.1% | 9.3% |
| Other EAD rentals | 16.2 | 27.9 | 44.1 | 7,444 | 11,367 | ccts | 2,182.51 | 2,454.91 | 13.8 | 22.8 | 47.5 | 73.7 | 5.2% | 6.9% |
| EAD LA 1Gbit/s rentals | 48.5 | 32.3 | 80.8 | 30,116 | 19,944 | ccts | 1,608.90 | 1,617.70 | 42.9 | 28.4 | 156.7 | 103.8 | 3.6% | 3.7% |
| Other EAD LA rentals | 68.4 | 60.8 | 129.2 | 46,422 | 40,467 | ccts | 1,473.28 | 1,502.95 | 65.4 | 58.0 | 240.1 | 210.6 | 1.3% | 1.4% |
| Other rentals | 0.4 | 0.4 | 0.8 | 200 | 314 | ccts | 1,980.08 | 1,246.86 | 0.2 | 0.3 | 0.8 | 1.3 | 29.0% | 10.0% |
| Main link | 12.3 | 28.0 | 40.3 | 65,402 | 149,669 | km | 188.02 | 187.20 | 2.0 | 4.7 | 3.5 | 8.0 | 294.6% | 293.1% |
| Total Ethernet services basket | 188.2 | 207.6 | 395.8 | | | | | | 150.6 | 147.9 | 493.9 | 476.0 | 7.6% | 12.6% |
| Optical services - rentals | 32.0 | 10.1 | 42.1 | 17.829 | 6,992 | ccts | 1,797.35 | 1,443.93 | 20.7 | 8.0 | 66.2 | 26.1 | 17.1% | 7.8% |
| Optical services - connections | 7.5 | 8.2 | 15.7 | 2,570 | 1,692 | ccts | 2,898.68 | 4,833.59 | 2.0 | 1.1 | - | (0.3) | (29,697.9)% | (2,116.7)% |
| Optical services - main link | 10.5 | 4.3 | 14.8 | 43,879 | 16,550 | km | 239.79 | 259.88 | 1.8 | 0.7 | 1.7 | 0.6 | 520.0% | 582.3% |
| Direct ECC basket | 9.0 | 6.0 | 15.0 | (ux) | (ux) | (ux) | (sx) | (sx) | 8.1 | 5.4 | 1.9 | 1.3 | 47.0% | 47.0% |
| Time related charges | 0.2 | 0.9 | 1.1 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.2 | 0.8 | - | 0.2 | 47.0% | 47.0% |
| Other ancillaries ¹ | 4.9 | 3.2 | 8.1 | (ux) | (ux) | (ux) | (sx) | (sx) | 1.8 | 0.5 | 0.1 | - | 4,240.2% | 32,377.4% |
| IFRS 15 deferred revenue | (0.3) | (2.5) | (2.8) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.3) | (0.1) | (42.0) | (20.0) | 0.1% | 11.6% |
| IFRS15 SLG | (6.8) | (4.2) | (11.0) | (ux) | (ux) | (ux) | (sx) | (sx) | (7.5) | (4.6) | (0.8) | (0.5) | (82.9)% | (82.9)% |
| Rounding | (0.2) | 0.1 | (0.1) | (, | (-) | (*) | (*) | () | (0.1) | - | (0.1) | - | | , . |
| Total LLA - Area 2 | 245.0 | 233.7 | 478.7 | | | | | | 177.3 | 159.7 | 520.9 | 483.4 | 13.0% | 15.3% |

Notes:

1 Ancillary services where individual service total revenue is less than £5m can be aggregated and reported together.

8.1.2 Leased Lines Access – Area 2 Analysis of Service Cost For the year ended 31 March 2024

| For the year ended 31 March 2024 | | Connections | EAD 1Gbi | t/s rentals | Other EA | D rentals | EAD LA 1Gbit | /s rentals | Other EAD | LA rentals | Oth | er rentals | | Main link | Optical service | es - rentals |
|--|---|---------------------------------|---|---|--|-----------------------------------|---|---|---|--|---|------------|--|---|---|--|
| (i) Operating costs by type | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| | 1 | • | • | | | | 1 | ' | | | · · | | | I . | • | |
| EOI input prices £m Attribution of PI costs £m | - | - | 1.0 | 1.7 | 0.9 | 1.4 | 3.9 | 2.8 | 4.7 | 4.2 | - | - | 2.7 | 6.0 | 0.4 | 0.2 |
| Wages and salaries £m | 5.1 | 4.6 | 4.4 | 7.6 | 4.5 | 6.9 | 17.7 | 12.6 | 21.5 | 19.3 | _ | | 0.5 | 1.1 | 3.2 | 1.3 |
| Social security costs £m | 0.5 | 0.5 | 0.5 | 0.9 | 0.5 | 0.8 | 2.0 | 1.4 | 2.4 | 2.2 | _ | _ | 0.1 | 0.1 | 0.4 | 0.1 |
| Other pension costs £m | 0.7 | 0.6 | 0.7 | 1.3 | 0.7 | 1.1 | 2.9 | 2.1 | 3.6 | 3.2 | - | - | 0.1 | 0.2 | 0.5 | 0.2 |
| Share-based payment expense £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Own work capitalised £m | 1.3 | 1.2 | (2.6) | (4.4) | (2.6) | (4.0) | (10.4) | (7.4) | (12.6) | (11.4) | - | - | (0.2) | (0.4) | (1.5) | (0.6) |
| Net indirect labour costs £m | 0.2 | 0.1 | 0.3 | 0.5 | 0.3 | 0.4 | 1.1 | 0.8 | 1.4 | 1.2 | - | - | - | 0.1 | 0.2 | 0.1 |
| Product costs £m | 2.3 | 2.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sales commissions £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators £m Property and energy costs £m | 0.1 | 0.1 | - 1.5 | 2.6 | 1.4 | 2.1 | 6.1 | 4.3 | 7.4 | 6.6 | - | _ | 0.6 | 1.3 | - 1.1 | 0.5 |
| Network operating and IT costs £m | 0.2 | 0.2 | 0.5 | 0.9 | 0.6 | 0.9 | 2.1 | 1.5 | 2.6 | 2.3 | _ | _ | 0.2 | 0.3 | 1.0 | 0.4 |
| TV programme rights charges £m | - | - | - | - | - | - | | - | - | - | _ | _ | - | - | - | - |
| Provision and installation £m | - | - | 0.1 | 0.2 | 0.1 | 0.1 | 0.4 | 0.3 | 0.5 | 0.4 | - | - | - | - | - | - |
| Marketing and sales £m | - | - | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | - | - |
| Net impairment of losses on TR and contract assets £m | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 | 0.2 | 0.3 | 0.3 | - | - | 0.1 | 0.1 | 0.2 | 0.1 |
| Other operating costs £m | 5.1 | 4.1 | (0.2) | (0.3) | 0.1 | 0.4 | (0.7) | (0.5) | (0.7) | (0.5) | - | - | 0.3 | 0.6 | 2.1 | 0.9 |
| Other operating income £m Total operating costs before depreciation £m | 15.6 | 13.6 | (0.1) 6.2 | (0.1) 11.0 | (0.1) 6.5 | (0.1) 10.1 | (0.2) 25.3 | (0.1) 18.1 | (0.3) 30.9 | (0.2) 27.7 | - | - | 4.4 | 9.4 | 7.6 | 3.2 |
| Total operating costs before depreciation £111 | 15.0 | 13.0 | 0.2 | 11.0 | 6.5 | 10.1 | 25.5 | 10.1 | 30.9 | 21.1 | - | - | 4.4 | 9.4 | 7.6 | 3.2 |
| Depreciation | | | | | | | | | | | | | | | | |
| Duct £m Poles £m | - | - | _ | - | - | - | - | - | - | - | - | | _ | _ | - | - |
| Copper £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Fibre £m | - | - | 4.7 | 8.2 | 4.6 | 6.7 | 19.3 | 13.7 | 23.5 | 21.0 | - | 0.1 | 0.5 | 1.1 | 2.1 | 0.8 |
| Electronics £m | - | - | 1.4 | 2.5 | 2.2 | 4.0 | 5.9 | 4.2 | 6.7 | 6.6 | - | - | - | - | 7.4 | 3.0 |
| Software £m | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | 0.3 | 0.9 | 0.6 | 1.1 | 1.0 | - | - | 0.1 | 0.1 | 0.4 | 0.2 |
| Land and buildings £m | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.3 | 0.3 | - | - | - | - | - | - |
| Right of use assets £m Other assets £m | 0.3 0.1 | 0.3 0.1 | 0.3 0.2 | 0.6 0.3 | 0.3 0.2 | 0.5 0.3 | 1.4 0.7 | 1.0 0.5 | 1.7 0.9 | 1.5 0.8 | - | _ | - | 0.1 | 0.3 0.2 | 0.1 0.1 |
| Less funded assets (BDUK, etc.) £m | - | - | - | - | - | - | - | - | - | - | _ | _ | _ | _ | - | - |
| Total depreciation £m | 0.7 | 0.7 | 6.9 | 12.1 | 7.6 | 11.9 | 28.4 | 20.2 | 34.2 | 31.2 | _ | 0.1 | 0.6 | 1.3 | 10.4 | 4.2 |
| | | | 0.5 | | 7.00 | | | | J-1.2 | 31.2 | | ٠ | 0.0 | 1.5 | 10.4 | |
| Specific items £m | 0.6 | | | | | | | | | | _ | - | | | | |
| Specific items £m Total HCA operating costs £m | 0.6 16.9 | 0.6 14.9 | 0.5 13.6 | 0.9 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 | 1.5 39.8 | 2.5 67.6 | 2.2 | | | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs £m | | 0.6 | 0.5 | 0.9 | 0.5 | 0.8 | 2.0 | 1.5 | 2.5 | 2.2 | - | _ | 0.1 | 0.3 | 0.5 | |
| · | | 0.6 | 0.5 | 0.9 | 0.5 | 0.8 | 2.0 | 1.5 | 2.5 | 2.2 | - | _ | 0.1 | 0.3 | 0.5 | |
| Total HCA operating costs £m CCA adjustments | | 0.6 | 0.5 | 0.9 | 0.5 | 0.8 | 2.0 | 1.5 | 2.5 | 2.2 | - | _ | 0.1 | 0.3 | 0.5 | |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m | 16.9 | 0.6 | 0.5 13.6 - - | 0.9 24.0 - - - | 0.5 14.6 - - - | 0.8 22.8 | 2.0 55.7 - - | 1.5 | 2.5 67.6 - - - | 2.2 61.1 - - | - | _ | 0.1 5.1 - - | 0.3 11.0 | 0.5 18.5 - - | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m | 16.9 - - - 0.1 | 0.6 14.9 - - - | 0.5 13.6 - - - 0.1 | 0.9 24.0 - - - (0.1) | 0.5 14.6 | 0.8 22.8 - - - 0.3 | 2.0 55.7 - - - 0.1 | 1.5 39.8 - - - - | 2.5 67.6 | 2.2 61.1 - - - 0.1 | - - - - - | - 0.1 | 0.1 5.1 - - (0.2) | 0.3 11.0 | 0.5 18.5 - - (0.1) | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m | 16.9 | 0.6 | 0.5 13.6 - - | 0.9 24.0 - - - | 0.5 14.6 - - - | 0.8 22.8 | 2.0 55.7 - - | 1.5 39.8 - - - | 2.5 67.6 - - - | 2.2 61.1 - - | - - - - | - 0.1 | 0.1 5.1 - - | 0.3 11.0 | 0.5 18.5 - - | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m | 16.9 - - - 0.1 | 0.6 14.9 - - - | 0.5 13.6 - - 0.1 13.7 | 0.9 24.0 - - (0.1) 23.9 | 0.5 14.6 - - 0.1 14.7 | 0.8 22.8 - - - 0.3 | 2.0 55.7 - - - 0.1 | 1.5 39.8 - - - - 39.8 | 2.5 67.6 - - (0.1) 67.5 | 2.2 61.1 - - - 0.1 61.2 | - - - - - | - 0.1 | 0.1 5.1 - - (0.2) 4.9 | 0.3 11.0 - - (0.1) 10.9 | 0.5 18.5 - - (0.1) 18.4 | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m | 16.9 - - - 0.1 17.0 | 0.6 14.9 | 0.5 13.6 - - - 0.1 | 0.9 24.0 - - - (0.1) | 0.5 14.6 | 0.8 22.8 - - - 0.3 | 2.0 55.7 - - - 0.1 | 1.5 39.8 - - - - | 2.5 67.6 | 2.2 61.1 - - - 0.1 | - - - - - | - 0.1 | 0.1 5.1 - - (0.2) | 0.3 11.0 | 0.5 18.5 - - (0.1) | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Fm Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | 16.9 0.1 17.0 - 5.2 | 0.6 14.9 14.9 - 4.2 | 0.5 13.6 - - - 0.1 13.7 | 0.9 24.0 (0.1) 23.9 1.8 | 0.5 14.6 - - 0.1 14.7 | 0.8 22.8 0.3 23.1 | 2.0 55.7 - - 0.1 55.8 | 1.5 39.8 - - - - 39.8 | 2.5 67.6 - - (0.1) 67.5 | 2.2 61.1 - - 0.1 61.2 | - - - - - - - - | - 0.1 | 0.1 5.1 - - (0.2) 4.9 0.6 | 0.3 11.0 - - (0.1) 10.9 | 0.5 18.5 - - (0.1) 18.4 | 0.2 7.6 - (0.1) 7.5 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m | 16.9 - - - 0.1 17.0 | 0.6 14.9 14.9 - 4.2 0.3 | 0.5 13.6 0.1 13.7 1.0 - 0.3 | 0.9 24.0 - (0.1) 23.9 1.8 - 0.6 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 4.1 - 1.3 | 1.5 39.8 - - - - 39.8 3.0 - 0.9 | 2.5 67.6 - - (0.1) 67.5 | 2.2 61.1 - - 0.1 61.2 4.5 - 1.4 | - - - - - - - - | 0.1 | 0.1 5.1 - - (0.2) 4.9 | 0.3 11.0 - - (0.1) 10.9 | 0.5 18.5 - - (0.1) 18.4 0.8 - 0.2 | 0.2 7.6 - (0.1) 7.5 0.4 - 0.1 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Fm Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | 16.9 0.1 17.0 - 5.2 | 0.6 14.9 14.9 - 4.2 | 0.5 13.6 0.1 13.7 1.0 - 0.3 | 0.9 24.0 (0.1) 23.9 1.8 | 0.5 14.6 - - 0.1 14.7 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 | 1.5 39.8 - - - - 39.8 3.0 - 0.9 | 2.5 67.6 - - (0.1) 67.5 | 2.2 61.1 - - 0.1 61.2 4.5 - 1.4 | - - - - - - - - | - 0.1 | 0.1 5.1 - - (0.2) 4.9 0.6 | 0.3 11.0 - - (0.1) 10.9 | 0.5 18.5 - - (0.1) 18.4 | 0.2 7.6 - (0.1) 7.5 0.4 - 0.1 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | 16.9 0.1 17.0 - 5.2 | 0.6 14.9 14.9 - 4.2 0.3 | 0.5 13.6 0.1 13.7 1.0 - 0.3 | 0.9 24.0 - (0.1) 23.9 1.8 - 0.6 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 4.1 - 1.3 | 1.5 39.8 - - - - 39.8 3.0 - 0.9 | 2.5 67.6 - - (0.1) 67.5 | 2.2 61.1 - - 0.1 61.2 4.5 - 1.4 | - - - - - - - - | 0.1 | 0.1 5.1 - - (0.2) 4.9 0.6 | 0.3 11.0 - - (0.1) 10.9 | 0.5 18.5 - - (0.1) 18.4 0.8 - 0.2 | 0.2 7.6 - (0.1) 7.5 0.4 - 0.1 |
| Total HCA operating costs CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Fm Total CCA operating costs Em Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs £m (ii) Operating costs by division | 16.9 0.1 17.0 - 5.2 0.3 | 0.6 14.9 14.9 14.9 - 4.2 0.3 | 0.5 13.6 0.1 13.7 1.0 - 0.3 EAD 1Gbit | 0.9 24.0 | 0.5 14.6 - - - 0.1 14.7 1.0 - 0.3 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 4.1 - 1.3 | 1.5 39.8 | 2.5 67.6 - - (0.1) 67.5 5.0 - 1.6 | 2.2 61.1 - - 0.1 61.2 4.5 - 1.4 | - - - - - - - - - - - - - - - - - - - | - 0.1 | 0.1 5.1 - - (0.2) 4.9 0.6 - - | 0.3 11.0 (0.1) 10.9 1.2 - 0.1 Main link | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating costs £m Deprivation £m Em Em Em Em Em Em Em Em Em | 16.9 0.1 17.0 5.2 0.3 | 0.6 14.9 14.9 14.9 - 4.2 0.3 | 0.5 13.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit | 1.5 39.8 | 2.5 67.6 | 2.2 61.1 - - 0.1 61.2 4.5 - 1.4 LA rentals Ext | - - - - - - - - Othe | - 0.1 | 0.1 5.1 - - (0.2) 4.9 0.6 - - | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Fm Total CCA operating costs Fm Cumulo charges Cumulo charges Cumulo charges Sem Copenreach SLGs Em Leaver costs Em (ii) Operating costs by division EOI input prices Attribution of PI costs | 16.9 0.1 17.0 5.2 0.3 | 0.6 14.9 14.9 14.9 - 4.2 0.3 | 0.5 13.6 0.1 13.7 1.0 - 0.3 EAD 1Gbit | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit | 1.5 39.8 | 2.5 67.6 - - (0.1) 67.5 5.0 - 1.6 Other EAD | 2.2 61.1 | - - - - - - - - Othe | - 0.1 | 0.1 5.1 - - (0.2) 4.9 0.6 - - Int | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 (0.1) 7.5 0.4 - 0.1 es - rentals Ext |
| Total HCA operating costs CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Em Total CCA operating costs Em Openreach SLGs Leaver costs Em Cii) Operating costs by division EOI input prices Attribution of PI costs Em COpenreach Openreach | 16.9 0.1 17.0 - 5.2 0.3 | 0.6 14.9 | 0.5 13.6 | 0.9 24.0 - (0.1) 23.9 1.8 - (0.6 t/s rentals Ext - 1.7 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit | 1.5 39.8 39.8 3.0 - 0.9 //s rentals Ext - 2.8 | 2.5 67.6 | 2.2 61.1 | - - - - - - - - Othe | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Em Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs Em (ii) Operating costs by division EOI input prices Attribution of PI costs Em Openreach Service and network delivery Em | 16.9 0.1 17.0 5.2 0.3 | 0.6 14.9 14.9 14.9 - 4.2 0.3 | 0.5 13.6 0.1 13.7 1.0 - 0.3 EAD 1Gbit Int - 1.0 1.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 - - 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit | 1.5 39.8 39.8 3.0 - 0.9 /s rentals Ext - 2.8 | 2.5 67.6 - - (0.1) 67.5 5.0 - 1.6 Other EAD | 2.2 61.1 | - - - - - - - Othe | 0.1 | 0.1 5.1 (0.2) 4.9 0.6 Int - 2.7 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PI costs £m Openreach Service and network delivery £m | 16.9 0.1 17.0 - 5.2 0.3 | 0.6 14.9 | 0.5 13.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit Int | 1.5 39.8 39.8 3.0 - 0.9 //s rentals Ext - 2.8 | 2.5 67.6 - - (0.1) 67.5 5.0 - 1.6 Other EAD Int | 2.2 61.1 | Other | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Fm Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PI costs £m Openreach Service and network delivery £m Openreach support functions £m Openreach total £m | 16.9 0.1 17.0 - 5.2 0.3 Int 12.8 1.0 | 0.6 14.9 | 0.5 13.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit Int - 3.9 6.5 0.8 | 1.5 39.8 39.8 3.0 - 0.9 /s rentals Ext - 2.8 4.7 0.6 | 2.5 67.6 | 2.2 61.1 | Other | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 (0.1) 7.5 0.4 - 0.1 es - rentals Ext - 0.2 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PI costs £m Openreach Service and network delivery Openreach support functions £m Openreach total £m Rest of BT | 16.9 0.1 17.0 - 5.2 0.3 Int 12.8 1.0 13.8 | 0.6 14.9 | 0.5 13.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit Int - 3.9 6.5 0.8 7.3 | 1.5 39.8 39.8 3.0 - 0.9 //s rentals Ext - 2.8 4.7 0.6 5.3 | 2.5 67.6 (0.1) 67.5 5.0 - 1.6 Other EAD Int - 4.7 7.9 1.0 8.9 | 2.2 61.1 | Other | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 (0.1) 7.5 0.4 - 0.1 es - rentals Ext - 0.2 0.3 0.2 0.5 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PI costs £m Openreach Service and network delivery £m Openreach support functions £m Openreach total £m | 16.9 | 0.6 14.9 | 0.5 13.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit Int - 3.9 6.5 0.8 | 1.5 39.8 | 2.5 67.6 | 2.2 61.1 | Other | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PI costs £m Openreach Service and network delivery £m Openreach support functions £m Openreach total £m Rest of BT Group centre £m | 16.9 0.1 17.0 - 5.2 0.3 Int 12.8 1.0 13.8 | 0.6 14.9 | 0.5 13.6 0.1 13.7 1.0 - 0.3 EAD 1Gbit Int - 1.0 1.6 0.2 1.8 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit Int - 3.9 6.5 0.8 7.3 | 1.5 39.8 | 2.5 67.6 | 2.2 61.1 | Other | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 (0.1) 7.5 0.4 - 0.1 es - rentals Ext - 0.2 0.3 0.2 0.5 |
| Total HCA operating costs CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Fm Total CCA operating costs Em Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs Em (ii) Operating costs by division EOI input prices Attribution of PI costs Em Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business Em Cossumer and Business | 16.9 0.1 17.0 5.2 0.3 Int 12.8 1.0 13.8 0.9 0.1 0.8 | 0.6 14.9 | 0.5 13.6 0.1 13.7 1.0 - 0.3 EAD 1Gbit Int - 1.0 1.6 0.2 1.8 0.9 1.1 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 | 1.5 39.8 | 2.5 67.6 | 2.2 61.1 | | 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 (0.1) 7.5 0.4 - 0.1 es - rentals Ext - 0.2 0.3 0.2 0.5 0.4 0.4 0.9 0.8 |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PI costs £m Openreach Service and network delivery £m Openreach total £m Rest of BT Group centre £m Property and facilities £m Technology units £m | 16.9 | 0.6 14.9 | 0.5 13.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 0.1 55.8 4.1 - 1.3 EAD LA 1Gbit Int - 3.9 6.5 0.8 7.3 3.8 4.5 4.7 | 1.5 39.8 | 2.5 67.6 | 2.2 61.1 | | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 |
| Total HCA operating costs CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Fm Total CCA operating costs Em Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs Em (ii) Operating costs by division EOI input prices Attribution of PI costs Em Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business Em Cossumer and Business | 16.9 0.1 17.0 5.2 0.3 Int 12.8 1.0 13.8 0.9 0.1 0.8 | 0.6 14.9 | 0.5 13.6 | 0.9 24.0 | 0.5 14.6 | 0.8 22.8 | 2.0 55.7 | 1.5 39.8 | 2.5 67.6 | 2.2 61.1 | | - 0.1 | 0.1 5.1 | 0.3 11.0 | 0.5 18.5 | 0.2 7.6 (0.1) 7.5 0.4 - 0.1 es - rentals Ext - 0.2 0.3 0.2 0.5 0.4 0.4 0.9 0.8 |

8.1.2 Leased Lines Access – Area 2 Analysis of Service Cost (continued) For the year ended 31 March 2024

| | | | services - Op | otical services - | main link | Direct E | CC basket | Time relate | d charges | Other a | ancillaries II | FRS 15 deferre | ed revenue | 11 | FRS15 SLG | | Rounding | | Total |
|--|----------|---------|---------------|-------------------|------------|--------------|--------------|-------------|-----------|--------------|----------------|----------------|------------|--------------|-----------|--------------|----------|---------------|--------------|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| | | ıııq | LAY | niq | LAY | - IIIq | LAY | ıııq | LAY | - IIIq | LAU | q | LAU | ıııq | LAU | q | LAU | | LAC |
| EOI input prices Attribution of PI costs | £m £m | - | - | - 1.9 | 0.6 | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | - 15.4 | - 16.8 |
| Wages and salaries | £m | 0.6 | 0.2 | 0.4 | 0.1 | 1.3 | 0.7 | 0.1 | 0.1 | 0.7 | 0.3 | (0.1) | - | (0.2) | (0.1) | (0.1) | 0.1 | 59.6 | 54.8 |
| Social security costs | £m | 0.1 | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 6.7 | 6.2 |
| Other pension costs | £m | 0.1 | - | 0.1 | - | 0.2 | 0.1 | - | - | 0.1 | - | - | - | - | - | (0.1) | - | 9.6 | 8.8 |
| Share-based payment expense | £m | - (0.5) | - | - (0.4) | - | - | - | - | - | - | - | - | - | - | - | - | - | - (2.4.2) | (2.4.4) |
| Own work capitalised Net indirect labour costs | £m £m | (0.5) | (0.2) | (0.1) | - | 4.8 (0.1) | 2.8 | 0.2 | 0.3 | (0.2) | (0.1) | - | - | 0.1 (0.1) | 0.1 | 0.1 | (0.3) | (24.3) 3.4 | (24.4) |
| Product costs | £m | _ | - | - | _ | 2.4 | 1.4 | 0.1 | 0.1 | _ | _ | _ | _ | (0.1) | _ | 0.1 | 0.1 | 4.9 | 3.7 |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Property and energy costs | £m | - | - | 0.2 | 0.1 | 0.1 | 0.1 | - | - | - | - | - | - | - | - | - | (0.1) | 18.5 | 17.6 |
| Network operating and IT costs | £m £m | = | - | 0.1 | - | 0.2 | 0.1 | - | - | - | - | - | - | (0.1) | - | 0.1 | 0.2 | 7.5 | 6.8 |
| TV programme rights charges Provision and installation | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 1.1 | 1.1 |
| Marketing and sales | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 0.1 | 0.1 | 0.3 | 0.3 |
| Net impairment of losses on TR and contract assets | £m | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 1.3 | 1.2 |
| Other operating costs | £m | 1.0 | 0.5 | 0.2 | 0.1 | 0.3 | 0.2 | - | - | (0.1) | - | (0.1) | - | (6.4) | (4.7) | 0.1 | (0.4) | 1.0 | 0.4 |
| Other operating income | £m | - | - | - | - | - | | - | - | - | - | - | | - | - | 0.1 | (0.1) | (0.6) | (0.6) |
| Total operating costs before depreciation | £m | 1.3 | 0.5 | 2.9 | 0.9 | 9.3 | 5.5 | 0.4 | 0.5 | 0.5 | 0.2 | (0.2) | - | (6.7) | (4.7) | 0.4 | (0.1) | 104.4 | 95.9 |
| Depreciation | C | | | | | | | | | | | | | | | | | | |
| Duct Poles | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | _ | |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | _ | |
| Fibre | £m | - | - | 0.3 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 55.0 | 51.8 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 23.6 | 20.3 |
| Software | £m | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | (0.1) | (0.1) | - | | 3.1 | 2.8 |
| Land and buildings | £m | = | - | - | - | 0.1 | 0.2 | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 0.8 4.7 | 0.7 |
| Right of use assets Other assets | £m £m | - | | - | _ | 0.3 0.1 | 0.2 | | _ | _ | _ | _ | _ | | | 0.1 (0.1) | | 2.3 | 4.3 2.1 |
| Less funded assets (BDUK, etc.) | £m | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | _ | - | - |
| Total depreciation | £m | - | - | 0.3 | 0.1 | 0.6 | 0.3 | - | - | - | - | - | - | (0.1) | (0.1) | (0.1) | - | 89.5 | 82.0 |
| Specific items | £m | 0.1 | - | 0.1 | _ | 0.4 | 0.2 | - | - | 0.1 | _ | - | - | - | - | 0.1 | 0.1 | 7.5 | 6.8 |
| Total HCA operating costs | £m | 1.4 | 0.5 | 3.3 | 1.0 | 10.3 | 6.0 | 0.4 | 0.5 | 0.6 | 0.2 | (0.2) | - | (6.8) | (4.8) | 0.4 | - | 201.4 | 184.7 |
| CCA adjustments | | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Holding gains | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Supplementary depreciation | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other CCA adjustments Rounding | £m £m | 0.1 | 0.2 | 0.1 | 0.2 | 0.1 | (0.1) | 0.1 | 0.1 | 0.1 | 0.1 | (0.1) | (0.1) | - | (0.2) | (0.5) | (0.1) | (0.1) | 0.2 |
| Total CCA operating costs | £m | 1.5 | 0.7 | 3.4 | 1.2 | 10.4 | 5.9 | 0.5 | 0.6 | 0.7 | 0.3 | (0.3) | (0.1) | (6.8) | (5.0) | (0.1) | (0.1) | 201.3 | 184.9 |
| E | | | | | | | | | | | | | | | | | | | |
| Total CCA operating cost includes the following: | Cm | | | 0.2 | 0.1 | | | | | | | | | | | | (0.1) | 12.7 | 12.2 |
| Cumulo charges Openreach SLGs | £m £m | 1.0 | 0.5 | 0.2 | 0.1 | - | - | - | - | - | - | - | _ | (6.3) | (4.7) | 0.1 | 0.1 | 12.7 | 12.3 0.1 |
| Leaver costs | £m | - | - | - | - | 0.3 | 0.2 | - | - | - | - | - | - | - | - | 0.2 | - | 4.5 | 4.1 |
| | | Optical | services - Or | otical services - | main link | Direct E | CC basket | Time relate | d charges | Other a | ancillaries II | FRS 15 deferre | ed revenue | ll l | FRS15 SLG | | Rounding | | Total |
| | | со | nnections | | | | | | | | | | | | | | | | |
| (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Attribution of PI costs | £m | - | - | 1.9 | 0.6 | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 15.4 | 16.8 |
| Openreach | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | 1.1 | 0.5 | 0.2 | 0.1 | 7.9 | 4.5 | 0.4 | 0.4 | 0.1 | 0.1 | - | - | (6.3) | (4.7) | (0.3) | (0.3) | 34.6 | 29.8 |
| Openreach support functions | £m | 0.2 | 0.1 | 0.3 | 0.1 | 0.1 | 0.1 | - | - | 0.4 | 0.2 | - | - | (0.1) | <u> </u> | 0.1 | - | 5.2 | 4.5 |
| Openreach total | £m | 1.3 | 0.6 | 0.5 | 0.2 | 8.0 | 4.6 | 0.4 | 0.4 | 0.5 | 0.3 | - | - | (6.4) | (4.7) | (0.2) | (0.3) | 39.8 | 34.3 |
| Rest of BT | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | - | (0.1) | 0.1 | (0.1) | 0.7 | 0.5 | - | 0.1 | - | (0.1) | (0.1) | - | (0.2) | 0.1 | 0.5 | 0.5 | 13.3 | 12.0 |
| Property and facilities Technology units | £m £m | - | - | 0.2 0.2 | 0.1 0.1 | 0.6 | 0.4 | - | - | - | - | (0.1) | - | (0.1) | (0.1) | 0.2 | (0.1) | 14.0 16.7 | 13.4 14.9 |
| Consumer and Business | £m | - | - | - | - | - | - | - | - | - | - | (0.1) | - | (0.1) | (0.1) | - | (0.1) | 5.2 | 4.5 |
| Rest of BT total | £m | - | (0.1) | 0.5 | 0.1 | 1.3 | 0.9 | - | 0.1 | - | (0.1) | (0.2) | - | (0.3) | - | 0.7 | 0.3 | 49.2 | 44.8 |
| | | | . , | | | | | | | | | | | | | | | | |
| Operating cost before depreciation | £m | 1.3 | 0.5 | 2.9 | 0.9 | 9.3 | 5.5 | 0.4 | 0.5 | 0.5 | 0.2 | (0.2) | - | (6.7) | (4.7) | 0.4 | (0.1) | 104.4 | 95.9 |
| | | | | - | | | | | | | | | | | | | | | |

8.1.2 Leased Lines Access – Area 2 Analysis of Service Cost Restated for the year ended 31 March 2023

| Restated for the year ended 31 March 2023 | Co | onnections | EAD 1Gb | it/s rentals | Other E | AD rentals | EAD LA 1Gb | it/s rentals | Other EAD | LA rentals | C | ther rentals | | Main link | Optical servic | es - rentals |
|---|--------------------------------|--------------------------------|--|--|--|--|--------------------------|--------------------------|--------------------------|--------------------------|---------------|--------------|--------------------------|-------------------|--------------------------|---------------------------------|
| (i) Operating costs by type | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Attribution of PI costs £m | - | - | (0.1) | (0.2) | (0.1) | (0.2) | (0.4) | (0.2) | (0.6) | (0.5) | - | - | (0.3) | (0.7) | - | - |
| Wages and salaries £m | 4.9 | 5.2 | 4.2 | 7.7 | 4.9 | 7.6 | 15.9 | 10.6 | 24.4 | 21.4 | 0.1 | 0.1 | 0.5 | 1.0 | 2.9 | 1.1 |
| Social security costs £m | 0.6 | 0.6 | 0.5 | 0.9 | 0.6 | 0.9 | 1.9 | 1.2 | 2.8 | 2.5 | - | - | 0.1 | 0.1 | 0.3 | 0.1 |
| Other pension costs £m | 0.7 | 0.7 | 0.7 | 1.3 | 0.8 | 1.2 | 2.6 | 1.7 | 4.0 | 3.5 | - | - | 0.1 | 0.2 | 0.5 | 0.2 |
| Share-based payment expense £m | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Own work capitalised £m | - | 0.1 | (2.3) | (4.2) | (2.6) | (4.1) | (8.7) | (5.8) | (13.4) | (11.7) | - | (0.1) | (0.2) | (0.5) | (1.4) | (0.5) |
| Net indirect labour costs £m Product costs £m | 0.3 2.2 | 0.3 2.3 | 0.4 | 0.7 | 0.4 | 0.7 | 1.4 | 1.0 | 2.2 0.1 | 1.9 0.1 | - | - | 0.1 | 0.2 | 0.4 | 0.2 |
| Sales commissions £m | - | 2.5 | - | - | - | _ | - | - | 0.1 | 0.1 | - | - | - | _ | - | - |
| Payments to telecommunications operators £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Property and energy costs £m | 0.1 | 0.1 | 1.2 | 2.2 | 1.3 | 2.0 | 4.7 | 3.1 | 7.2 | 6.3 | _ | _ | 0.8 | 1.8 | 0.6 | 0.2 |
| Network operating and IT costs £m | - | 0.1 | 0.4 | 0.7 | 0.4 | 0.7 | 1.4 | 1.0 | 2.2 | 1.9 | - | - | - | 0.1 | 0.3 | 0.1 |
| TV programme rights charges £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Provision and installation £m | - | - | - | - | - | - | 0.1 | 0.1 | 0.2 | 0.1 | - | - | - | - | - | - |
| Marketing and sales £m | - | - | - | - | - | - | 0.1 | - | 0.1 | 0.1 | - | - | - | - | - | - |
| Net impairment of losses on TR and contract assets £m | - | - | - | - | - | - | . . | - | | - | - | - | - | - | - | = |
| Other operating costs £m | 5.0 | 2.5 | (0.5) | (0.9) | - (0.4) | 0.6 | (1.7) | (1.2) | (2.5) | (1.9) | - | - | 0.3 | 0.7 | 3.0 | 1.2 |
| Other operating income £m | 13.8 | 11.9 | (0.1) 4.4 | (0.1) 8.1 | (0.1) 5.6 | (0.1) 9.3 | (0.2) | (0.1) 11.4 | (0.3) 26.4 | (0.3) 23.4 | 0.1 | - | 1.4 | 2.9 | (0.1) 6.5 | 2.6 |
| Total operating costs before depreciation £m | 13.8 | 11.9 | 4.4 | 8.1 | 5.6 | 9.3 | 17.1 | 11.4 | 26.4 | 23.4 | 0.1 | - | 1.4 | 2.9 | 6.5 | 2.6 |
| Depreciation Sm | | | | | | | | | | | | | | | | |
| Duct £m Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | - | - | - | - | - | - | - | - | - | - | _ | - | - | - | _ | - |
| Fibre £m | _ | _ | 4.0 | 7.2 | 4.4 | 6.5 | 14.9 | 9.8 | 22.9 | 20.0 | 0.1 | 0.1 | 0.6 | 1.3 | 1.8 | 0.7 |
| Electronics £m | - | _ | 1.6 | 2.8 | 2.3 | 4.5 | 6.0 | 4.0 | 8.6 | 7.9 | - | - | - | - | 10.9 | 4.3 |
| Software £m | 0.4 | 0.3 | 0.3 | 0.6 | 0.4 | 0.6 | 1.2 | 0.8 | 1.9 | 1.6 | - | - | 0.1 | 0.2 | 0.6 | 0.2 |
| Land and buildings £m | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 | 0.2 | 0.4 | 0.4 | - | - | - | - | 0.1 | - |
| Right of use assets £m | 0.3 | 0.3 | 0.4 | 0.7 | 0.4 | 0.7 | 1.5 | 1.0 | 2.3 | 2.0 | - | - | - | 0.1 | 0.3 | 0.1 |
| Other assets £m | 0.1 | 0.1 | 0.2 | 0.4 | 0.2 | 0.4 | 0.9 | 0.6 | 1.3 | 1.2 | - | - | - | - | 0.2 | 0.1 |
| Less funded assets (BDUK, etc.) £m | | | - | | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | | <u> </u> | | | <u> </u> | <u> </u> | |
| Total depreciation £m | 0.9 | 8.0 | 6.6 | 11.8 | 7.8 | 12.8 | 24.8 | 16.4 | 37.4 | 33.1 | 0.1 | 0.1 | 0.7 | 1.6 | 13.9 | 5.4 |
| Specific items £m | 0.3 | 0.3 | 0.3 | 0.5 | 0.3 | 0.5 | 1.1 | 0.7 | 1.7 | 1.5 | - | - | _ | 0.1 | 0.2 | 0.1 |
| Total HCA operating costs £m | 15.0 | 13.0 | 11.3 | 20.4 | 13.7 | 22.6 | 43.0 | 28.5 | 65.5 | 58.0 | 0.2 | 0.1 | 2.1 | 4.6 | 20.6 | 8.1 |
| CCA adjustments | | | | | | | | | | | | | | | | |
| Holding gains £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Supplementary depreciation £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other CCA adjustments £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rounding £m | | 0.1 | - | 0.2 | 0.1 | 0.2 | (0.1) | (0.1) | (0.1) | - | - | 0.2 | (0.1) | 0.1 | 0.1 | (0.1) |
| Total CCA operating costs £m | 15.0 | 13.1 | 11.3 | 20.6 | 13.8 | 22.8 | 42.9 | 28.4 | 65.4 | 58.0 | 0.2 | 0.3 | 2.0 | 4.7 | 20.7 | 8.0 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | |
| Cumulo charges £m | - | - | 0.8 | 1.5 | 0.9 | 1.3 | 3.1 | 2.0 | 4.7 | 4.1 | - | - | 0.8 | 1.8 | 0.4 | 0.1 |
| Openreach SLGs £m | 5.2 | 2.8 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Leaver costs £m | 0.2 | 0.2 | 0.2 | 0.3 | 0.2 | 0.3 | 0.6 | 0.4 | 1.0 | 0.9 | - | - | - | - | 0.1 | |
| | Co | onnections | EAD 1Gb | it/s rentals | Other E | AD rentals | EAD LA 1Gb | it/s rentals | Other EAD | LA rentals | C | ther rentals | | Main link | Optical servic | es - rentals |
| (ii) Operating costs by division | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| | | | | | | | | -A4 | | | 4 | | | -A4 | | LAC |
| EOI input prices £m Attribution of PI costs £m | - | - | (0.1) | (0.2) | (0.1) | (0.2) | (0.4) | (0.2) | (0.6) | (0.5) | - | - | (0.3) | (0.7) | - | - |
| | | | (211) | (/ | (, | ,, | (, | ,, | ,, | (, | | | (, | () | | |
| _ | | | | ~ 7 | 1.6 | 2.5 | | 2.5 | 0.4 | 7.4 | | | 2.4 | 4.0 | 2.2 | |
| Openreach | 44.5 | 0.5 | 4 - | | 1 h | 2.5 | 5.5 | 3.6 | 8.4 | 7.4 | - | - | 0.4 | 1.0 | 0.8 | 0.3 0.1 |
| Service and network delivery £m | 11.5 | 9.5 | 1.5 | 2.7 | | | | 0.2 | | | | | | 0.2 | | 0.1 |
| Service and network delivery £m Openreach support functions £m | 0.8 | 0.9 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.4 | 0.3 | | <u> </u> | 0.1 | 0.3 | 0.3 | 0.4 |
| Service and network delivery £m | | | | | | | | 0.2 3.8 | 0.4 8.8 | 0.3 7.7 | - | - | 0.1 0.5 | 0.3 1.3 | 1.1 | 0.4 |
| Service and network delivery Openreach support functions Openreach total Rest of BT | 0.8 12.3 | 0.9 10.4 | 0.1 1.6 | 0.1 2.8 | 0.1 1.7 | 0.1 2.6 | 0.2 5.7 | 3.8 | 8.8 | 7.7 | - | | 0.5 | 1.3 | 1.1 | 0.4 |
| Service and network delivery Openreach support functions Sem Openreach total Rest of BT Group centre £m | 0.8 | 0.9 10.4 0.9 | 0.1 1.6 0.6 | 0.1 2.8 1.3 | 0.1 1.7 0.8 | 0.1 2.6 | 0.2 5.7 3.0 | 3.8 2.0 | 8.8 4.5 | 7.7 4.0 | 0.1 | | 0.5 0.3 | 1.3 0.2 | 1.1 0.5 | 0.4 |
| Service and network delivery Openreach support functions Sem Openreach total Rest of BT Group centre Property and facilities £m | 0.8 12.3 | 0.9 10.4 | 0.1 1.6 0.6 0.9 | 0.1 2.8 1.3 1.6 | 0.1 1.7 0.8 1.0 | 0.1 2.6 1.4 1.5 | 0.2 5.7 3.0 3.4 | 2.0 2.2 | 8.8 4.5 5.2 | 7.7 4.0 4.5 | 0.1 | - - - | 0.5 0.3 0.8 | 0.2 1.8 | 0.5 0.4 | 0.4 0.3 0.2 |
| Service and network delivery £m Openreach support functions £m Openreach total £m Rest of BT Group centre £m Property and facilities £m Technology units £m | 0.8 12.3 0.9 - 0.6 | 0.9 10.4 0.9 - 0.6 | 0.1 1.6 0.6 0.9 1.0 | 0.1 2.8 1.3 1.6 1.8 | 0.1 1.7 0.8 1.0 1.1 | 0.1 2.6 1.4 1.5 1.7 | 3.0 3.4 3.7 | 2.0 2.2 2.5 | 4.5 5.2 5.7 | 7.7 4.0 4.5 5.0 | 0.1 | - | 0.5 0.3 0.8 0.1 | 0.2 1.8 0.3 | 0.5 0.4 1.2 | 0.4 0.3 0.2 0.4 |
| Service and network delivery £m Openreach support functions £m Openreach total £m Rest of BT Group centre £m Property and facilities £m Technology units £m Consumer and Business £m | 0.8 12.3 0.9 - 0.6 | 0.9 10.4 0.9 - 0.6 | 0.1 1.6 0.6 0.9 1.0 0.4 | 0.1 2.8 1.3 1.6 1.8 0.8 | 0.1 1.7 0.8 1.0 1.1 1.1 | 0.1 2.6 1.4 1.5 1.7 2.3 | 3.0 3.4 3.7 1.7 | 2.0 2.2 2.5 1.1 | 4.5 5.2 5.7 2.8 | 4.0 4.5 5.0 2.7 | 0.1 - - | - - - | 0.5 0.3 0.8 0.1 | 0.2 1.8 0.3 | 0.5 0.4 1.2 3.3 | 0.4 0.3 0.2 0.4 1.3 |
| Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units £m | 0.8 12.3 0.9 - 0.6 | 0.9 10.4 0.9 - 0.6 | 0.1 1.6 0.6 0.9 1.0 | 0.1 2.8 1.3 1.6 1.8 | 0.1 1.7 0.8 1.0 1.1 | 0.1 2.6 1.4 1.5 1.7 | 3.0 3.4 3.7 | 2.0 2.2 2.5 | 4.5 5.2 5.7 | 7.7 4.0 4.5 5.0 | 0.1 | - - - | 0.5 0.3 0.8 0.1 | 0.2 1.8 0.3 | 0.5 0.4 1.2 | 0.4 0.3 0.2 0.4 |
| Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business £m £m | 0.8 12.3 0.9 - 0.6 | 0.9 10.4 0.9 - 0.6 | 0.1 1.6 0.6 0.9 1.0 0.4 | 0.1 2.8 1.3 1.6 1.8 0.8 | 0.1 1.7 0.8 1.0 1.1 1.1 | 0.1 2.6 1.4 1.5 1.7 2.3 | 3.0 3.4 3.7 1.7 | 2.0 2.2 2.5 1.1 | 4.5 5.2 5.7 2.8 | 4.0 4.5 5.0 2.7 | 0.1 - - | - - - | 0.5 0.3 0.8 0.1 | 0.2 1.8 0.3 | 0.5 0.4 1.2 3.3 | 0.4 0.3 0.2 0.4 1.3 |

8.1.2 Leased Lines Access – Area 2 Analysis of Service Cost (continued) Restated for the year ended 31 March 2023

| Restated for the year ended 31 March 2023 | | | ervices - Opti nections | tical services - | main link | Direct EC | CC basket | Time related | l charges | Other a | ncillaries I | FRS 15 deferre | d revenue | II | FRS15 SLG | | Rounding | | Total |
|--|----------|-------|----------------------------|------------------|-----------|------------|------------|--------------|-----------|--------------|--------------|----------------|-----------|--------------|--------------|----------------|----------------|---------------|---------------|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | _ | - | - | - | - | _ | - | - | - | - | - | - | _ | - | - | _ | - | _ |
| Attribution of PI costs | £m | - | - | (0.2) | (0.1) | - | - | - | - | - | - | - | - | - | - | - | 0.1 | (1.7) | (1.8) |
| Wages and salaries | £m | 0.9 | 0.6 | 0.4 | 0.1 | 0.6 | 0.4 | - | 0.1 | 1.4 | 0.4 | (0.1) | (0.1) | (0.3) | (0.2) | - | 0.2 | 60.7 | 56.2 |
| Social security costs | £m | 0.1 | 0.1 | - | - | 0.1 | - | - | - | 0.1 | - | - | - | - | - | (0.1) | 0.1 | 7.0 | 6.5 |
| Other pension costs | £m | 0.1 | 0.1 | 0.1 | - | 0.1 | 0.1 | - | - | 0.2 | - | - | - | - | - | (0.3) | (0.1) | 9.6 | 8.9 |
| Share-based payment expense | £m | - | - | - | - (0.4) | - | - | - | - | - (0.6) | - | - | - | - | - | - | - (0.4) | - | - |
| Own work capitalised Net indirect labour costs | £m £m | (0.6) | (0.4) | (0.2) 0.1 | (0.1) | 3.6 0.2 | 2.4 0.1 | 0.1 | 0.3 | (0.6) 0.1 | (0.2) | 0.1 | - | 0.1 (0.1) | 0.1 (0.1) | (0.2) | (0.1) 0.1 | (26.3) 5.5 | (24.8) 5.1 |
| Product costs | £m | - | - | 0.1 | _ | 2.3 | 1.5 | 0.1 | 0.2 | 0.1 | - | - | - | (0.1) | (0.1) | - | 0.1 | 4.7 | 4.2 |
| Sales commissions | £m | _ | _ | _ | _ | - | - | - | - | _ | _ | _ | _ | _ | _ | _ | - | - | |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | _ | _ |
| Property and energy costs | £m | - | - | 0.9 | 0.4 | 0.1 | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 17.0 | 16.2 |
| Network operating and IT costs | £m | - | - | - | - | 0.1 | 0.1 | - | - | 0.1 | - | - | - | - | - | 0.4 | 0.3 | 5.3 | 5.0 |
| TV programme rights charges | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Provision and installation | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.4 | 0.3 |
| Marketing and sales Net impairment of losses on TR and contract assets | £m £m | - | - | - | _ | - | _ | - | _ | - | - | - | - | _ | - | - | 0.1 | 0.2 | 0.2 |
| Other operating costs | £m | 1.3 | 0.7 | 0.2 | 0.1 | 0.3 | 0.2 | - | _ | 0.3 | 0.1 | - | _ | (7.0) | (4.2) | (0.6) | (0.5) | (1.9) | (2.6) |
| Other operating income | £m | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | (0.1) | (0.7) | (0.7) |
| Total operating costs before depreciation | £m | 1.8 | 1.1 | 1.3 | 0.4 | 7.4 | 4.8 | 0.2 | 0.6 | 1.6 | 0.3 | - | (0.1) | (7.3) | (4.4) | (0.5) | 0.4 | 79.8 | 72.7 |
| Depreciation | _ | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles Copper | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | - | - | 0.4 | 0.1 | - | - | - | - | - | - | - | - | - | - | (0.2) | 0.1 | 48.9 | 45.8 |
| Electronics | £m | _ | _ | - | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | (0.1) | - | 29.3 | 23.5 |
| Software | £m | 0.1 | - | 0.1 | - | 0.2 | 0.1 | - | - | - | - | (0.1) | - | (0.2) | (0.1) | (0.1) | 0.2 | 4.9 | 4.5 |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | 1.0 | 0.9 |
| Right of use assets | £m | - | - | - | - | 0.2 | 0.2 | - | - | 0.1 | - | - | - | - | - | 0.1 | - | 5.6 | 5.1 |
| Other assets | £m | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | 0.3 | 0.2 | 3.3 | 3.1 |
| Less funded assets (BDUK, etc.) Total depreciation | £m £m | 0.1 | - | 0.5 | 0.1 | 0.5 | 0.4 | <u>-</u> | - | 0.1 | - | (0.1) | - | (0.2) | (0.1) | (0.1) | 0.5 | 93.0 | 82.9 |
| Specific items | £m | | | | _ | 0.2 | 0.1 | | | 0.1 | _ | | | | _ | | 0.1 | 4.2 | 3.9 |
| Total HCA operating costs | £m | 1.9 | 1.1 | 1.8 | 0.5 | 8.1 | 5.3 | 0.2 | 0.6 | 1.8 | 0.3 | (0.1) | (0.1) | (7.5) | (4.5) | (0.6) | 1.0 | 177.0 | 159.5 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Supplementary depreciation | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other CCA adjustments Rounding | £m £m | 0.1 | _ | _ | 0.2 | - | 0.1 | - | 0.2 | - | 0.2 | (0.2) | _ | | (0.1) | 0.5 | (1.0) | 0.3 | 0.2 |
| Total CCA operating costs | £m | 2.0 | 1.1 | 1.8 | 0.7 | 8.1 | 5.4 | 0.2 | 0.8 | 1.8 | 0.5 | (0.3) | (0.1) | (7.5) | (4.6) | (0.1) | - | 177.3 | 159.7 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | |
| Cumulo charges | £m | - | - | 0.9 | 0.4 | - | - | - | - | - | - | - | - | - | - | (0.1) | _ | 11.5 | 11.2 |
| Openreach SLGs | £m | 1.4 | 0.7 | - | - | - | - | - | - | - | - | - | - | (6.9) | (4.2) | 0.1 | 0.1 | (0.2) | (0.6) |
| Leaver costs | £m | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 2.5 | 2.3 |
| | | | ervices - Opt | tical services - | main link | Direct EC | CC basket | Time related | l charges | Other a | ncillaries I | FRS 15 deferre | d revenue | II | FRS15 SLG | | Rounding | | Total |
| (ii) Operating costs by division | <u> </u> | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| | Conc | ***** | - | | | ' | | | • | • | ' | • | • | 214 | -/- | • | | • | |
| EOI input prices Attribution of PI costs | £m £m | - | - | (0.2) | (0.1) | - | - | - | - | - | - | - | - | - | - | - | 0.1 | (1.7) | (1.8) |
| Openreach | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | 1.5 | 0.8 | 0.3 | 0.1 | 6.3 | 4.2 | 0.1 | 0.6 | 0.9 | 0.3 | - | - | (6.9) | (4.2) | 0.4 | 0.4 | 32.3 | 29.2 |
| Openreach support functions | £m | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | _ | - | 0.4 | 0.1 | - | - | - | - | (0.4) | - | 2.5 | 2.5 |
| Openreach total | £m | 1.7 | 1.0 | 0.5 | 0.2 | 6.4 | 4.3 | 0.1 | 0.6 | 1.3 | 0.4 | - | - | (6.9) | (4.2) | - | 0.4 | 34.8 | 31.7 |
| Rest of BT | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | - | 0.1 | - | (0.1) | 0.6 | 0.2 | 0.1 | - | 0.2 | (0.1) | 0.1 | (0.1) | (0.3) | (0.1) | (0.2) | 0.3 | 11.2 | 10.3 |
| Property and facilities | £m | - 0.1 | - | 0.9 | 0.4 | - 0.4 | - 0.3 | - | - | - 0.1 | - | - (0.1) | - | (0.4) | - (0.1) | (0.1) | (0.2) | 12.5 | 12.0 |
| Technology units Consumer and Business | £m £m | 0.1 | - | 0.1 | - | 0.4 | 0.3 | - | - | 0.1 | - | (0.1) | - | (0.1) | (0.1) | (0.1) (0.1) | (0.1) (0.1) | 13.8 9.2 | 12.4 8.1 |
| Rest of BT total | £m | 0.1 | 0.1 | 1.0 | 0.3 | 1.0 | 0.5 | 0.1 | - | 0.3 | (0.1) | <u> </u> | (0.1) | (0.4) | (0.2) | (0.1) | (0.1) | 46.7 | 42.8 |
| | | | | | | | | | | | | | | | | | | | |
| Operating cost before depreciation | £m | 1.8 | 1.1 | 1.3 | 0.4 | 7.4 | 4.8 | 0.2 | 0.6 | 1.6 | 0.3 | - | (0.1) | (7.3) | (4.4) | (0.5) | 0.4 | 79.8 | 72.7 |

8.1.3 Leased Lines Access – Area 2 Analysis of Service MCE For the year ended 31 March 2024

| | | Connections | EAD 1GI | oit/s rentals | Other E | AD rentals | EAD LA 1Gbi | t/s rentals | Other EAD | LA rentals | Othe | r rentals | | Main link | Other | services | Optical service | rentals - د |
|---------------------------------|--------|-------------|---------|---------------|---------|------------|-------------|-------------|-----------|------------|------|-----------|-------|-----------|-------|----------|-----------------|-------------|
| | Ir | t Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | • | | | • | - | | • | • | • | | • | | • | | • | | |
| Duct £r | n | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles £: | n | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £ | n | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre £ | n | | 40.0 | 69.5 | 38.5 | 56.9 | 162.4 | 115.8 | 198.0 | 176.6 | 0.1 | 0.5 | 3.7 | 8.2 | - | - | 17.4 | 7.2 |
| Electronics £ | n | | 2.9 | 5.1 | 4.5 | 8.3 | 12.1 | 8.7 | 13.8 | 13.5 | - | - | - | - | - | - | 45.2 | 18.6 |
| Software £ | n 0. | 6 0.6 | 0.6 | 1.1 | 0.6 | 1.0 | 2.5 | 1.8 | 3.0 | 2.7 | - | - | 0.1 | 0.3 | - | - | 1.1 | 0.5 |
| Land and buildings £ | n 0. | 1 0.1 | 0.1 | 0.2 | 0.1 | 0.2 | 0.5 | 0.3 | 0.6 | 0.5 | - | - | - | - | - | - | 0.1 | - |
| Right of use assets | n 1. | 1 1.0 | 1.1 | 1.9 | 1.1 | 1.7 | 4.5 | 3.2 | 5.4 | 4.9 | - | - | 0.1 | 0.3 | - | - | 0.9 | 0.4 |
| Other assets £ | n 0. | 5 0.4 | 1.1 | 1.8 | 1.0 | 1.5 | 4.4 | 3.1 | 5.3 | 4.8 | - | - | (0.4) | (0.9) | - | - | 1.6 | 0.6 |
| Less funded assets (BDUK, etc.) | n | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets £ | n 2 | 3 2.1 | 45.8 | 79.6 | 45.8 | 69.6 | 186.4 | 132.9 | 226.1 | 203.0 | 0.1 | 0.5 | 3.5 | 7.9 | - | - | 66.3 | 27.3 |
| Current assets £1 | n 4. | 3 3.9 | 4.7 | 8.2 | 5.0 | 7.8 | 18.8 | 13.4 | 22.8 | 20.6 | - | 0.1 | 0.9 | 2.0 | - | - | 10.3 | 4.1 |
| Current liabilities £ | n (5.2 |) (4.8) | (4.6) | (8.0) | (4.8) | (7.5) | (17.7) | (12.7) | (21.6) | (19.5) | - | - | (1.5) | (3.4) | - | - | (6.6) | (2.4) |
| Provisions £ | n (0. |) (0.1) | (0.1) | (0.2) | (0.1) | (0.2) | (0.5) | (0.4) | (0.7) | (0.6) | - | - | - | - | - | - | (0.1) | - |
| Rounding £i | n | - (0.1) | _ | (0.1) | - | (0.1) | (0.1) | - | _ | (0.1) | - | - | _ | _ | - | _ | - | (0.1) |
| Total MCE £ | n 1. | 3 1.0 | 45.8 | 79.5 | 45.9 | 69.6 | 186.9 | 133.2 | 226.6 | 203.4 | 0.1 | 0.6 | 2.9 | 6.5 | - | - | 69.9 | 28.9 |

8.1.3 Leased Lines Access – Area 2 Analysis of Service MCE (continued)

| 8.1.3 Leased Lines Access – Area 2 Analysis of Service MCE (continued) For the year ended 31 March 2024 | | | | | | | | | | | | | | | | | | | |
|---|----|-------|---------------------------|-------------------|-------------|----------|-----------|-------------|-----------|--------|-------------|-----------------|------------|-------|----------|-------|----------|---------|-------------|
| | | | services - C nnections | ptical services - | - main link | Direct E | CC basket | Time relate | d charges | Othera | ancillaries | IFRS 15 deferre | ed revenue | IF | RS15 SLG | | Rounding | | Total |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | - | - | 2.6 | 0.9 | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 462.6 | 435.5 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | (0.2) | 78.6 | 54.0 7.8 |
| Software | £m | 0.1 | - | 0.1 | - | 0.3 | 0.2 | - | - | - | - | (0.1) | (0.1) | (0.3) | (0.2) | 0.1 | (0.1) | 8.7 | 7.8 |
| Land and buildings | £m | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | (0.1) | 0.1 | 1.5 | 1.4 |
| Right of use assets | £m | - | - | 0.1 | - | 1.0 | 0.6 | - | 0.1 | 0.1 | - | - | - | - | - | - | (0.1) | 15.4 | 14.0 |
| Other assets | £m | 0.1 | - | (0.3) | (0.1) | - | - | - | - | - | - | (0.3) | (0.1) | (0.6) | (0.4) | - | 0.1 | 12.4 | 10.8 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets | £m | 0.2 | - | 2.5 | 0.8 | 1.4 | 0.8 | - | 0.1 | 0.1 | - | (0.4) | (0.2) | (0.9) | (0.6) | - | (0.3) | 579.2 | 523.5 |
| Current assets | £m | 0.5 | 0.3 | 0.7 | 0.3 | 2.3 | 1.3 | 0.1 | 0.1 | 0.3 | 0.2 | (0.1) | 0.3 | (0.2) | (0.2) | (0.1) | (0.1) | 70.3 | 62.3 |
| Current liabilities | £m | (0.9) | (0.5) | (1.6) | (0.6) | (2.3) | (1.3) | (0.1) | (0.1) | (0.5) | (0.4) | (40.1) | (21.2) | 0.4 | 0.3 | (0.1) | - | (107.2) | (82.1) |
| Provisions | £m | - | - | - | - | (0.1) | (0.1) | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (1.8) | (1.7) |
| Rounding | £m | - | 0.1 | - | - | (0.1) | - | 0.1 | - | (0.1) | 0.1 | (0.1) | (0.1) | (0.1) | (0.1) | 0.3 | 0.5 | (0.1) | _ |
| Total MCE | £m | (0.2) | (0.1) | 1.6 | 0.5 | 1.2 | 0.7 | 0.1 | 0.1 | (0.2) | (0.1) | (40.7) | (21.2) | (8.0) | (0.6) | - | - | 540.4 | 502.0 |

8.1.3 Leased Lines Access – Area 2 Analysis of Service MCE Restated for the year ended 31 March 2023

| | C | onnections | EAD 1Gbit | /s rentals | Other E | AD rentals | EAD LA 1Gbi | t/s rentals | Other EAD | LA rentals | Oth | er rentals | | Main link | Other | services | Optical services | ; - rentals |
|------------------------------------|----------|------------|-----------|------------|---------|------------|-------------|-------------|-----------|------------|-------|------------|-------|-----------|-------|----------|------------------|-------------|
| | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | <u> </u> | - | • | - | • | - | | - | | • | | | | • | | | | |
| Duct £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre £m | - | - | 32.8 | 59.7 | 36.4 | 54.2 | 123.3 | 81.7 | 190.4 | 165.9 | 0.7 | 1.1 | 4.1 | 9.4 | - | - | 14.7 | 5.8 |
| Electronics £m | - | - | 3.2 | 5.8 | 4.7 | 9.2 | 12.2 | 8.1 | 17.5 | 16.2 | - | - | - | - | - | - | 41.3 | 16.2 |
| Software £m | 0.6 | 0.5 | 0.6 | 1.1 | 0.7 | 1.1 | 2.2 | 1.5 | 3.4 | 3.0 | - | - | 0.1 | 0.3 | - | - | 1.3 | 0.5 |
| Land and buildings £m | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.2 | 0.4 | 0.2 | 0.6 | 0.5 | - | - | - | - | - | - | 0.1 | - |
| Right of use assets £m | 1.0 | 1.1 | 1.2 | 2.1 | 1.3 | 2.1 | 4.4 | 2.9 | 6.7 | 5.9 | - | - | 0.1 | 0.3 | - | - | 0.9 | 0.4 |
| Other assets £m | 1.0 | 0.7 | 1.3 | 2.4 | 1.4 | 2.2 | 5.0 | 3.3 | 7.7 | 6.8 | - | - | (0.9) | (2.0) | - | - | 2.1 | 0.8 |
| Less funded assets (BDUK, etc.) £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets £m | 2.7 | 2.4 | 39.2 | 71.3 | 44.6 | 69.0 | 147.5 | 97.7 | 226.3 | 198.3 | 0.7 | 1.1 | 3.4 | 8.0 | - | - | 60.4 | 23.7 |
| Current assets £m | 5.1 | 4.7 | 6.4 | 11.7 | 7.5 | 12.1 | 23.9 | 15.8 | 36.3 | 32.1 | 0.1 | 0.2 | 0.9 | 2.2 | - | - | 12.6 | 4.8 |
| Current liabilities £m | (3.8) | (3.9) | (3.9) | (7.1) | (4.4) | (7.1) | (14.4) | (9.5) | (21.7) | (19.1) | (0.1) | (0.1) | (0.9) | (2.1) | - | - | (6.8) | (2.4) |
| Provisions £m | (0.1) | (0.1) | (0.1) | (0.2) | (0.1) | (0.2) | (0.5) | (0.3) | (0.7) | (0.6) | - | - | - | - | - | - | (0.1) | - |
| Rounding £m | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | 0.2 | 0.1 | (0.1) | (0.1) | 0.1 | 0.1 | 0.1 | (0.1) | - | - | 0.1 | _ |
| Total MCE £m | 3.8 | 3.0 | 41.5 | 75.6 | 47.5 | 73.7 | 156.7 | 103.8 | 240.1 | 210.6 | 0.8 | 1.3 | 3.5 | 8.0 | - | - | 66.2 | 26.1 |

| 8.1.3 Leased Lines Access – Area 2 Analysis of Service MCE (continued) Restated for the year ended 31 March 2023 | | | | | | | | | | | | | | | | | | |
|--|-------|-------------------------------|------------------|-----------|----------|-----------|-------------|-----------|---------|------------|-----------------|------------|-------|----------|-------|----------|---------|--------|
| | | l services - Op onnections | tical services - | main link | Direct E | CC basket | Time relate | d charges | Other a | ncillaries | IFRS 15 deferre | ed revenue | IF | RS15 SLG | | Rounding | | Total |
| | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | |
| Duct £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre £m | - | - | 2.8 | 1.0 | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 405.2 | 378.9 |
| Electronics £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 78.9 | 55.5 |
| Software £m | 0.1 | 0.1 | 0.1 | - | 0.3 | 0.2 | - | - | - | - | (0.2) | (0.1) | (0.3) | (0.2) | - | (0.1) | 8.9 | 7.9 |
| Land and buildings £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | 1.3 | 1.2 |
| Right of use assets £m | 0.1 | 0.1 | 0.1 | - | 0.8 | 0.5 | - | 0.1 | 0.2 | 0.1 | - | - | (0.1) | - | - | (0.3) | 16.7 | 15.3 |
| Other assets £m | 0.2 | 0.1 | (0.6) | (0.2) | 0.2 | 0.1 | - | - | - | - | (0.4) | (0.2) | (0.7) | (0.4) | 0.1 | 0.1 | 16.4 | 13.7 |
| Less funded assets (BDUK, etc.) £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets £m | 0.4 | 0.3 | 2.4 | 0.8 | 1.3 | 8.0 | - | 0.1 | 0.2 | 0.1 | (0.6) | (0.3) | (1.1) | (0.6) | - | (0.2) | 527.4 | 472.5 |
| Current assets £m | 0.8 | 0.6 | 0.8 | 0.3 | 2.5 | 1.7 | 0.1 | 0.2 | 0.7 | 0.3 | - | (0.1) | (0.3) | (0.2) | 0.2 | 0.1 | 97.6 | 86.5 |
| Current liabilities £m | (1.2) | (1.2) | (1.5) | (0.6) | (1.8) | (1.2) | - | (0.2) | (0.9) | (0.3) | (41.5) | (19.6) | 0.6 | 0.3 | - | - | (102.3) | (74.1) |
| Provisions £m | - | - | - | - | (0.1) | (0.1) | - | - | - | - | - | - | - | - | - | (0.1) | (1.7) | (1.6) |
| Rounding £m | - | - | - | 0.1 | - | 0.1 | (0.1) | 0.1 | 0.1 | (0.1) | 0.1 | - | _ | - | (0.3) | 0.2 | (0.1) | 0.1 |
| Total MCE £m | - | (0.3) | 1.7 | 0.6 | 1.9 | 1.3 | - | 0.2 | 0.1 | - | (42.0) | (20.0) | (8.0) | (0.5) | (0.1) | - | 520.9 | 483.4 |

8.2.1 Leased Lines Access – Area 3 Summary For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|----------------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Dark fibre services | | | | | | | | | | | | | | |
| Connections - single fibre | - | 0.1 | 0.1 | - | 84 | ccts | - | 1,447.52 | - | 0.1 | - | (0.1) | - | (52.1)% |
| Connections - dual fibre | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Rentals - single fibre | - | 0.6 | 0.6 | - | 494 | ccts | - | 1,120.74 | - | 0.2 | - | 0.1 | - | 281.3% |
| Rentals - dual fibre | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Main link | - | - | - | - | - | km | - | - | - | - | - | - | - | - |
| Patch panels - customer premises | - | - | - | - | 494 | ccts | - | - | - | - | - | - | - | - |
| Patch panels - exchanges | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Initial testing | - | - | - | - | 84 | ccts | - | - | - | - | - | - | - | (1,170.3)% |
| Cessation charges | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Right when tested charges | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Ethernet services basket | | | | | | | | | | | | | | |
| Connections | 14.4 | 16.5 | 30.9 | 6,881 | 7,599 | ccts | 2,094.49 | 2,172.77 | 7.6 | 8.1 | 0.6 | 0.5 | 1,208.5% | 1,608.4% |
| EAD 1Gbit/s rentals | 20.2 | 18.0 | 38.2 | 9,741 | 8,578 | ccts | 2,078.31 | 2,099.04 | 15.4 | 13.6 | 51.4 | 45.2 | 9.4% | 9.8% |
| Other EAD rentals | 17.5 | 18.7 | 36.2 | 7,822 | 7,369 | ccts | 2,241.83 | 2,532.55 | 14.4 | 14.5 | 48.1 | 45.9 | 6.5% | 9.0% |
| EAD LA 1Gbit/s rentals | 20.7 | 18.0 | 38.7 | 12,466 | 10,778 | ccts | 1,657.61 | 1,667.04 | 19.3 | 16.7 | 64.5 | 55.8 | 2.2% | 2.3% |
| Other EAD LA rentals | 25.9 | 30.0 | 55.9 | 15,438 | 17,781 | ccts | 1,678.73 | 1,688.96 | 23.6 | 27.3 | 79.4 | 91.7 | 2.9% | 3.0% |
| Other rentals | - | 0.1 | 0.1 | 17 | 68 | km | 1,262.12 | 2,018.92 | - | 0.1 | 0.1 | 0.3 | 3.6% | 23.3% |
| Main link | 28.7 | 27.1 | 55.8 | 140,501 | 133,016 | ccts | 204.15 | 204.03 | 10.1 | 9.5 | 6.0 | 5.7 | 310.0% | 310.0% |
| Total Ethernet services basket | 127.4 | 128.4 | 255.8 | | | | | | 90.4 | 89.8 | 250.1 | 245.1 | 14.8% | 15.8% |
| Optical services - rentals | 10.3 | 8.2 | 18.5 | 5,488 | 5,375 | ccts | 1,870.50 | 1,516.71 | 5.2 | 5.1 | 19.7 | 19.4 | 25.6% | 16.0% |
| Optical services - connections | 3.0 | 3.8 | 6.8 | 1,091 | 777 | ccts | 2,713.54 | 4,920.22 | 0.7 | 0.7 | (0.1) | (0.1) | (2,777.5)% | (2,570.9)% |
| Optical services - main link | 7.2 | 4.8 | 12.0 | 28,266 | 16,669 | km | 254.37 | 288.89 | 1.9 | 1.1 | 1.1 | 0.6 | 465.2% | 571.1% |
| Direct ECC basket | 4.7 | 3.0 | 7.7 | (ux) | (ux) | (ux) | (sx) | (sx) | 4.7 | 3.0 | 0.6 | 0.4 | (12.5)% | (12.5)% |
| Time related charges | 0.2 | 0.3 | 0.5 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.2 | 0.3 | - | - | (12.6)% | (12.5)% |
| Other ancillaries ¹ | 2.0 | 2.2 | 4.2 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.3 | 0.2 | (0.1) | (0.1) | (2,464.2)% | (2,511.9)% |
| IFRS 15 deferred revenue | (1.3) | 5.9 | 4.6 | (ux) | (ux) | (ux) | (sx) | (sx) | (0.1) | (0.1) | (15.8) | (17.5) | 7.4% | (34.7)% |
| IFRS15 SLG | (2.8) | (2.7) | (5.5) | (ux) | (ux) | (ux) | (sx) | (sx) | (3.1) | (2.9) | (0.3) | (0.3) | (69.6)% | (69.6)% |
| Rounding | 0.1 | 0.1 | 0.2 | (4/1) | (47.) | (4.7) | (5/.) | (5.1) | 0.1 | (2.3) | (0.1) | 0.1 | (05.0,70 | (00.0,70 |
| Total LLA Area 3 | 150.8 | 154.7 | 305.5 | | | | | | 100.3 | 97.5 | 255.1 | 247.6 | 19.8% | 23.1% |
| | | 10-117 | 000.0 | | | | | | 1000 | 77.0 | 200.1 | <u>,,,,,</u> | 13.073 | 20.170 |

 $\label{eq:Notes:$

8.2.1 Leased Lines Access - Area 3 Summary Restated for the year ended 31 March 2023

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|----------------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Dark fibre services | | | | | | | | | | | | | | |
| Connections - single fibre | - | 0.6 | 0.6 | - | 440 | ccts | - | 1,461.93 | - | 0.4 | - | - | - | (2,214.3)% |
| Connections - dual fibre | - | - | - | - | - | ccts | - | - | = | - | - | - | - | - |
| Rentals - single fibre | - | 0.2 | 0.2 | - | 188 | ccts | - | 1,020.66 | - | - | - | 0.1 | - | 250.1% |
| Rentals - dual fibre | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Main link | - | - | - | - | - | km | - | - | = | - | - | - | - | - |
| Patch panels - customer premises | - | - | - | - | - | ccts | - | - | = | - | - | - | - | - |
| Patch panels - exchanges | - | - | - | - | 188 | ccts | - | - | = | - | - | - | - | (781.5)% |
| Initial testing | - | - | - | - | 440 | ccts | - | - | - | 0.1 | - | - | - | (475.2)% |
| Cessation charges | - | - | - | - | - | ccts | - | - | = | - | - | - | - | - |
| Right when tested charges | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Ethernet services basket | | | | | | | | | | | | | | |
| Connections | 13.1 | 16.3 | 29.4 | 6,720 | 7,883 | ccts | 1,945.41 | 2,062.98 | 7.2 | 6.9 | 1.8 | 1.6 | 322.0% | 583.9% |
| EAD 1Gbit/s rentals | 16.8 | 15.2 | 32.0 | 8,759 | 7,840 | ccts | 1,923.24 | 1,943.20 | 12.7 | 11.4 | 46.5 | 41.6 | 8.9% | 9.3% |
| Other EAD rentals | 15.4 | 16.0 | 31.4 | 8,070 | 7,361 | ccts | 1,903.74 | 2,172.87 | 13.6 | 13.5 | 50.6 | 46.9 | 3.4% | 5.2% |
| EAD LA 1Gbit/s rentals | 16.3 | 12.6 | 28.9 | 10,134 | 7,768 | ccts | 1,607.51 | 1,618.18 | 14.4 | 11.1 | 52.7 | 40.4 | 3.5% | 3.7% |
| Other EAD LA rentals | 23.8 | 27.0 | 50.8 | 16,233 | 18,305 | ccts | 1,466.98 | 1,472.65 | 22.8 | 25.8 | 83.8 | 94.7 | 1.2% | 1.3% |
| Other rentals | 0.1 | 0.2 | 0.3 | 55 | 152 | ccts | 1,100.58 | 1,627.04 | - | 0.1 | 0.2 | 0.6 | 5.6% | 19.5% |
| Main link | 24.9 | 23.9 | 48.8 | 132,836 | 127,989 | km | 187.18 | 187.09 | 4.1 | 4.0 | 7.1 | 6.8 | 293.1% | 292.9% |
| Total Ethernet services basket | 110.4 | 111.2 | 221.6 | | | | | | 74.8 | 72.8 | 242.7 | 232.6 | 14.6% | 16.5% |
| Optical services - rentals | 9.4 | 8.2 | 17.6 | 4,585 | 4,810 | ccts | 2,040.90 | 1,707.28 | 5.3 | 5.6 | 16.9 | 17.9 | 23.7% | 14.9% |
| Optical services - connections | 3.9 | 7.6 | 11.5 | 1,365 | 1,639 | ccts | 2,823.97 | 4,628.88 | 1.0 | 1.1 | - | (0.3) | (31,093.7)% | (2,120.1)% |
| Optical services - main link | 5.8 | 4.4 | 10.2 | 23,689 | 16,698 | km | 246.29 | 260.80 | 1.0 | 0.7 | 0.9 | 0.6 | 542.1% | 585.9% |
| Direct ECC basket | 4.0 | 3.0 | 7.0 | (ux) | (ux) | (ux) | (sx) | (sx) | 3.6 | 2.7 | 0.8 | 0.6 | 47.0% | 47.0% |
| Time related charges | 0.1 | 0.4 | 0.5 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.1 | 0.4 | - | 0.1 | 47.0% | 47.0% |
| Other ancillaries ¹ | 2.2 | 1.9 | 4.1 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.8 | 0.3 | _ | - | 4,537.4% | 66,504.6% |
| IFRS 15 deferred revenue | 0.1 | (2.6) | (2.5) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.1) | (0.1) | (17.8) | (14.7) | (1.1)% | 17.1% |
| IFRS15 SLG | (3.3) | (2.4) | (5.7) | (ux) | (ux) | (ux) | (sx) | (sx) | (3.7) | (2.6) | (0.4) | (0.3) | (82.9)% | (82.9)% |
| Rounding | (0.2) | (0.5) | (0.7) | (4/1) | (47.) | (4) | (5/1) | (0/.) | 0.3 | 0.5 | 0.2 | (0.5) | (02.5),0 | (02.0)/0 |
| Total LLA Area 3 | 132.4 | 132.0 | 264.4 | | | | | | 83.1 | 81.9 | 243.3 | 236.6 | 20.2% | 21.2% |
| | | | | | | | | | | | | | | |

 $\label{eq:Notes:$

8.2.2 Leased Lines Access – Area 3 Analysis of Service Cost For the year ended 31 March 2024

| For the year ended 31 March 2024 | | | . 6 | | II D | tt-l B | | e | 14-1- | rad. | D-4-b | | D-4-b | | 1-141-14- | | | Distant | | C | | FAF | 161:1/- | Other EAL | 0 | FADI | A 1Gbit/s |
|---|----|------------|-------|-----------------------|-------|---------------------|--------------|-------|----------|----------|------------------------|--------------|-------------------|----------|------------|----------|-----------------|----------|---------|------------|--------------|------------|------------|------------|------------|--------------|------------|
| | | single fib | | ctions - dua fibre | | s - single fibre | entals - dua | Прге | Main | | Patch pa stomer pre | | Patch pa excha | | initial te | sting Ce | ssation charges | Right Wi | charges | Con | nections | EAL | rentals | Other EAD | rentals | EADLA | rentals |
| (i) Operating costs by type | In | nt E | xt I | Int Ex | t Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices £m | | _ | _ | | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Attribution of PI costs £m | | - | - | | | - | - | - | - | - | - | - | - | - | - | - | | | _ | _ | - | 1.1 | 0.9 | 1.0 | 0.9 | 1.3 | 1.2 |
| Wages and salaries £m | | - | - | - | | 0.1 | - | - | - | - | - | - | - | - | - | - | | - | - | 2.3 | 2.5 | 4.9 | 4.3 | 4.6 | 4.5 | 6.1 | 5.3 |
| Social security costs £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 0.2 | 0.3 | 0.6 | 0.5 | 0.5 | 0.5 | 0.7 | 0.6 |
| Other pension costs £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 0.3 | 0.3 | 8.0 | 0.7 | 0.8 | 0.7 | 1.0 | 0.9 |
| Share-based payment expense £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | | | - | - | - | |
| Own work capitalised £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 0.6 | 0.6 | (2.9) | (2.5) | (2.7) | (2.6) | (3.6) | (3.1) |
| Net indirect labour costs £m Product costs £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 0.1 1.0 | 0.1 1.1 | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 | 0.3 |
| Product costs £m Sales commissions £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | | - | 1.0 | 1.1 | - | - | - | - | - | - |
| Payments to telecommunications operators £m | | - | - | _ | | _ | - | _ | - | - | - | - | - | - | - | - | - | _ | _ | - | _ | - | _ | - | - | _ | _ |
| Property and energy costs £m | | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 0.1 | 0.1 | 1.7 | 1.5 | 1.5 | 1.4 | 2.1 | 1.8 |
| Network operating and IT costs £m | | _ | _ | | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | | _ | 0.1 | 0.1 | 0.6 | 0.5 | 0.5 | 0.5 | 0.7 | 0.6 |
| TV programme rights charges £m | | - | - | _ | | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Provision and installation £m | | - | - | _ | | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Marketing and sales £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | - | - | - | - |
| Net impairment of losses on TR and contract assets £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Other operating costs £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 2.3 | 2.2 | (0.2) | (0.2) | (0.1) | 0.1 | (0.2) | (0.2) |
| Other operating income £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | (0.1) | (0.1) | (0.1) | (0.1) | | (0.1) |
| Total operating costs before depreciation £m | | - | - | - | | 0.1 | - | - | - | - | - | - | - | - | - | - | | | - | 7.1 | 7.4 | 7.0 | 6.1 | 6.5 | 6.4 | 8.6 | 7.5 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | - | - | - | - |
| Poles £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | - | - | - | - |
| Copper £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | - | - | - | - |
| Fibre £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | 5.3 | 4.7 | 5.0 | 4.6 | 6.7 | 5.8 |
| Electronics £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | 1.6 | 1.4 | 1.5 | 2.1 | 2.0 | 1.8 |
| Software £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.3 |
| Land and buildings £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Right of use assets £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | 0.1 | 0.2 | 0.4 | 0.3 | 0.4 | 0.3 | 0.5 | 0.4 |
| Other assets £m Less funded assets (BDUK, etc.) £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.2 |
| Less funded assets (BDUK, etc.) £m Total depreciation £m | | - | - | | | | - | | | | - | | | | | | - | | - | 0.2 | 0.3 | 7.8 | 6.9 | 7.4 | 7.5 | 9.9 | 8.6 |
| Total depreciation ± III | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | _ | - | 0.2 | 0.3 | 7.0 | 0.9 | 7.4 | 7.5 | 9.9 | 0.0 |
| Specific items £m | | - | - | _ | | - | - | - | - | - | - | - | - | - | - | - | | | - | 0.3 | 0.3 | 0.6 | 0.5 | 0.5 | 0.5 | 0.7 | 0.6 |
| Total HCA operating costs £m | | - | - | - | | 0.1 | - | - | - | - | - | - | - | - | - | - | | | - | 7.6 | 8.0 | 15.4 | 13.5 | 14.4 | 14.4 | 19.2 | 16.7 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains £m | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Supplementary depreciation £m | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Other CCA adjustments £m | | _ | _ | | | _ | _ | _ | - | _ | - | _ | _ | _ | _ | _ | | | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Rounding £m | | - 0 |).1 | _ | | 0.1 | - | - | - | - | - | - | - | - | - | - | | | - | - | 0.1 | - | 0.1 | - | 0.1 | 0.1 | _ |
| Total CCA operating costs £m | | - 0 |).1 | - | | 0.2 | - | - | - | - | - | - | - | - | - | - | | - | - | 7.6 | 8.1 | 15.4 | 13.6 | 14.4 | 14.5 | 19.3 | 16.7 |
| | • | <u>-</u> | _ | <u>-</u> | | <u>-</u> | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | - | | - | | | - | | | | | | |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | 4.4 | 1.0 | 4.4 | 4.0 | 4.4 | 4.2 |
| Cumulo charges £m Openreach SLGs £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | - | 2.3 | 2.3 | 1.1 | 1.0 | 1.1 | 1.0 | 1.4 | 1.2 |
| Leaver costs £m | | - | - | _ | | _ | - | _ | - | - | - | - | - | - | - | - | - | _ | - | 0.2 | 0.2 | 0.4 | 0.3 | 0.3 | 0.3 | 0.5 | 0.4 |
| Leavel Costs | | | | | | | | | | | | | | | | | | | | 0.2 | 0.2 | 0.4 | 0.5 | 0.5 | 0.5 | 0.3 | 0.4 |
| | | | | | | | entals - dua | fibre | Main | | | | | | Initial te | sting Ce | ssation charges | Right wh | | Con | nections | EAD | | Other EAI |) rentals | EAD L | |
| (ii) Operating costs by division | | single fib | | fibre Int Ex | | fibre Ext | 14 | F.v. | Int | | stomer prei | nises Ext | excha Int | anges | 14 | F.A | Ind En | Int | charges | ld | Evel | Int | rentals | | - Free | - Ind | rentals |
| (II) Operating costs by division | | 14 Е | .xų i | inų Ex | ц ти | EXU | Int | Ext | ınıq | Ext | inq | EXU | ınq | Ext | Int | Ext | Int Ext | ų int | Ext | Int | Ext | inq | Ext | Int | Ext | Int | Ext |
| EOI input prices £m | | - | - | _ | | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Attribution of PI costs £m | | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | 1.1 | 0.9 | 1.0 | 0.9 | 1.3 | 1.2 |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery £m | | - 0 |).1 | | | _ | - | - | - | - | _ | - | _ | _ | - | - | | | _ | 5.7 | 6.1 | 1.8 | 1.6 | 1.7 | 1.6 | 2.3 | 2.0 |
| Openreach support functions £m | | _ | - | _ | | - | - | - | - | - | - | - | - | - | - | - | | | - | 0.5 | 0.5 | | 0.2 | 0.2 | 0.3 | | |
| Openreach total £m | | - 0 |).1 | - | | - | - | - | - | - | - | - | - | - | - | - | | | - | 6.2 | 6.6 | | 1.8 | 1.9 | 1.9 | | |
| Doot of DT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rest of BT | | /0 | 1) | | | 0.4 | | | | | | | | | | | | | | ٥. | 0.4 | 0.0 | 0.0 | 0.0 | 0.0 | 4.4 | 4.0 |
| Group centre £m | | - (0. | 1) | - | | 0.1 | - | - | - | - | - | - | - | - | - | - | | - | - | 0.5 | 0.4 | 0.9 1.3 | 0.9 1.1 | 0.9 1.2 | 0.8 1.1 | 1.1 1.6 | 1.0 1.4 |
| Property and facilities £m Technology units £m | | _ | - | | | - | - | - | - | _ | - | - | - | - | - | - | | · - | | 0.4 | 0.4 | 1.3 | 1.1 | 1.2 | 1.1 | 1.6 | |
| Consumer and Business £m | | | _ | | | _ | - | - | - | - | - | - | - | - | - | - | | | - | 0.4 | 0.4 | 0.3 | 0.3 | 0.4 | 0.6 | | |
| | | | | | - | - | - | - | _ | | | _ | | _ | _ | _ | | - | - | - | - | 0.3 | 0.5 | 0.4 | 0.0 | 0.4 | |
| | | - (0 | 1) | _ | | 0.1 | _ | | - | - | _ | _ | - | | - | - | | | _ | 0.0 | 0.8 | 3 2 | 3.4 | 3.6 | 3.6 | 47 | 41 |
| Rest of BT total £m | | - (0. | 1) | - | | 0.1 | - | - | - | - | - | - | - | - | - | - | | - | - | 0.9 | 0.8 | 3.8 | 3.4 | 3.6 | 3.6 | 4.7 | 4.1 |
| | | | | | | | - | - | - | - | - | - | - | - | - | - | | | | 0.9 7.1 | | | 3.4 6.1 | 3.6 6.5 | 3.6 6.4 | | |

8.2.2 Leased Lines Access – Area 3 Analysis of Service Cost (continued) For the year ended 31 March 2024

| | | Other EAD LA | rentals | Other | rentals | N | /ain link | Optical s | ervices - rentals | | ervices - Opt | ical service | s - main link | Direct ECC | basket Ti | me related | charges | Other and | cillaries | IFRS 15 c | leferred revenue | IFF | RS15 SLG | F | Rounding | | Total |
|--|--|---|--|--------------------------------------|--------------------|--|--|--|---|--|--|--|---|---------------------------------------|---|-----------------------------|-------------|------------------------|--------------------------|------------------|-----------------------------|---|--------------------------------------|--|-----------------------|---|---|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Attribution of PI costs | £m | 1.7 | 1.9 | _ | _ | 5.5 | 5.2 | 0.1 | 0.1 | _ | _ | 1.1 | 0.7 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | 11.8 | 10.9 |
| Wages and salaries | £m | 7.5 | 8.7 | - | - | 1.0 | 0.9 | 0.9 | 0.9 | 0.3 | 0.2 | 0.2 | 0.1 | 0.6 | 0.4 | - | - | 0.3 | 0.2 | - | _ | (0.1) | (0.1) | _ | - | 28.6 | 28.0 |
| Social security costs | £m | 0.9 | 1.0 | - | - | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | _ | - | 0.1 | 3.2 | 3.2 |
| Other pension costs | £m | 1.2 | 1.4 | - | - | 0.2 | 0.2 | 0.2 | 0.1 | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | 0.2 | 4.6 | 4.5 |
| Share-based payment expense | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Own work capitalised | £m | (4.4) | (5.1) | - | - | (0.4) | (0.4) | (0.4) | (0.4) | (0.2) | (0.2) | (0.1) | - | 2.2 | 1.4 | 0.1 | 0.1 | (0.1) | - | - | - | - | - | - | - | (11.9) | (12.2) |
| Net indirect labour costs | £m | 0.5 | 0.6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.6 | 1.6 |
| Product costs Sales commissions | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | 1.1 | 0.7 | 0.1 | 0.1 | - | - | - | - | - | - | - | 0.1 | 2.2 | 2.0 |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | _ | _ | _ | - | _ | - | _ |
| Property and energy costs | £m | 2.6 | 3.0 | _ | _ | 1.2 | 1.1 | 0.3 | 0.3 | _ | _ | 0.1 | 0.1 | _ | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 9.6 | 9.3 |
| Network operating and IT costs | £m | 0.9 | 1.0 | - | - | 0.3 | 0.3 | 0.3 | 0.3 | - | - | 0.1 | - | 0.1 | 0.1 | - | - | - | - | - | _ | _ | - | _ | 0.1 | 3.6 | 3.5 |
| TV programme rights charges | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Provision and installation | £m | 0.2 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 0.4 | 0.4 |
| Marketing and sales | £m | - | - | - | - | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Net impairment of losses on TR and contract assets | £m | 0.1 | 0.1 | - | - | 0.1 | 0.1 | 0.1 | - | - | - | - 0.1 | - 0.1 | - | - | - | - | - | - | - | - | (2.0) | (0.7) | - | 0.1 | 0.7 | 0.7 |
| Other operating costs Other operating income | £m £m | (0.3) (0.1) | (0.3) (0.1) | - | - | 0.5 | 0.5 | 0.6 | 0.6 | 0.4 | 0.5 | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | - | - | (2.9) | (2.7) | 1.0 0.1 | 0.5 0.1 | 1.3 (0.3) | 1.2 (0.3) |
| Total operating costs before depreciation | £m | 10.8 | 12.4 | | | 8.5 | 8.0 | 2.2 | 2.0 | 0.5 | 0.5 | 1.5 | 1.0 | 4.3 | 2.7 | 0.2 | 0.2 | 0.2 | 0.2 | | | (3.0) | (2.8) | 1.1 | 1.2 | 55.5 | 52.9 |
| | | | | | | 0.0 | 0.0 | | | 0.0 | 50 | | | | | V | | | | | | (3.5) | (2.0) | | | | 02.0 |
| Depreciation Duct | £m | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Poles | £m | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | - | - | - | _ | _ | _ | _ | - | - | _ | _ | _ | _ |] | _ | _ |
| Copper | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Fibre | £m | 8.3 | 9.5 | - | - | 1.0 | 0.9 | 0.6 | 0.6 | - | - | 0.2 | 0.1 | - | - | - | - | - | - | - | - | - | - | (0.1) | - | 27.0 | 26.2 |
| Electronics | £m | 2.3 | 2.7 | - | - | - | - | 2.1 | 2.0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 9.5 | 10.0 |
| Software | £m | 0.4 | 0.4 | - | - | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | 0.1 | 1.5 | 1.5 |
| Land and buildings | £m | 0.1 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - (0.4) | - | 0.4 | 0.4 |
| Right of use assets Other assets | £m £m | 0.6 0.3 | 0.7 0.4 | - | - | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 2.2 0.9 | 2.2 0.9 |
| Less funded assets (BDUK, etc.) | £m | 0.5 | 0.4 | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | _ | - | _ | _ | _ | _ | _ | (0.1) | (0.1) | 0.9 | 0.9 |
| Total depreciation | £m | 12.0 | 13.8 | - | - | 1.2 | 1.1 | 2.9 | 2.8 | - | - | 0.2 | 0.1 | 0.2 | 0.1 | - | - | - | - | - | - | - | - | (0.3) | - | 41.5 | 41.2 |
| Specific items | £m | 0.9 | 1.0 | _ | _ | 0.3 | 0.2 | 0.2 | 0.1 | _ | _ | 0.1 | | 0.2 | 0.1 | | | | | | | | | (0.1) | 0.2 | 3.7 | 3.6 |
| Total HCA operating costs | £m | 23.7 | 27.2 | - | - | 10.0 | 9.3 | 5.3 | 4.9 | 0.5 | 0.5 | 1.8 | 1.1 | 0.2 4.7 | 2.9 | 0.2 | 0.2 | 0.2 | 0.2 | - | - | (3.0) | (2.8) | 0.7 | 0.3 1.5 | 100.7 | 97.7 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | | | | | | | | | | | | | - | - | - | - | - | - | _ | | | | | | | | _ |
| riotaing gains | £m | - | - | - | - | - | - | - | - | - | - | - | | | | | | | | - | - | - | - | - | - | - | |
| Supplementary depreciation | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Supplementary depreciation Other CCA adjustments | £m £m | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - | - - - | - | - - | - | - | - | - | - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - |
| Supplementary depreciation Other CCA adjustments Rounding | £m £m £m | (0.1) | - - 0.1 | - - - | - - - 0.1 | - - 0.1 | - - 0.2 | (0.1) | 0.2 | 0.2 | 0.2 | - - 0.1 | - - - | - - - | 0.1 | - - - | 0.1 | 0.1 | - - - | (0.1) | (0.1) | (0.1) | (0.1) | (0.6) | - - (1.5) | (0.4) | (0.2) |
| Supplementary depreciation Other CCA adjustments | £m £m | (0.1) | 0.1 27.3 | - - - - - | 0.1 0.1 | 0.1 10.1 | 0.2 | (0.1) 5.2 | - - 0.2 5.1 | 0.2 | 0.2 0.7 | 0.1 1.9 | - - - 1.1 | 4.7 | 0.1 3.0 | 0.2 | 0.1 0.3 | 0.1 0.3 | 0.2 | (0.1) (0.1) | (0.1) (0.1) | (0.1) (3.1) | (0.1) (2.9) | (0.6) | (1.5) | (0.4) 100.3 | (0.2) 97.5 |
| Supplementary depreciation Other CCA adjustments Rounding | £m £m £m | | | - - - - - | | | | | | | | | - - - 1.1 | 4.7 | | 0.2 | | | 0.2 | | | | | | | | |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m | | | - - - - - | | | | | | 0.7 | | | - - - 1.1 | 4.7 | | 0.2 | | | 0.2 | | | (3.1) | (2.9) | | | | |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | 1.8 | 2.0 | - - - | | 1.2 | 1.1 | 0.2 | 0.2 | 0.7 | | 1.9 | | - - - | 3.0 - - | - - - 0.2 | | | 0.2 | | (0.1) | (2.9) | | 0.1 - 0.1 | 0.1 | 6.9 | 97.5 6.7 0.2 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m £m | 1.8 | 27.3 | - - - - - - - - | | 10.1 | 9.5 | 0.2 | 0.2 | 0.7 | 0.7 | 1.9 | | 4.7 | | 0.2 | | | 0.2 | | | (3.1) | (2.9) | 0.1 | 0.1 | 6.9 | 97.5 6.7 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | 1.8 | 2.0 | - - - | 0.1 - - - | 1.2 | 1.1 | 0.2 | 0.2 | 0.7 | 0.7 | 0.1 | 0.1 - - s - main | - - 0.1 | 3.0 - - | - - - | | | - - - - | (0.1) | | (2.9) | (2.9) | 0.1 0.1 (0.1) | 0.1 | 6.9 | 97.5 6.7 0.2 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs | £m £m £m £m £m | 1.8 - 0.6 Other EAD LA | 2.0 - 0.6 | - - - - Other | 0.1 | 10.1 1.2 - 0.1 | 9.5 1.1 - 0.1 | 0.2 - 0.1 Optical s | 0.2 - 0.1 ervices - rentals | 0.7 - 0.5 - Optical s | 0.7 - 0.5 - ervices - Optimizetions | 0.1 | 0.1 - - s - main link | 0.1 | 3.0 - 0.1 | - - - me related | 0.3 | 0.3 | - - - cillaries | (0.1) | (0.1) | (3.1) - (2.9) - | (2.9) - (2.7) - RS15 SLG | 0.1 - 0.1 (0.1) | 0.1 0.1 | 6.9 | 97.5 6.7 0.2 2.1 Total |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | 1.8 - 0.6 | 2.0 | - - - | 0.1 - - - | 1.2 | 9.5 1.1 - 0.1 | 0.2 | 0.2 - 0.1 | 0.7 - 0.5 - | 0.7 - 0.5 - | 0.1 | 0.1 - - s - main | - - 0.1 | - 0.1 | - - - | | | - - - - | (0.1) | (0.1) | (2.9) | (2.9) | 0.1 0.1 (0.1) | 0.1 | 6.9 | 6.7 0.2 2.1 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices | £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA | 2.0 0.6 A rentals Ext | - - - - Other | 0.1 | 10.1 1.2 - 0.1 N | 9.5 1.1 0.1 Main link Ext | 0.2 - 0.1 Optical s | 0.2 0.1 ervices - rentals Ext | 0.7 - 0.5 - Optical s | 0.7 - 0.5 - ervices - Optimizetions | 0.1 - ical service: | 0.1 - - s - main link Ext | 0.1 | 3.0 - 0.1 | - - - me related | 0.3 | 0.3 | - - - cillaries | (0.1) | (0.1) | (3.1) - (2.9) - | (2.9) - (2.7) - RS15 SLG | 0.1 - 0.1 (0.1) | 0.1 0.1 | 6.9 2.2 | 97.5 6.7 0.2 2.1 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division | £m £m £m £m £m £m | 1.8 - 0.6 Other EAD LA | 2.0 - 0.6 | - - - - Other | 0.1 | 10.1 1.2 - 0.1 | 9.5 1.1 - 0.1 | 0.2 - 0.1 Optical s | 0.2 - 0.1 ervices - rentals | 0.7 - 0.5 - Optical s | 0.7 - 0.5 - ervices - Optimizetions | 0.1 | 0.1 - - s - main link Ext | 0.1 | 3.0 - 0.1 | - - - me related | 0.3 | 0.3 | - - - cillaries | (0.1) | (0.1) | (3.1) - (2.9) - | (2.9) - (2.7) - RS15 SLG | 0.1 - 0.1 (0.1) | 0.1 0.1 | 6.9 | 97.5 6.7 0.2 2.1 Total |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices | £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA | 2.0 0.6 A rentals Ext | - - - - Other | 0.1 | 10.1 1.2 - 0.1 N | 9.5 1.1 0.1 Main link Ext | 0.2 - 0.1 Optical s | 0.2 0.1 ervices - rentals Ext | 0.7 - 0.5 - Optical s | 0.7 - 0.5 ervices - Opt | 0.1 - ical service: | 0.1 - - s - main link Ext | 0.1 | 3.0 - 0.1 | - - - me related | 0.3 | 0.3 | - - - cillaries | (0.1) | (0.1) | (3.1) - (2.9) - | (2.9) - (2.7) - RS15 SLG | 0.1 - 0.1 (0.1) | 0.1 0.1 | 6.9 2.2 | 97.5 6.7 0.2 2.1 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs | £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA | 2.0 0.6 A rentals Ext | - - - - Other | 0.1 | 10.1 1.2 - 0.1 N | 9.5 1.1 - 0.1 Main link Ext - 5.2 | 0.2 - 0.1 Optical s | 0.2 0.1 ervices - rentals Ext | 0.7 - 0.5 - Optical s | 0.7 - 0.5 ervices - Opt | 0.1 - ical service: | 0.1 - - s - main link Ext | 0.1 | 3.0 - 0.1 | - - - me related | 0.3 | 0.3 | cillaries Ext | (0.1) | (0.1) | (3.1) - (2.9) - | (2.9) - (2.7) - RS15 SLG | 0.1 0.1 (0.1) F Int | 0.1 0.1 | 6.9 2.2 | 97.5 6.7 0.2 2.1 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach | £m £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA Int | 2.0 - 0.6 A rentals Ext | Other | 0.1 | 10.1 1.2 - 0.1 N Int | 9.5 1.1 - 0.1 Main link Ext - 5.2 | 0.2 - 0.1 Optical so Int | 0.2 - 0.1 ervices - rentals Ext | 0.7 Optical s cont | 0.7 0.5 - ervices -Opt nections Ext | 0.1 - - ical service: Int | 0.1 - s - main link Ext | 0.1 Direct ECC | 0.1 Ext | - - me related Int | charges | Other and | cillaries Ext | (0.1) | (0.1) | (3.1) - (2.9) - IFF Int | (2.9) (2.7) | 0.1 0.1 (0.1) F | 0.1 0.1 0.1 | 100.3 6.9 - 2.2 Int | 97.5 6.7 0.2 2.1 Total Ext 10.9 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery | £m £m £m £m £m £m £m | 23.6 1.8 - 0.6 Other EAD LA Int - 1.7 | 2.0 0.6 A rentals Ext | Other | 0.1 | 10.1 1.2 - 0.1 Int | 9.5 1.1 - 0.1 Main link Ext - 5.2 | 0.2 - 0.1 Optical so Int | 0.2 0.1 ervices - rentals Ext | O.7 O.5 Optical s con Int | 0.7 0.5 ervices - Optinections Ext - 0.5 | 0.1 - ical service: Int - 1.1 | 0.1 - s - main link Ext - 0.7 | 0.1 Direct ECC | - 0.1 basket Ti Ext - - | - - me related Int | charges Ext | 0.3 | cillaries Ext | (0.1) | (0.1) | (3.1) - (2.9) - IFF Int - (2.9) | (2.9) (2.7) | 0.1 0.1 (0.1) F Int | 0.1 0.1 | 100.3 6.9 - 2.2 Int 11.8 | 97.5 6.7 0.2 2.1 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions | £m £m £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA Int 1.7 2.8 0.4 | 2.0 0.6 Trentals Ext - 1.9 | Other | 0.1 | 10.1 1.2 0.1 N Int | 9.5 1.1 - 0.1 Main link Ext - 5.2 0.6 0.5 | 0.2 0.1 Optical so Int | 0.2 | 0.7 0.5 - Optical s con Int | 0.7 | 0.1 | 0.1 | - 0.1 Direct ECC Int | 3.0 - 0.1 basket Ti | me related | charges Ext | 0.3 Other and 0.1 0.2 | cillaries Ext 0.1 | (0.1) | (0.1) | (3.1) - (2.9) - IFF Int | (2.9) (2.7) | 0.1 0.1 (0.1) F Int | 0.1 0.1 0.1 | 100.3 6.9 2.2 Int 11.8 17.0 2.5 | 97.5 6.7 0.2 2.1 Total Ext 10.9 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total | £m £m £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA Int 1.7 2.8 0.4 | 2.0 0.6 Trentals Ext - 1.9 | Other | 0.1 | 10.1 1.2 0.1 N Int | 9.5 1.1 - 0.1 Main link Ext - 5.2 0.6 0.5 | 0.2 0.1 Optical so Int | 0.2 | 0.7 0.5 - Optical s con Int | 0.7 | 0.1 | 0.1 | - 0.1 Direct ECC Int | 3.0 - 0.1 basket Ti | me related | charges Ext | 0.3 Other and 0.1 0.2 | cillaries Ext 0.1 | (0.1) | (0.1) | (3.1) - (2.9) - IFF Int | (2.9) (2.7) | 0.1 0.1 (0.1) F Int | 0.1 0.1 0.1 | 100.3 6.9 2.2 Int 11.8 17.0 2.5 | 97.5 6.7 0.2 2.1 Total Ext 10.9 15.9 2.9 18.8 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities | £m £m £m £m £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA Int 1.7 2.8 0.4 3.2 1.5 1.9 | 2.0 0.6 Trentals Ext 1.9 3.2 0.4 3.6 | Other | 0.1 | 10.1 1.2 0.1 Int 5.5 0.6 0.5 1.1 | 9.5 1.1 - 0.1 Main link Ext - 5.2 0.6 0.5 1.1 | 0.2 0.1 Optical so Int 0.1 0.2 0.2 0.4 0.4 0.2 | 0.2 | 0.7 Optical s con Int - 0.5 - 0.1 0.6 | 0.7 0.5 | 0.1 | 0.1 | 3.6 0.4 | 3.0 - 0.1 - basket Till Ext | me related | charges Ext | 0.3 | cillaries Ext 0.1 | (0.1) | (0.1) | (3.1) (2.9) - IFF Int | (2.9) (2.7) | 0.1 0.1 (0.1) F Int - 0.3 (0.3) - 0.8 0.2 | 0.1 0.1 0.1 | 100.3 6.9 2.2 Int 11.8 17.0 2.5 19.5 | 97.5 6.7 0.2 2.1 Total Ext 10.9 15.9 2.9 18.8 6.0 7.2 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA Int 1.7 2.8 0.4 3.2 1.5 1.9 2.0 | 2.0 0.6 Ext 1.9 3.2 0.4 3.6 | Other | 0.1 | 10.1 1.2 0.1 Int - 5.5 0.6 0.5 1.1 | 9.5 1.1 - 0.1 Main link Ext - 5.2 0.6 0.5 1.1 | 0.2 | 0.2 | 0.7 Optical s continue of the | 0.7 0.5 | 0.1 | 0.1 | 0.1 Direct ECC Int 3.6 - 3.6 0.4 | 2.3 - 2.3 | me related | charges Ext | 0.3 | cillaries Ext 0.1 | (0.1) | (0.1) | (3.1) - (2.9) - IFF Int - (2.9) - (2.9) | (2.9) | 0.1 0.1 (0.1) Int | 0.1 0.1 0.1 | 100.3 6.9 2.2 Int 11.8 17.0 2.5 19.5 6.4 7.7 8.0 | 97.5 6.7 0.2 2.1 Total Ext 10.9 15.9 2.9 18.8 6.0 7.2 7.8 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m £m £m | 23.6 1.8 - 0.6 Other EAD LA Int 1.7 2.8 0.4 3.2 1.5 1.9 2.0 0.5 | 2.0 0.6 A rentals Ext 1.9 3.2 0.4 3.6 | | entals Ext | 1.2 - 0.1 Int 5.5 0.6 0.5 1.1 0.1 1.2 0.6 - 0.6 | 9.5 1.1 0.1 Main link Ext 5.2 0.6 0.5 1.1 | 0.2 0.1 Optical so Int - 0.1 0.2 0.2 0.4 0.4 0.2 0.6 0.5 | 0.2 | 0.7 | 0.7 - 0.5 - ervices - Optinections Ext | 0.1 | 0.1 | 3.6 0.4 0.3 | 2.3 - 2.3 - 0.2 - 0.2 | 0.2 - 0.2 | 0.3 | 0.3 | | (0.1) IFRS 15 c | (0.1) | (2.9) - (2.9) - (2.9) - (2.9) | (2.9) | 0.1 0.1 (0.1) Fint | 0.1 0.1 0.1 | 100.3 6.9 - 2.2 Int 11.8 17.0 2.5 19.5 6.4 7.7 8.0 2.1 | 97.5 6.7 0.2 2.1 Total Ext 10.9 15.9 2.9 18.8 6.0 7.2 7.8 2.2 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m £m £m | 23.6 1.8 0.6 Other EAD LA Int 1.7 2.8 0.4 3.2 1.5 1.9 2.0 | 2.0 0.6 Ext 1.9 3.2 0.4 3.6 | Other | 0.1 | 10.1 1.2 0.1 Int 5.5 0.6 0.5 1.1 0.1 1.2 0.6 | 9.5 1.1 - 0.1 Main link Ext - 5.2 0.6 0.5 1.1 | 0.2 | 0.2 | 0.7 Optical s continue of the | 0.7 0.5 | 0.1 | 0.1 | 3.6 0.4 0.3 | 2.3 - 2.3 - 2.3 | me related | charges Ext | 0.3 | cillaries Ext 0.1 | (0.1) | (0.1) | (2.9) - (2.9) - (2.9) - (2.9) - (2.9) | (2.9) (2.7) (2.7) (2.7) (2.7) (2.7) | 0.1 (0.1) F Int | 0.1 0.1 0.1 | 100.3 6.9 2.2 Int 11.8 17.0 2.5 19.5 6.4 7.7 8.0 | 97.5 6.7 0.2 2.1 Total Ext 10.9 15.9 2.9 18.8 6.0 7.2 7.8 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m £m £m | 23.6 1.8 - 0.6 Other EAD LA Int 1.7 2.8 0.4 3.2 1.5 1.9 2.0 0.5 | 2.0 0.6 A rentals Ext 1.9 3.2 0.4 3.6 | | entals Ext | 1.2 - 0.1 Int 5.5 0.6 0.5 1.1 0.1 1.2 0.6 - 0.6 | 9.5 1.1 0.1 Main link Ext 5.2 0.6 0.5 1.1 | 0.2 0.1 Optical so Int - 0.1 0.2 0.2 0.4 0.4 0.2 0.6 0.5 | 0.2 | 0.7 | 0.7 - 0.5 - ervices - Optinections Ext | 0.1 | 0.1 | 3.6 0.4 0.3 | 2.3 - 2.3 - 0.2 - 0.2 | 0.2 - 0.2 | 0.3 | 0.3 | | (0.1) IFRS 15 c | (0.1) leferred revenue Ext | (2.9) (2.9) (2.9) (2.9) (0.1) | (2.9) | 0.1 0.1 (0.1) Fint | 0.1 0.1 0.1 | 100.3 6.9 - 2.2 Int 11.8 17.0 2.5 19.5 6.4 7.7 8.0 2.1 | 97.5 6.7 0.2 2.1 Total Ext 10.9 15.9 2.9 18.8 6.0 7.2 7.8 2.2 |

8.2.2 Leased Lines Access – Area 3 Analysis of Service Cost Restated for the year ended 31 March 2023

| Restated for the year ended 31 March 2023 | Connection single fil | | | - dual fibre | Rentals - | single Ro | entals - dı | ual fibre | Ма | ain link | Patch pustomer pr | | Patch pan excha | | Initial to | esting C | Cessation ch | harges R | | n tested charges | Coni | nections | EAD | 1Gbit/s rentals | Other EAD | rentals | EAD LA | 1Gbit/s rentals |
|--|--------------------------|----------|-----|-----------------|-----------|--------------------|-------------|-----------|----------|----------|-------------------|-----|---------------------|-----|------------|----------|--------------|----------|-----|---------------------|------------|----------|------------|--------------------|------------|-------------------|------------|---------------------|
| (i) Operating costs by type | | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices £m | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Attribution of PI costs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) |
| Wages and salaries £m | _ | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | 2.4 | 2.7 | 4.7 | 4.2 | 5.1 | 4.8 | 5.4 | 4.1 |
| Social security costs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.3 | 0.6 | 0.5 | 0.6 | 0.6 | 0.6 | 0.5 |
| Other pension costs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.4 | 0.8 | 0.7 | 8.0 | 0.8 | 0.9 | 0.7 |
| Share-based payment expense £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | . | | - | - | - |
| Own work capitalised £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | - | - | - | - | - | (2.6) | (2.3) | (2.8) | (2.6) | (2.9) | (2.3) |
| Net indirect labour costs £m Product costs £m | - | - 0 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 1.0 | 0.2 | 0.4 | 0.4 | 0.5 | 0.4 | 0.5 | 0.4 |
| Product costs £m Sales commissions £m | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.0 | 1.2 | - | - | - | - | - | _ |
| Payments to telecommunications operators £m | - | _ | - | _ | _ | _ | _ | _ | - | _ | - | _ | - | - | - | - | - | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Property and energy costs £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | _ | _ | _ | _ | _ | _ | 0.1 | 0.1 | 1.4 | 1.2 | 1.5 | 1.3 | 1.6 | 1.2 |
| Network operating and IT costs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.4 | 0.4 | 0.5 | 0.4 | 0.5 | 0.4 |
| TV programme rights charges £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Provision and installation £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Marketing and sales £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net impairment of losses on TR and contract assets £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other operating costs £m | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2.4 | 1.4 | (0.5) | (0.5) | (0.5) | - (0.4) | (0.6) | (0.4) |
| Other operating income £m | - | - | - | | | | | | | | | | - | - | | | | | | | | | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) 4.4 |
| Total operating costs before depreciation £m | - | 0.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6.7 | 6.3 | 5.0 | 4.4 | 5.5 | 5.5 | 5.8 | 4.4 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - |
| Fibre £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 4.4 | 4.0 | 4.9 | 4.3 | 5.0 | 3.8 |
| Electronics £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - 0.2 | - 0.2 | 1.7 | 1.6 | 1.7 | 2.2 | 2.0 | 1.5 |
| Software £m Land and buildings £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.2 | 0.4 0.1 | 0.3 0.1 | 0.4 0.1 | 0.4 0.1 | 0.4 0.1 | 0.3 0.1 |
| Right of use assets £m | _ | - | - | - | _ | - | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Other assets £m | _ | _ | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | _ | _ | _ | _ | _ | 0.2 | 0.2 | 0.4 | 0.4 | 0.3 | 0.4 | 0.3 | 0.4 |
| Less funded assets (BDUK, etc.) £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | _ | _ | _ | _ | _ | _ | - | - | - | - | - | - | - | - |
| Total depreciation £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.5 | 0.5 | 7.3 | 6.6 | 7.9 | 7.6 | 8.3 | 6.3 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Specific items £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.2 | 0.3 | 0.3 | 0.4 | 0.3 | 0.4 | 0.3 |
| Total HCA operating costs £m | - | 0.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 7.3 | 7.0 | 12.6 | 11.3 | 13.8 | 13.4 | 14.5 | 11.0 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | _ |
| Supplementary depreciation £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other CCA adjustments £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Rounding £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | (0.1) | (0.1) | 0.1 | 0.1 | (0.2) | 0.1 | (0.1) | 0.1 |
| Total CCA operating costs £m | | 0.4 | | <u>-</u> | | | <u>-</u> | | <u>-</u> | | | | | | <u>-</u> | 0.1 | | | | <u>-</u> | 7.2 | 6.9 | 12.7 | 11.4 | 13.6 | 13.5 | 14.4 | 11.1 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges £m | - | _ | _ | _ | - | _ | _ | _ | _ | _ | - | _ | - | _ | _ | - | _ | - | _ | _ | _ | _ | 0.9 | 0.8 | 1.0 | 0.9 | 1.0 | 0.8 |
| Openreach SLGs £m | _ | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2.5 | 1.5 | - | - | - | - | - | - |
| Leaver costs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Connection single fil | ns - Coi | | - dual fibre | Rentals - | single Re fibre | entals - dı | ual fibre | Ma | | Patch pustomer pr | | Patch pan exchai | | Initial te | esting C | Cessation cl | harges R | | n tested charges | Coni | nections | EAD | 1Gbit/s rentals | Other EAD |) rentals | EAD LA | 1Gbit/s rentals |
| (ii) Operating costs by division | | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | |
| FAUL 1. | | | | | | | | | | - | | - | - | - | | | | | | | | | • | | | | | |
| EOI input prices £m Attribution of PI costs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery £m | _ | 0.3 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 0.1 | _ | _ | _ | _ | 5.5 | 5.0 | 1.6 | 1.5 | 1.7 | 1.6 | 1.9 | 1.4 |
| Openreach support functions £m | _ | - | _ | _ | _ | _ | _ | _ | - | _ | _ | _ | - | _ | _ | - | - | _ | _ | _ | 0.4 | 0.5 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Openreach total £m | - | 0.3 | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | 5.9 | 5.5 | 1.7 | 1.6 | 1.8 | 1.7 | 2.0 | 1.5 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre £m | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | - | - | - | 0.5 | 0.5 | 0.8 | 0.6 | 1.0 | 0.8 | 0.9 | 0.7 |
| Property and facilities £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - 0.3 | 0.3 | 1.0 | 0.9 | 1.1 | 1.0 | 1.1 | 0.9 |
| Technology units £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.3 | 1.1 0.5 | 1.0 | 1.1 | 1.1 | 1.3 | 1.0 |
| Consumer and Business £m £m Rest of BT total £m | - | 0.1 | - | | - | | - | - | - | | - | | - | - | - | (0.1) | - | - | | - | | | 3.4 | 0.4 2.9 | 0.6 | 1.0 3.9 | 0.6 | 0.4 3.0 |
| rest of DT total EM | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | - | - | - | - | 0.8 | 0.8 | 3.4 | 2.9 | 3.8 | 3.9 | 3.9 | 3.0 |
| Operating cost before depreciation £m | - | 0.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6.7 | 6.3 | 5.0 | 4.4 | 5.5 | 5.5 | 5.8 | 4.4 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

6.4 7.2

8.2.2 Leased Lines Access – Area 3 Analysis of Service Cost (continued)

| Restated for the year | anded 31 Marc | h 2023 |
|-------------------------|----------------|---------|
| Restated for the year e | enueu 3 i warc | 11 2023 |

| Restated for the year ended 31 March 2023 | | Other EAD LA | A rentals | Other | rentals | ı | Main link | Optical s | | • | | tical service | | Direct ECC | basket T | ime related | charges | Other ar | ncillaries | IFRS 15 c | I | IFR | S 15 SLG | F | Rounding | | Total |
|--|----------|--------------|------------|--------------|---------------------|---------------------|---------------------|---------------------|-----------------------|-------|--------------------------|---------------|-------------------|------------|----------|-------------|---------|-------------------|-------------------|-----------|----------------|-------|----------|-------|----------|----------------------|--------------------|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | rentals Ext | Int | nections Ext | Int | link Ext | Int | Ext | Int | Ext | Int | Ext | Int | revenue Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Attribution of PI costs | £m | (0.2) | (0.2) | _ | _ | (0.6) | (0.6) | _ | _ | _ | _ | (0.1) | (0.1) | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | (1.2) | (1.2) |
| Wages and salaries | £m | 8.5 | 9.6 | - | 0.1 | 0.9 | 0.9 | 0.8 | 0.8 | 0.5 | 0.6 | 0.2 | 0.1 | 0.3 | 0.2 | - | - | 0.6 | 0.2 | (0.1) | - | (0.1) | (0.1) | - | - | 29.2 | 28.5 |
| Social security costs | £m | 1.0 | 1.1 | - | - | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | - | - | 0.1 | - | - | - | - | - | (0.1) | - | 3.4 | 3.3 |
| Other pension costs | £m | 1.4 | 1.6 | - | - | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | - | - | - | - | - | - | 0.1 | - | - | - | - | - | (0.1) | - | 4.6 | 4.5 |
| Share-based payment expense | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Own work capitalised | £m | (4.7) | (5.3) | - | - | (0.5) | (0.4) | (0.4) | (0.4) | (0.3) | (0.4) | (0.1) | (0.1) | 1.6 | 1.2 | - | 0.2 | (0.3) | (0.1) | - | - | 0.1 | - | 0.1 | 0.1 | (12.8) | (12.5) |
| Net indirect labour costs | £m | 0.8 | 0.9 | - | - | 0.2 | 0.2 | 0.1 | 0.1 | - | - | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 2.7 | 2.6 |
| Product costs Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | 1.0 | 8.0 | - | 0.1 | - | - | - | - | - | - | 0.2 | - | 2.2 | 2.2 |
| Payments to telecommunications operators | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Property and energy costs | £m | 2.5 | 2.8 | - | _ | 1.6 | 1.6 | 0.2 | 0.2 | _ | - | 0.5 | 0.4 | _ | - | - | _ | _ | _ | - | _ | _ | _ | (0.1) | _ | 9.3 | 8.8 |
| Network operating and IT costs | £m | 0.8 | 0.9 | _ | _ | 0.1 | 0.1 | 0.1 | 0.1 | _ | _ | - | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | (0.1) | | 2.4 | 2.3 |
| TV programme rights charges | £m | - | - | _ | _ | - | - | - | - | _ | _ | _ | _ | _ | - | _ | _ | _ | _ | - | _ | _ | _ | _ | _ | | - |
| Provision and installation | £m | 0.1 | 0.1 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | _ | 0.1 | 0.1 | 0.2 | 0.2 |
| Marketing and sales | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Net impairment of losses on TR and contract assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Other operating costs | £m | (0.9) | (1.0) | - | - | 0.6 | 0.6 | 0.8 | 0.8 | 0.7 | 0.6 | 0.1 | 0.1 | 0.1 | 0.1 | - | - | 0.1 | - | - | - | (3.4) | (2.4) | 0.2 | 0.1 | (0.9) | (0.5) |
| Other operating income | £m | (0.1) | (0.1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.4) | (0.4) |
| Total operating costs before depreciation | £m | 9.2 | 10.4 | - | 0.1 | 2.6 | 2.6 | 1.8 | 1.8 | 1.1 | 1.0 | 0.6 | 0.4 | 3.1 | 2.4 | - | 0.3 | 0.6 | 0.1 | (0.1) | - | (3.4) | (2.5) | 0.3 | 0.3 | 38.8 | 37.9 |
| Depreciation | | | | | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | 0.1 | 1 2 | - 11 | - 0 E | - 0 E | - | - | 0.2 | - 0 1 | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 242 | 22.0 |
| Fibre Electronics | £m £m | 8.0 2.9 | 9.0 3.4 | - | 0.1 | 1.2 | 1.1 | 0.5 2.8 | 2.9 | - | - | 0.2 | 0.1 | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 24.2 11.2 | 23.0 11.6 |
| Software | £m | 0.7 | 0.7 | - | _ | 0.2 | 0.2 | 0.2 | 0.2 | - | - | - | - | 0.1 | 0.1 | - | - | _ | - | - | - | (0.1) | (0.1) | (0.1) | | 2.4 | 2.3 |
| Land and buildings | £m | 0.7 | 0.7 | _ | _ | - | - | 0.2 | 0.2 | _ | _ | _ | _ | 0.1 | 0.1 | _ | _ | _ | _ | _ | _ | (0.1) | (0.1) | 0.1 | | 0.5 | 0.5 |
| Right of use assets | £m | 0.8 | 0.9 | _ | _ | 0.1 | 0.1 | 0.1 | 0.1 | _ | _ | _ | _ | 0.1 | 0.1 | _ | _ | _ | _ | - | _ | _ | _ | - | _ | 2.7 | 2.6 |
| Other assets | £m | 0.5 | 0.5 | _ | _ | - | - | - | - | _ | _ | _ | _ | - | - | _ | _ | _ | _ | _ | - | _ | _ | _ | 0.2 | 1.5 | 1.4 |
| Less funded assets (BDUK, etc.) | £m | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | _ |
| Total depreciation | £m | 13.0 | 14.7 | - | 0.1 | 1.5 | 1.4 | 3.6 | 3.7 | - | - | 0.2 | 0.1 | 0.2 | 0.2 | - | - | - | - | - | - | (0.1) | (0.1) | 0.1 | 0.3 | 42.5 | 41.4 |
| Specific items | £m | 0.6 | 0.7 | | _ | 0.1 | 0.1 | 0.1 | 0.1 | | | | | 0.1 | 0.1 | | | | | | | | | (0.1) | (0.1) | 2.0 | 2.0 |
| Total HCA operating costs | £m | 22.8 | 25.8 | | 0.2 | 4.2 | 4.1 | 5.5 | 5.6 | 1.1 | 1.0 | 0.8 | 0.5 | 3.4 | 2.7 | - | 0.3 | 0.6 | 0.1 | (0.1) | | (3.5) | (2.6) | 0.3 | 0.1) | 83.3 | 81.3 |
| Total Tick operating costs | 2111 | 22.0 | 23.0 | - | 0.2 | 4.2 | 4.1 | - | - | - 1.1 | - | - | - | - | - | - | - | - | - | (0.1) | - | (3.3) | (2.0) | - | - | - | - |
| CCA adjustments | | | | | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Holding gains | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Supplementary depreciation | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other CCA adjustments | £m | - | - | - | (0.1) | (0.1) | (0.1) | (0.2) | - | (0.1) | - 0.1 | - | - 0.2 | 0.2 | - | 0.1 | 0.1 | - 0.2 | - | - | (0.1) | (0.2) | - | - | - | (0.2) | - |
| Rounding | £m £m | 22.8 | 25.8 | - | (0.1) 0.1 | (U.1) 4.1 | (0.1) 4.0 | (0.2) 5.3 | 5.6 | 1.0 | 0.1 1.1 | 0.2 1.0 | 0.2 0.7 | 3.6 | 2.7 | 0.1 | 0.1 | 0.2 0.8 | 0.2 0.3 | (0.1) | (0.1) | | (2.6) | 0.3 | 0.5 | (0.2) 83.1 | 0.6 81.9 |
| Total CCA operating costs | ΣIII | 22.0 | 25.0 | - | | 4.1 | 4.0 | 5.3 | 5.6 | 1.0 | 1.1 | 1.0 | 0.7 | 3.0 | 2.7 | U. I | 0.4 | U.0 - | 0.3 | (0.1) | (0.1) | (3.7) | (2.0) | 0.3 | 0.5 | 03.1 | 01.9 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges | | 1.6 | 1.9 | - | - | 1.6 | 1.5 | 0.1 | 0.1 | | | 0.5 | 0.4 | - | - | - | - | - | - | - | - | - | - | - | (0.1) | 6.7 | 6.3 |
| Openreach SLGs Leaver costs | | 0.3 | 0.4 | - | - | - | - | - | - | 0.7 | 0.7 | - | - | 0.1 | - | - | - | - | - | - | - | (3.3) | (2.4) | 0.1 | 0.1 | (0.1) 1.2 | (0.1) 1.2 |
| Leaver Costs | | 0.3 | 0.4 | | | | | | | | | | | 0.1 | | | | | | | | | | 0.1 | 0.1 | 1.2 | - |
| | | Other EAD LA | A rentals | Other | rentals | I | Main link | Optical s | services - rentals | | ervices - Op nections | tical service | s - main link | Direct ECC | basket T | ime related | charges | Other ar | ncillaries | IFRS 15 c | I | IFR | S 15 SLG | F | Rounding | | Total |
| (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | revenue Ext | Int | Ext | Int | Ext | Int | Ext |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EOI input prices Attribution of PI costs | £m £m | (0.2) | (0.2) | - | - | (0.6) | (0.6) | - | - | - | - | (0.1) | (0.1) | - | - | - | - | - | - | - | - | - | - | - | - | (1.2) | (1.2) |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | 2.9 | 3.3 | - | - | 0.9 | 0.9 | 0.2 | 0.2 | 0.8 | 0.7 | 0.2 | 0.1 | 2.8 | 2.1 | 0.1 | 0.3 | 0.4 | 0.1 | - | - | (3.4) | (2.4) | - | - | 15.6 | 15.2 |
| Openreach support functions | £m | 0.1 | 0.1 | - | - | 0.3 | 0.3 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | | | _ | | 0.2 | 0.1 | | - | - | - | (0.1) | (0.1) | 1.5 | 1.6 |
| Openreach total | £m | 3.0 | 3.4 | - | - | 1.2 | 1.2 | 0.3 | 0.3 | 0.9 | 0.9 | 0.3 | 0.2 | 2.8 | 2.1 | 0.1 | 0.3 | 0.6 | 0.2 | - | - | (3.4) | (2.4) | (0.1) | (0.1) | 17.1 | 16.8 |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | 1.7 | 1.8 | - | 0.1 | 0.2 | 0.3 | 0.3 | 0.2 | 0.2 | 0.1 | (0.1) | (0.1) | 0.1 | 0.2 | (0.1) | - | (0.1) | (0.1) | (0.1) | - | 0.1 | - | 0.2 | 0.1 | 5.6 | 5.2 |
| Property and facilities | £m | 1.8 | 2.1 | - | - | 1.6 | 1.5 | 0.1 | 0.1 | - | - | 0.5 | 0.4 | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 7.3 | 6.9 |
| Technology units | £m | 2.0 | 2.2 | - | - | 0.2 | 0.2 | 0.3 | 0.3 | - | - | - | - | 0.2 | 0.1 | - | - | 0.1 | - | - | - | (0.1) | (0.1) | - | 0.2 | 6.5 | 6.3 |
| Consumer and Business | £m | 0.9 | 1.1 | - | - | - | - | 8.0 | 0.9 | - | - | - | - | - | - | - (0.4) | - | - | - (0.4) | - (0.4) | - | - | - (0.4) | 0.1 | 0.1 | 3.5 | 3.9 |

- 0.1 2.0 2.0 1.5 1.5 0.2 0.1 0.4 0.3 0.3 0.3 (0.1) - - (0.1) (0.1)

- - (0.1) 0.4 0.4 22.9 22.3

0.3 38.8 37.9

Rest of BT total

Operating cost before depreciation

8.2.3 Leased Lines Access – Area 3 Analysis of Service MCE For the year ended 31 March 2024

| | | Connection | ns - single fibre | Connectio | ns - dual Re | entals - sing | gle fibre | Rentals - du | al fibre | ı | /ain link | Pato | h panels - premises | | oanels - changes | Initial | testing | Cessation | charges | Right when | testing charges | Con | nections I | EAD 1Gbit/ | s rentals | Other EAD |) rentals | EAD LA | 1Gbit/s rentals |
|---------------------------------|----|------------|----------------------|-----------|--------------|---------------|-----------|--------------|----------|-----|-----------|------|------------------------|-----|---------------------|---------|---------|-----------|---------|------------|--------------------|-------|------------|------------|-----------|-----------|-----------|--------|--------------------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | • | • | | | | • | | | | - | • | • | • | | | - | | • | | | • | • | • | | | - | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | - | - | - | - | - | 0.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 44.9 | 39.5 | 42.1 | 38.7 | 56.1 | 48.5 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3.3 | 2.9 | 3.1 | 4.3 | 4.2 | 3.6 |
| Software | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.3 | 0.7 | 0.6 | 0.6 | 0.6 | 0.9 | 0.7 |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 |
| Right of use assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.5 | 0.5 | 1.2 | 1.1 | 1.1 | 1.1 | 1.5 | 1.3 |
| Other assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.2 | 1.2 | 1.0 | 1.0 | 1.0 | 1.5 | 1.3 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets | £m | - | - | - | - | - | 0.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.0 | 1.0 | 51.4 | 45.2 | 48.0 | 45.8 | 64.4 | 55.5 |
| Current assets | £m | - | _ | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.9 | 2.1 | 5.3 | 4.7 | 4.9 | 4.9 | 6.5 | 5.6 |
| Current liabilities | £m | - | (0.1) | - | - | - | (0.3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (2.3) | (2.6) | (5.2) | (4.6) | (4.7) | (4.7) | (6.1) | (5.3) |
| Provisions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.2) | (0.2) |
| Rounding | £m | - | _ | - | - | - | (0.1) | - | - | - | - | _ | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | - | - | - | - | (0.1) | 0.2 |
| Total MCE | £m | - | (0.1) | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.6 | 0.5 | 51.4 | 45.2 | 48.1 | 45.9 | 64.5 | 55.8 |

8.2.3 Leased Lines Access – Area 3 Analysis of Service MCE (continued) For the year ended 31 March 2024

| | | Other EAD L | A rentals | Othe | r rentals | | Main link | Optical | services - | Optical s | ervices - O | ptical servic | es - main | Direct EC | C basket | Time related | charges | Other a | ncillaries | IFRS 15 | deferred | IFF | RS15 SLG | F | Rounding | | Total |
|---------------------------------|----|-------------|-----------|------|-----------|-------|-----------|---------|------------|-----------|-------------|---------------|-----------|-----------|----------|--------------|---------|---------|------------|---------|----------|-------|----------|-------|----------|--------|--------|
| | | | | | | | | | rentals | con | nections | | link | | | | | | | | revenue | | | | | | |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | _ |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | - |
| Fibre | £m | 69.5 | 80.1 | 0.1 | 0.3 | 7.5 | 7.1 | 4.9 | 4.8 | - | - | 1.5 | 0.9 | - | - | - | - | - | - | - | - | - | - | - | - | 226.6 | 220.3 |
| Electronics | £m | 4.7 | 5.6 | - | - | - | - | 12.8 | 12.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 28.1 | 28.9 |
| Software | £m | 1.0 | 1.2 | - | - | 0.3 | 0.2 | 0.3 | 0.3 | - | - | 0.1 | - | 0.2 | 0.1 | - | - | - | - | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | 0.3 | 4.1 | 4.1 |
| Land and buildings | £m | 0.2 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.2 | 0.7 | 0.7 |
| Right of use assets | £m | 1.9 | 2.2 | - | - | 0.2 | 0.2 | 0.3 | 0.2 | - | - | 0.1 | - | 0.4 | 0.3 | - | - | - | - | - | - | - | - | 0.1 | (0.1) | 7.3 | 6.8 |
| Other assets | £m | 1.9 | 2.2 | - | - | (8.0) | (8.0) | 0.4 | 0.4 | - | 0.1 | (0.2) | (0.1) | - | - | - | - | - | - | (0.1) | (0.1) | (0.3) | (0.2) | 0.1 | (0.1) | 4.9 | 4.9 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | _ |
| Total non-current assets | £m | 79.2 | 91.5 | 0.1 | 0.3 | 7.2 | 6.7 | 18.7 | 18.2 | - | 0.1 | 1.5 | 0.8 | 0.6 | 0.4 | - | - | - | - | (0.2) | (0.2) | (0.4) | (0.3) | 0.2 | 0.3 | 271.7 | 265.7 |
| Current assets | £m | 8.0 | 9.2 | _ | _ | 1.9 | 1.8 | 2.9 | 2.8 | 0.2 | 0.3 | 0.4 | 0.3 | 1.0 | 0.7 | 0.1 | 0.1 | 0.1 | 0.1 | (0.1) | 0.2 | (0.1) | (0.1) | 0.1 | (0.1) | 33.1 | 32.7 |
| Current liabilities | £m | (7.5) | (8.7) | - | - | (3.1) | (2.9) | (2.0) | (1.7) | (0.4) | (0.5) | (0.7) | (0.5) | (1.0) | (0.7) | (0.1) | (0.1) | (0.2) | (0.2) | (15.6) | (17.5) | 0.2 | 0.2 | (0.2) | (0.1) | (48.9) | (50.3) |
| Provisions | £m | (0.2) | (0.3) | - | - | - | - | - | - | - | - | - | - | (0.1) | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.9) | (0.9) |
| Rounding | £m | (0.1) | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 | - | (0.1) | - | 0.1 | - | - | - | - | - | 0.1 | - | - | (0.1) | (0.1) | 0.1 | 0.1 | 0.4 |
| Total MCE | £m | 79.4 | 91.7 | 0.1 | 0.3 | 6.0 | 5.7 | 19.7 | 19.4 | (0.1) | (0.1) | 1.1 | 0.6 | 0.6 | 0.4 | _ | - | (0.1) | (0.1) | (15.8) | (17.5) | (0.3) | (0.3) | (0.1) | 0.1 | 255.1 | 247.6 |

8.2.3 Leased Lines Access – Area 3 Analysis of Service MCE Restated for the year ended 31 March 2023

| | | Connection | ns - single fibre | Connection | ns - dual R fibre | entals - sing | gle fibre | Rentals - c | ual fibre | | Main link | | h panels - premises | Patch exc | anels - hanges | Initial | testing | Cessation | charges | Right when | testing charges | Con | nections | EAD 1Gbit/ | s rentals | Other EAL | rentals | EADLA | 1Gbit/s rentals |
|---------------------------------|----|------------|----------------------|------------|----------------------|---------------|-----------|-------------|-----------|-----|-----------|-----|------------------------|-----------|-------------------|---------|---------|-----------|---------|------------|--------------------|-------|----------|------------|-----------|-----------|---------|-------|--------------------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | • | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 36.7 | 32.9 | 40.5 | 36.0 | 41.5 | 31.8 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3.6 | 3.2 | 3.5 | 4.5 | 4.1 | 3.2 |
| Software | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.3 | 0.7 | 0.6 | 0.7 | 0.7 | 0.7 | 0.6 |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Right of use assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.5 | 0.6 | 1.3 | 1.2 | 1.4 | 1.3 | 1.5 | 1.1 |
| Other assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.5 | 0.4 | 1.5 | 1.3 | 1.5 | 1.4 | 1.7 | 1.3 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets | £m | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.3 | 1.3 | 43.9 | 39.3 | 47.7 | 44.0 | 49.6 | 38.1 |
| Current assets | £m | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2.4 | 2.5 | 7.2 | 6.4 | 7.7 | 7.4 | 8.0 | 6.2 |
| Current liabilities | £m | - | (0.2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (1.8) | (2.1) | (4.4) | (3.9) | (4.6) | (4.4) | (4.8) | (3.7) |
| Provisions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) | (0.2) | (0.1) |
| Rounding | £m | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.1) | - | 0.1 | (0.1) |
| Total MCE | £m | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.8 | 1.6 | 46.5 | 41.6 | 50.6 | 46.9 | 52.7 | 40.4 |

8.2.3 Leased Lines Access – Area 3 Analysis of Service MCE (continued) Restated for the year ended 31 March 2023

| | | Other EAD L | A rentals | Othe | er rentals | ļ | Main link | Optical s | | | services - O | ptical servic | es - main | Direct EC | C basket | Time related | l charges | Other ar | ncillaries | IFRS 15 | deferred | IFR | S15 SLG | F | Rounding | | Total |
|---------------------------------|----|-------------|-----------|------|------------|-------|-----------|-----------|---------|-------|--------------|---------------|-----------|-----------|----------|--------------|-----------|----------|------------|---------|----------|-------|---------|-------|----------|--------|--------|
| | | | | | | | | | rentals | con | nections | | link | | | | | | | | revenue | | | | | | |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Fibre | £m | 66.6 | 75.1 | 0.2 | 0.5 | 8.3 | 8.0 | 3.8 | 4.0 | - | - | 1.5 | 1.0 | - | - | - | - | - | - | - | - | - | - | - | 0.4 | 199.1 | 189.8 |
| Electronics | £m | 6.0 | 6.9 | - | - | - | - | 10.6 | 11.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | 27.8 | 28.9 |
| Software | £m | 1.2 | 1.3 | - | - | 0.3 | 0.2 | 0.3 | 0.4 | - | - | - | - | 0.1 | 0.1 | - | - | - | - | (0.1) | (0.1) | (0.2) | (0.1) | 0.1 | 0.1 | 4.1 | 4.1 |
| Land and buildings | £m | 0.2 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | _ | 0.1 | 0.1 | 0.6 | 0.6 |
| Right of use assets | £m | 2.3 | 2.6 | - | - | 0.2 | 0.2 | 0.2 | 0.2 | - | - | - | - | 0.3 | 0.3 | - | - | 0.1 | - | - | - | - | - | 0.2 | 0.2 | 8.0 | 7.7 |
| Other assets | £m | 2.7 | 3.0 | - | - | (1.8) | (1.7) | 0.5 | 0.5 | 0.1 | 0.1 | (0.3) | (0.2) | 0.1 | 0.1 | - | - | - | - | (0.1) | (0.1) | (0.4) | (0.3) | (0.1) | 0.1 | 5.9 | 5.9 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | _ | - | - | - | _ |
| Total non-current assets | £m | 79.0 | 89.1 | 0.2 | 0.5 | 7.0 | 6.7 | 15.4 | 16.3 | 0.1 | 0.1 | 1.2 | 8.0 | 0.5 | 0.5 | - | - | 0.1 | - | (0.2) | (0.2) | (0.6) | (0.4) | 0.3 | 0.8 | 245.5 | 237.0 |
| Current assets | £m | 12.7 | 14.3 | _ | 0.1 | 1.9 | 1.8 | 3.3 | 3.4 | 0.4 | 0.6 | 0.5 | 0.3 | 1.1 | 0.8 | _ | 0.1 | 0.3 | 0.1 | _ | (0.1) | (0.1) | (0.1) | _ | 0.2 | 45.4 | 44.1 |
| Current liabilities | £m | (7.6) | (8.5) | - | (0.1) | (1.9) | (1.8) | (1.9) | (1.8) | (0.6) | (1.1) | (8.0) | (0.6) | (8.0) | (0.6) | - | (0.1) | (0.4) | (0.2) | (17.6) | (14.4) | 0.3 | 0.2 | - | - | (46.9) | (43.3) |
| Provisions | £m | (0.2) | (0.3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (8.0) | (0.8) |
| Rounding | £m | (0.1) | 0.1 | _ | 0.1 | 0.1 | 0.1 | 0.1 | - | 0.1 | 0.1 | - | 0.1 | - | (0.1) | - | 0.1 | - | 0.1 | - | - | - | - | - | (0.9) | 0.1 | (0.4) |
| Total MCE | £m | 83.8 | 94.7 | 0.2 | 0.6 | 7.1 | 6.8 | 16.9 | 17.9 | - | (0.3) | 0.9 | 0.6 | 0.8 | 0.6 | - | 0.1 | - | - | (17.8) | (14.7) | (0.4) | (0.3) | 0.2 | - | 243.3 | 236.6 |

8.3.1 Leased Lines Access – High Network Reach Summary For the year ended 31 March 2024

| | Internal revenue | External revenue | Total revenue | Internal volume | External volume | Measure | Internal average price | External average price |
|--------------------------------|------------------|------------------|---------------|-----------------|-----------------|---------|------------------------|------------------------|
| | £m | £m | £m | | | | £ | <u>£</u> |
| Ethernet services | | | | | | | | |
| Connections | 3.0 | 2.7 | 5.7 | 1,419 | 1,208 | ccts | 2,142.04 | 2,268.37 |
| EAD 1Gbit/s rentals | 1.3 | 2.7 | 4.0 | 642 | 1,279 | ccts | 2,084.59 | 2,086.82 |
| Other EAD rentals | 1.3 | 2.1 | 3.4 | 450 | 758 | ccts | 2,887.02 | 2,772.90 |
| EAD LA 1Gbit/s rentals | 6.2 | 5.4 | 11.6 | 3,725 | 3,222 | ccts | 1,665.49 | 1,667.01 |
| Other EAD LA rentals | 6.7 | 5.2 | 11.9 | 3,845 | 2,963 | ccts | 1,753.22 | 1,768.28 |
| Other rentals | - | - | - | 4 | 18 | ccts | 3,940.20 | 1,131.44 |
| Main link | 0.5 | 0.8 | 1.3 | 2,667 | 4,056 | km | 204.93 | 204.97 |
| Total Ethernet services | 19.0 | 18.9 | 37.9 | | | | | |
| | | | | | | | | |
| Optical services - rentals | 2.6 | 0.4 | 3.0 | 1,229 | 298 | ccts | 2,109.75 | 1,487.47 |
| Optical services - connections | 0.3 | 0.4 | 0.7 | 106 | 75 | ccts | 3,112.25 | 4,959.36 |
| Optical services - main link | 0.6 | 0.3 | 0.9 | 2,017 | 899 | km | 297.77 | 286.82 |
| | | | | | | | | |
| Direct ECCs | 0.9 | 0.5 | 1.4 | (ux) | (ux) | (ux) | (sx) | (sx) |
| Time related charges | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) |
| Other ancillaries1 | 0.6 | 0.4 | 1.0 | (ux) | (ux) | (ux) | (sx) | (sx) |
| IFRS 15 deferred revenue | (0.4) | 0.7 | 0.3 | (ux) | (ux) | (ux) | (sx) | (sx) |
| IFRS 15 SLG | (0.5) | (0.4) | (0.9) | (ux) | (ux) | (ux) | (sx) | (sx) |
| Rounding | 0.1 | - | 0.1 | | | | | |
| Total LLA High network reach | 23.2 | 21.2 | 44.4 | | | | | |

Notes:¹Ancillary services where individual service total revenue is less than £5m can be aggregated and reported together.

8.3.1 Leased Lines Access – High Network Reach Summary Restated for the year ended 31 March 2023

| | Internal revenue | External revenue | Total revenue | Internal volume | External volume | Measure | Internal average price | External average price |
|--------------------------------|------------------|------------------|---------------|-----------------|-----------------|---------|------------------------|------------------------|
| | £m | £m | £m | | | | £ | £ |
| Ethernet services | | | | | | | | |
| Connections | 2.8 | 3.0 | 5.8 | 1,384 | 1,484 | ccts | 2,020.01 | 2,041.92 |
| EAD 1Gbit/s rentals | 1.1 | 2.4 | 3.5 | 544 | 1,239 | ccts | 1,942.07 | 1,943.11 |
| Other EAD rentals | 1.1 | 2.0 | 3.1 | 447 | 854 | ccts | 2,492.32 | 2,383.73 |
| EAD LA 1Gbit/s rentals | 5.2 | 4.5 | 9.7 | 3,198 | 2,811 | ccts | 1,616.35 | 1,617.44 |
| Other EAD LA rentals | 6.4 | 5.0 | 11.4 | 4,210 | 3,252 | ccts | 1,522.89 | 1,535.42 |
| Other rentals | 0.1 | - | 0.1 | 42 | 33 | ccts | 3,168.01 | 1,017.23 |
| Main link | 0.5 | 0.8 | 1.3 | 2,728 | 4,366 | km | 189.28 | 187.72 |
| Total Ethernet services | 17.2 | 17.7 | 34.9 | , | , | | | |
| | | | | | | | | |
| Optical services - rentals | 2.6 | 0.4 | 3.0 | 1,216 | 234 | ccts | 2,101.11 | 1,702.53 |
| Optical services - connections | 0.3 | 0.2 | 0.5 | 79 | 40 | ccts | 3,394.35 | 5,636.60 |
| Optical services - main link | 0.6 | 0.2 | 0.8 | 2,212 | 617 | km | 287.93 | 256.54 |
| Direct ECCs | 0.8 | 0.5 | 1.3 | (ux) | (ux) | (ux) | (sx) | (sx) |
| Time related charges | - | 0.1 | 0.1 | (ux) | (ux) | (ux) | (sx) | (sx) |
| Other ancillaries ¹ | 0.7 | 0.3 | 1.0 | (ux) | (ux) | (ux) | (sx) | (sx) |
| IFRS 15 deferred revenue | (0.2) | - | (0.2) | (ux) | (ux) | (ux) | (sx) | (sx) |
| IFRS 15 SLG | (0.6) | (0.4) | (1.0) | (ux) | (ux) | (ux) | (sx) | (sx) |
| Rounding | (0.0) | (0.4) | (1.0) | (un) | (u/) | (un) | (3//) | (31) |
| • | | | 40.4 | | | | | |
| Total LLA High network reach | 21.4 | 19.0 | 40.4 | | | | | |

Notes:¹Ancillary services where individual service total revenue is less than £5m can be aggregated and reported together.

| Section 9: Review of Inter-Exchange Connectivity Markets | |
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9.1.1 IEC – BT Only Exchanges Summary For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|-------------------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | price £ | £ | £m | £m | £m | £m | % | % |
| Dark Fibre services | | | | | | | | | | | | | · | <u> </u> |
| Connections - single fibre | - | 0.2 | 0.2 | - | 398 | ccts | - | 399.55 | - | 0.1 | - | (0.1) | - | (107.6)% |
| Connections - dual fibre | - | 0.1 | 0.1 | - | 159 | ccts | - | 657.76 | - | - | - | - | - | (242.6)% |
| Rentals - single fibre | - | 0.1 | 0.1 | - | 1,630 | ccts | - | 37.44 | - | - | - | - | - | (180.3)% |
| Rentals - dual fibre | - | 0.1 | 0.1 | - | 1,453 | ccts | - | 75.00 | - | - | - | - | - | (457.8)% |
| Main link | - | 8.8 | 8.8 | - | 46,177 | km | - | 190.92 | - | 5.6 | - | 1.2 | - | 267.1% |
| Patch panels - customer premises | - | - | - | - | - | ccts | - | - | - | - | - | - | - | _ |
| Patch panels - exchanges | - | - | - | - | 3,082 | ccts | - | - | - | - | - | - | - | _ |
| Initial testing | - | - | - | - | 557 | ccts | - | - | - | 0.1 | - | - | - | (1,019.1)% |
| Cessation charges | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Right when tested charges | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Dark Fibre IFRS 15 deferred revenue | - | 0.5 | 0.5 | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | (0.2) | - | (197.1)% |
| Dark Fibre IFRS 15 SLG | - | (0.2) | (0.2) | (ux) | (ux) | (ux) | (sx) | (sx) | - | (0.2) | - | - | - | (69.6)% |
| Ethernet services basket | | | | | | | | | | | | | | |
| Connections | 1.3 | 0.3 | 1.6 | 239 | 102 | ccts | 5,629.82 | 3,127.55 | 0.3 | 0.1 | - | - | 27,025.8% | (14,384.6)% |
| EAD 1Gbit/s rentals | 12.9 | 3.3 | 16.2 | 6,209 | 1,590 | ccts | 2,069.69 | 2,094.31 | 2.5 | 0.6 | 2.6 | 0.7 | 393.5% | 400.1% |
| Other EAD rentals | 2.2 | 2.2 | 4.4 | 652 | 583 | ccts | 3,305.40 | 3,838.74 | 0.7 | 0.8 | 0.9 | 0.9 | 159.5% | 162.8% |
| EAD LA 1Gbit/s rentals | 0.1 | - | 0.1 | 38 | 17 | ccts | 1,667.92 | 1,664.34 | - | - | - | - | 290.1% | 289.1% |
| Other EAD LA rentals | - | - | - | 22 | 16 | ccts | 1,667.64 | 1,667.61 | - | - | - | - | 327.5% | 327.4% |
| Other rentals | 41.2 | 4.1 | 45.3 | 3,037 | 435 | ccts | 13,574.82 | 9,449.75 | 24.0 | 2.3 | 41.3 | 4.1 | 41.7% | 42.6% |
| Main link | 15.7 | 4.3 | 20.0 | 76,774 | 21,173 | km | 204.93 | 204.00 | 5.5 | 1.5 | 3.3 | 0.9 | 312.6% | 308.9% |
| Other services | | - | <u>-</u> | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | - | - | |
| Total Ethernet services basket | 73.4 | 14.2 | 87.6 | | | | | | 33.0 | 5.3 | 48.1 | 6.6 | 83.8% | 135.9% |
| Optical services - rentals | 7.1 | 7.7 | 14.8 | 2,399 | 6,946 | ccts | 2,963.55 | 1,105.96 | 1.8 | 4.7 | 6.2 | 18.7 | 86.5% | 15.7% |
| Optical services - connections | 0.8 | 3.4 | 4.2 | 258 | 795 | ccts | 2,987.83 | 4,214.55 | 0.2 | 0.7 | - | (0.1) | (2,840.8)% | (2,520.1)% |
| Optical services - main link | 4.5 | 6.1 | 10.6 | 15,492 | 22,043 | km | 293.19 | 278.69 | 1.1 | 1.6 | 0.5 | 0.7 | 726.2% | 661.5% |
| Direct ECC basket | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | - | - | - |
| Time related charges | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | - | - | - |
| Other ancillaries . | 1.3 | 0.4 | 1.7 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.4 | 0.1 | - | - | (2,362.4)% | (1,718.6)% |
| Ethernet IFRS 15 deferred revenue | 1.3 | 6.1 | 7.4 | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | (2.8) | (5.4) | (45.9)% | (114.1)% |
| Ethernet IFRS 15 SLG | (0.2) | (0.4) | (0.6) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.2) | (0.4) | - | - | (69.6)% | (69.6)% |
| Rounding | (0.1) | 0.2 | 0.1 | | | | | | - | 0.1 | (0.1) | (0.1) | - | - |
| Total IEC – BT Only Exchanges | 88.1 | 47.3 | 135.4 | | | | | | 36.3 | 17.7 | 51.9 | 21.3 | 99.9% | 139.1% |
| | | | | | | | | | | | | | | |

9.1.1 IEC – BT Only Exchanges Summary Restated for the year ended 31 March 2023

| Data Fibre services | | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|--|--------------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| Connections - single Riber - 0.3 0.3 - 741 ccts - 373.74 - 0.1 666.99 Connections - single Riber - 0.2 0.2 - 400 ccts - 61.44 - 0.1 1.66.99 Connections - single Riber 1.66.99 Ccts 1.66.99 Ccts 1.66.99 Ccts | | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Conceptions - dual flutes | Dark Fibre services | | | | | | | | | | | | | | _ |
| Pentals single filter | Connections - single fibre | - | 0.3 | 0.3 | - | 741 | ccts | - | 373.74 | - | 0.1 | - | - | - | (648.9)% |
| Remarks-dual-fluther - 0.1 | Connections - dual fibre | - | 0.2 | 0.2 | - | 400 | ccts | - | 621.44 | - | 0.1 | - | - | - | (2,966.8)% |
| Main link | | - | - | - | - | 1,165 | ccts | - | | - | - | - | - | - | |
| Patch panels - customer premises | | - | ••• | | - | | ccts | - | | - | - | - | - | - | |
| PACH panels exchanges | | - | 4.2 | 4.2 | - | 26,030 | km | - | 159.85 | - | 1.2 | - | 1.8 | - | 163.0% |
| Milate lesting | | - | - | - | - | | | - | - | - | - | - | - | - | - |
| Cestation charges | | - | - | - | - | | ccts | - | - | - | | - | | - | |
| Part | | - | - | - | - | 1,141 | ccts | - | - | - | 0.3 | - | 0.1 | - | (454.9)% |
| Dark Fiber RFS 15 deferred revenue - (0.4) (0.4) (0.4) (0.8) (0. | | - | - | - | - | - | ccts | - | - | - | - | - | - | - | - |
| Ethemsterices basket | | - | - | | - | | | | - | - | - | - | | - | - |
| Connections | | - | | | | | | | | - | | - | (0.3) | - | |
| Connections | Dark Fibre IFRS 15 SLG | - | (0.1) | (0.1) | (ux) | (ux) | (ux) | (sx) | (sx) | - | (0.1) | - | - | - | (82.9)% |
| EAD Clobit/serentals | | | | | | | | | | | | | | | |
| Cher FAD Francis Cher FAD Fr | | | | | | | ccts | | | | | | - | | |
| EADLA Technols | | | | 15.6 | | | ccts | | | | | | 1.2 | | |
| Other EAD LA rentals - - - - 26 19 ccts 1,458,81 1,458,09 - | | | 2.4 | | | | | | | 0.9 | 1.0 | 1.2 | 1.4 | | |
| Other rentals 34,4 6,8 41,2 2,953 739 ccts 11,645,16 9,244,88 16,3 3,2 42,5 8,6 42,7% 41 | | 0.1 | - | 0.1 | 35 | 15 | ccts | | | - | - | - | - | 188.4% | |
| Main link Other services | | - | - | | | | ccts | | | | | | | | |
| Other services | | | | | | | | | | | | | | | |
| Total Ethernet services basket 64.8 18.2 83.0 2.349 5.909 ccts 2.860.51 1.553.50 2.3 5.7 6.4 16.6 69.4% 21.1% | | 14.2 | 4.7 | 18.9 | | | | | | 2.4 | 0.8 | 4.1 | 1.3 | 288.4% | 292.7% |
| Optical services - rentals 6.7 9.2 15.9 2,349 5,909 ccts 2,860.51 1,553.50 2.3 5.7 6.4 16.6 69.4% 21.1% Optical services - connections 0.6 16.9 17.5 162 3,874 ccts 3,885.81 4,361.52 0.2 2.4 - (0.7) (20,845.3)% (2,125.0)% Optical services - main link 4.2 5.4 9.6 15,080 21,299 km 278.24 251.28 0.7 0.9 0.5 0.8 641.1% 555.2% Optical services - main link 5.2 0.2 0.2 0.2 0.2 0.2 0.2 0.2 0.2 0.2 0 | | | | | (ux) | (ux) | (ux) | (sx) | (sx) | | | | | | _ |
| Optical services - connections 0.6 16.9 17.5 162 3,874 ccts 3,885.81 4,361.52 0.2 2.4 - (0.7) (20,845.3)% (2,125.0)% Optical services - main link 4.2 5.4 9.6 15,080 21,299 km 278.24 251.28 0.7 0.9 0.5 0.8 641.1% 555.2% Direct ECC basket - - - - (ux) (ux) (ux) (sx) (sx) - | Total Ethernet services basket | 64.8 | 18.2 | 83.0 | | | | | | 22.8 | 5.9 | 51.8 | 12.5 | 81.1% | 97.3% |
| Optical services - connections 0.6 16.9 17.5 162 3,874 ccts 3,885.81 4,361.52 0.2 2.4 - (0.7) (20,845.3)% (2,125.0)% Optical services - main link 4.2 5.4 9.6 15,080 21,299 km 278.24 251.28 0.7 0.9 0.5 0.8 641.1% 555.2% Direct ECC basket - <td>Optical services - rentals</td> <td>6.7</td> <td>9.2</td> <td>15.9</td> <td>2,349</td> <td>5,909</td> <td>ccts</td> <td>2,860.51</td> <td>1,553.50</td> <td>2.3</td> <td>5.7</td> <td>6.4</td> <td>16.6</td> <td>69.4%</td> <td>21.1%</td> | Optical services - rentals | 6.7 | 9.2 | 15.9 | 2,349 | 5,909 | ccts | 2,860.51 | 1,553.50 | 2.3 | 5.7 | 6.4 | 16.6 | 69.4% | 21.1% |
| Optical services - main link 4.2 5.4 9.6 15,080 21,299 km 278.24 251.28 0.7 0.9 0.5 0.8 641.1% 555.2% Direct ECC basket - | Optical services - connections | 0.6 | 16.9 | 17.5 | 162 | 3,874 | ccts | 3,885.81 | 4,361.52 | | 2.4 | - | (0.7) | (20,845.3)% | (2,125.0)% |
| Time related charges (ux) (ux) (ux) (ux) (ux) (sx) | Optical services - main link | 4.2 | | | 15,080 | 21,299 | | | | | | 0.5 | | | |
| Time related charges (ux) (ux) (ux) (ux) (ux) (sx) | Direct ECC basket | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | _ | - | _ |
| Other ancillaries 1.7 1.2 2.9 (ux) (ux) (ux) (sx) (sx) 1.1 0.2 0.1 - 1,133.9% (30,807.6)% Ethernet IFRS 15 deferred revenue 1.7 (5.7) (4.0) (ux) (ux) (ux) (sx) - - - (4.1) (6.7) (42.0)% 84.1% Ethernet IFRS 15 SLG (0.3) (1.1) (1.4) (ux) (ux) (ux) (ux) (sx) (sx) (0.3) (1.2) - (0.1) (82.9)% Rounding - (0.4) (0.4) (0.4) (0.4) (0.4) (0.4) (0.4) (0.4) | | - | - | - | | | | | | - | - | - | - | - | - |
| Ethernet IFRS 15 deferred revenue 1.7 (5.7) (4.0) (ux) (ux) (ux) (ux) (sx) (4.1) (6.7) (42.0)% 84.1% Ethernet IFRS 15 SLG (0.3) (1.1) (1.4) (ux) (ux) (ux) (ux) (sx) (sx) (sx) (0.1) (82.9)% (82.9)% Rounding - (0.4) (0.4) (0.4) | | 1.7 | 1.2 | 2.9 | | | | | | 1.1 | 0.2 | 0.1 | - | 1,133.9% | (30,807.6)% |
| Ethernet IFRS 15 SLG (0.3) (1.1) (1.4) (ux) (ux) (ux) (sx) (sx) (0.3) (1.2) - (0.1) (82.9)% (82.9)% Rounding - (0.4) (0.4) (0.4) (0.4) | | | | | | , , | , , | | | _ | | | (6.7) | | |
| Rounding | | | | | | | | | | (0.3) | (1.2) | | | | |
| | | , , | | • • | | | , , | , , | . , | | | - | , , | | - |
| | Total IEC – BT Only Exchanges | 79.4 | 48.0 | | | | | | | | 15.9 | 54.7 | 24.0 | 96.3% | 133.5% |

9.1.2 IEC – BT Only Exchanges Analysis of Service Cost For the year ended 31 March 2024

| | | gle fibre | nnections | fibre | Rentals - sing fib | | - duat ribre | ivialii (iii | fibre) cı | Paten pane stomer prem | | exchanges | mitiatte | esting | essation charge | ESINIGITO | | s defer | | | | SLG | Connec | ernet) | | rentals | tner EAD rentals |
|--|-----------------------|------------------------------------|---|---------------------------------|--|---|----------------------------|---|---|--|---------------------------------|-------------------------------------|---------------------------------|-------------------------|---|--------------------------------|--|-----------------------------|--|------------------------|-----------------------------------|----------------------------------|----------------------------------|-------------------------|----------------------------------|---|---|
| (i) Operating costs by type | Int | Ext | Int | Ext | | _ | nt Ext | Int | Ext | | | nt Ext | Int | Ext | Int E | xt I | nt Ex | | | | Int | Ext | Int | Ext | Int | Ext | Int Ex |
| (,, = p======= g===== = , =,p== | | | | | | | | | | 1 | | | | | | | | - | - | | | | | | | | |
| EOI input prices £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Attribution of PI costs £m | - | - | - | - | - | - | | - | 2.9 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Wages and salaries £m | - | 0.1 | - | - | - | - | | - | 0.7 | - | - | | - | 0.1 | - | - | - | - | - | - | - | - | 0.1 | - | 0.6 | 0.1 | 0.2 0.2 |
| Social security costs £m | - | - | - | - | - | - | | - | 0.1 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - |
| Other pension costs £m Share-based payment expense £m | - | - | - | - | - | - | | - | 0.1 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - |
| Own work capitalised £m | - | (0.1) | - | - | - | - | - | - | (0.2) | - | - | | - | (0.1) | - | - | - | - | - | - | _ | - | (0.1) | - | (0.3) | (0.1) | (0.1) (0.1 |
| Net indirect labour costs £m | _ | (0.1) | _ | _ | _ | _ | | _ | (0.2) | _ | _ |]] | | (0.1) | _ | _ | | _ | | _ | _ | _ | (0.1) | _ | (0.5) | (0.1) | (0.1) (0.1 |
| Product costs £m | _ | _ | _ | _ | _ | _ | | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Sales commissions £m | _ | - | - | - | - | - | | - | - | - | - | | _ | - | - | - | - | - | - | - | - | - | - | - | - | _ | |
| Payments to telecommunications operators £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Property and energy costs £m | - | - | - | - | - | - | | - | 0.4 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.1 | |
| Network operating and IT costs £m | - | - | - | - | - | - | | - | 0.2 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | |
| TV programme rights charges £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Provision and installation £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Marketing and sales £m | - | - | - | - | - | - | | - | | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | | - | - |
| Net impairment of losses on TR and contract assets £m | - | - | - | - | - | - | | - | 0.2 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | |
| Other operating costs £m | - | - | - | - | - | - | | - | 0.3 | - | - | | - | 0.1 | - | - | - | - | - | - | - | (0.2) | 0.2 | - | 0.2 | 0.1 | 0.1 0.1 |
| Other operating income £m | _ | - | - | - | - | - | | - | - 47 | - | - | | - | - 0 1 | - | - | - | - | - | - | - | (0.2) | | - | - 11 | - 0.2 | |
| Total operating costs before depreciation £m | - | - | - | - | - | - | - | - | 4.7 | - | - | | - | 0.1 | - | - | - | - | - | - | - | (0.2) | 0.2 | - | 1.1 | 0.2 | 0.2 0.2 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | - | - | _ | _ | - | _ | | - | _ | - | _ | | _ | _ | - | _ | _ | _ | _ | _ | - | _ | _ | _ | _ | _ | |
| Poles £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | |
| Copper £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Fibre £m | - | - | - | - | - | - | | - | 0.5 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Electronics £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 1.0 | 0.3 | 0.4 0.4 |
| Software £m | - | - | - | - | - | - | | - | 0.1 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | |
| Land and buildings £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Right of use assets £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | |
| Other assets £m | - | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | |
| Less funded assets (BDUK, etc.) £m | | - | - | - | - | - | | - | - | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total depreciation £m | - | - | - | - | - | - | | - | 0.6 | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | 1.3 | 0.3 | 0.4 0.4 |
| Specific items £m | | | | | | | | | 0.2 | | | | | | | | | | | | | | | | 0.1 | | |
| Specific items £m Total HCA operating costs £m | | | | | | | | - | 0.3 5.6 | | | | | 0.1 | | | | | | | | (0.2) | 0.2 | - | 0.1 2.5 | 0.5 | 0.6 0.6 |
| | - | - | - | - | - | - | | - | 5.6 | - | - | | - | 0.1 | - | - | - | - | - | - | - | (0.2) | 0.2 | - | 2.5 | 0.5 | 0.6 0.6 |
| Total new operating costs | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CCA adjustments | - | _ | _ | _ | _ | _ | | _ | _ | _ | _ | | _ | _ | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| | - | - - | - - | - - | - - | - - | | - | - | - | - | | - | - | - | - | - | - | - | - | - - | - | - | - | - | - | - · |
| CCA adjustments Holding gains £m | - - - | - - - | - - - | - - - | - - - | - - | | - - - | - - - | - - - | - - | | - - - | - - - | - - - | - - | - - - | - - | - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - · |
| CCA adjustments Holding gains £m Supplementary depreciation £m | - - - - | - - - 0.1 | - - - | - - - | - - - - | - - - | | - - - | - - - | - - - | - - - | | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - 0.1 | - - - 0.1 | - - - | - - - 0.1 | - 0.1 0.2 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m | - - - - | | - - - - | - - - - | - - - - | - - - | | - - - - | - - - - 5.6 | - - - - | - - - - | | - - - - | - - - - 0.1 | - - - - | - - - - | - - - | - - - | - - - | - - - - | - - - - | (0.2) | - - - 0.1 | - - 0.1 | - - - - 2.5 | 0.1 0.6 | 0.1 0.2 0.7 0.8 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m | | | - - - - - | - - - - - | - - - - | - - - - | | - - - - - | - - - - 5.6 | - - - - - | - - - - | | - - - - - | - - - - 0.1 | - - - - - | - - - - | - - - - | - - - - | - - - - | - - - - | - - - - | (0.2) | | | 2.5 | | |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m | - - - - - | | - - - - - | - - - - - | | - - - - - | | - - - - | - - - - - 5.6 | - - - - - | - - - - | | - - - - - | - - - - 0.1 | - - - - - | - - - - | - | - - - - | - - - - | - - - - | - - - - | (0.2) | | | 2.5 | | |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m | - | | - - - - - | - - - - - | - | - - - - - | | - - - - - | 5.6 0.4 | - - - - - | - - - - - | | - - - - - | 0.1 | - - - - - | - | - - - - | - - - - | - - - - | - - - - | - | - - | 0.3 | | 2.5 | | |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | | | | - - - - - - | - - - - - - - - - - - - - - - - | - | | - | - | - - - - - | - - - - - | | - | 0.1 | - - - - - - - | - - - - | - - - - - | - - - - - | - - - - | - - - - - | - | (0.2) | 0.3 | | 2.5 | | |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m | - 1 - 2 - 2 | | - | - - - - - - - | - - - - - - | - - - - - | | - - - - - - - | - | - | - - - - - - - | | - - - - - - - | 0.1 | - - - - - - - | - - - - - - | - - - - - - | - - - - - | - - - - - - - | - | - | - - | 0.3 | | - - 2.5 - - - | | |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | | | - - - | - - - | - - - | - - - | | - - - | 0.4 | - - - | - - - | | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | (0.2) | 0.3 - 0.2 - | - - - | - - - | 0.6 - - - | 0.7 0.8 - - - |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | - - - Conne | 0.1 - - - ections - Co | - - - - - - - - - | - - - - dual I | - - - - Rentals - sing | - - - - gle Rentals | | - - - | 0.4 - - - nk (dark | - - - - Patch pane | - - - - Pals - Pa | | - - - | - - - | - - - - - - - - | - - - | - - - - vhen testin | - - - g Dark fi | - - - ibre IFRS | - - - 15 Dark | - - - k fibre IFI | - (0.2) - | 0.3 - 0.2 - | 0.1 | - - - - EAD 1 | 0.6 - - - Gbit/s O | |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m | Conne | 0.1 | - - - - onnections | - - - dual I fibre | - - - - Rentals - sing fib | - - - - gle Rentals | | - - - Main lin | 0.4 - - nk (dark fibre) cu | - - - Patch pane | - - - els - Pa | tch panels - | - - - Initial to | esting Co | - - - - essation charge | - - - - es Right w | - - - - vhen testin charge | g Dark fi | - - - - ibre IFRS red reven | - - - 15 Dark | - - - k fibre IF | (0.2) - RS15 SLG | 0.3 - 0.2 - | 0.1 | - - - - EAD 1 | 0.6 - - - Gbit/s rentals | 0.7 0.8 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | - - - Conne | 0.1 - - - ections - Co | - - - | - - - - dual I | - - - - Rentals - sing fib | - - - - gle Rentals | | - - - Main lin | 0.4 - - - nk (dark | - - - Patch pane | - - - els - Pa | | - - - Initial to | - - - | - - - - essation charge | - - - - es Right w | - - - - vhen testin | g Dark fi | - - - - ibre IFRS red reven | - - - 15 Dark | - - - k fibre IF | - (0.2) - | 0.3 - 0.2 - | 0.1 | - - - - EAD 1 | 0.6 - - - Gbit/s O | 0.7 0.8 - - - |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m | Conne | 0.1 | - - - - onnections | - - dual I | - - - Rentals - sing fib Int E | - - - yle Rentals ore ixt Ir | | Main lin | 0.4 - - nk (dark fibre) cu | - - - Patch pane | els - Pa ises Ext I | tch panels - | - - - Initial to | esting Co | - - - essation charge Int E | - - - - es Right w | - - - - vhen testin charge nt Ex | g Darkfi s defer | ibre IFRS red reven | 15 Dark | - - - k fibre IF | (0.2) - RS15 SLG | 0.3 - 0.2 - | 0.1 | - - - - EAD 1 | Gbit/s O | 0.7 0.8 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m | Conne sint | 0.1 | - - - onnections Int | - dual I fibre | - - - Rentals - sing fib Int E | - - - yle Rentals ore ixt Ir | - dual fibre | Main lin | 0.4 - nk (dark fibre) cu Ext | - - - Patch pane istomer prem Int | els - Pa ises Ext I | tch panels - exchanges | - - - Initial to | esting Co | - - - essation charge Int E | es Right w | vhen testin charge nt Ex | g Darkfi s defer | ibre IFRS red reven | 15 Dark | - - - k fibre IFI | (0.2) | 0.3 O.2 Connec (ethe | o.1 | EAD 1 | Gbit/s O | 0.7 0.8 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Fm Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PIA costs | Conne sint | o.1 | - - - onnections Int | - dual I fibre Ext | - - - Rentals - sing fib Int E | - - - yle Rentals ore ixt Ir | - dual fibre | - - - Main lin | 0.4 - - nk (dark fibre) cu Ext | - - - Patch pane istomer prem Int | els - Pa ises Ext I | tch panels - exchanges | - - - Initial to | esting Co | - - - essation charge Int E | es Right w | vhen testin charge nt Ex | g Darkfi s defer | ibre IFRS red reven | 15 Dark | - - - k fibre IFI | (0.2) - RS15 SLG Ext | 0.3 - 0.2 - Connec (ether int) | o.1 | EAD 1 | Gbit/s O | 0.7 0.8 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PIA costs £m Openreach | Conne sint | o.1 | - - - onnections Int | - dual I fibre Ext | - - - Rentals - sing fib Int E | - - - - - - - - - | - dual fibre nt Ext | - - - Main lin Int | 0.4 - - nk (dark fibre) cu Ext - 2.9 | Patch pand stomer prem Int - | els - Pa ises Ext I | tch panels - exchanges nt Ext | Initial to | esting Co | - - - essation chargo Int E - - | es Right w | - - - vhen testin charge nt Ex | g Darkfi deferi | ibre IFRS red reven nt E | 15 Darl | - - - k fibre IFI Int | (0.2) - RS15 SLG Ext | Connec (ethe | ctions ernet) Ext | EAD 1 r Int | Gbit/s O | 0.7 0.8 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices Attribution of PIA costs Openreach Service and network delivery £m | Conne sint | o.1 | onnections | - dual I fibre Ext | - - - Rentals - sing fib Int E | - - - gle Rentals rre - - - | | - - - Main lin Int - - | 0.4 nk (dark fibre) cu Ext - 2.9 | Patch pand istomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex | g Darkfi s defer tt l | ibre IFRS red reven nt I | 15 Dark | - - - k fibre IFI Int | (0.2) | 0.3 - 0.2 | ctions ernet) Ext | - - - EAD 1 r Int | Gbit/s Orentals Ext | 0.7 0.8 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Fm Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PIA costs Openreach Service and network delivery Openreach support functions £m | Conne sint | ections - Cogle fibre Ext | - - onnections Int - - | - dual I fibre Ext | - - - Rentals - sing fib Int E - - | - le Rentals ore | | - - Main lin Int - - | 0.4 nk (dark fibre) ct Ext - 2.9 0.3 0.6 | Patch pandistomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | Connec (ethe | ctions ernet) | EAD 11 r | Gbit/s Orentals Ext | ther EAD rentals |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices Attribution of PIA costs Openreach Service and network delivery £m | Conne sint | ections - Cogle fibre Ext | onnections | - dual I fibre Ext | - - - Rentals - sing fib Int E | - le Rentals ore | | - - Main lin Int - - - | 0.4 nk (dark fibre) cu Ext - 2.9 0.3 0.6 | Patch pandistomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex - - | g Darkfi s defen | ibre IFRS red reven nt I | 15 Dark | - - - c fibre IFI Int | (0.2) | 0.3 - 0.2 | ctions ernet) Ext | - - - EAD 1 r Int | Gbit/s Orentals Ext | 0.7 0.8 |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PIA costs £m Openreach Service and network delivery £m Openreach support functions Openreach total £m | Conne sint | ections - Cogle fibre Ext | - - onnections Int - - | - dual I fibre Ext | - - - Rentals - sing fib Int E - - | - le Rentals ore | | - - Main lin Int - - | 0.4 nk (dark fibre) ct Ext - 2.9 0.3 0.6 | Patch pandistomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | Connec (ethe | ctions ernet) | EAD 11 r | Gbit/s Orentals Ext | ther EAD rentals |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m Leaver costs £m (ii) Operating costs by division EOI input prices £m Attribution of PIA costs £m Openreach Service and network delivery Openreach support functions Openreach total £m Rest of BT | Conne sint | ections - Cogle fibre Ext | - - onnections Int - - | - dual I fibre Ext | - - - Rentals - sing fib Int E - - | - - - le Rentals rre - - - | | - - Main lin Int - - | 0.4 | Patch pandistomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | Connec (ethe | ctions ernet) | EAD 11 r Int | Gbit/s Orentals Ext | 0.7 0.8 ther EAD rentals Int Ex 0.1 0.7 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Fm Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs EM (ii) Operating costs by division EOI input prices Attribution of PIA costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Em Sum Em Em Em Em Rest of BT Group centre Em Em Em Em Em Em Em Em Em E | Conne sint | ections - Cogle fibre Ext | - - onnections Int - - | - dual I fibre Ext | - - - Rentals - sing fib Int E - - | - - - le Rentals rre - - - | | - - Main lin Int - - | 0.4 | Patch pandistomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | Connec (ethe | ctions ernet) | EAD 11 r | Gbit/s Orentals Ext | ther EAD rentals |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Fm Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs Em (ii) Operating costs by division EOI input prices Attribution of PIA costs Copenreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Em | Conne sint | ections - Cogle fibre Ext | - - onnections Int - - | - dual I fibre Ext | - - - Rentals - sing fib Int E - - | - - - le Rentals rre - - - | | - - - Main lin - - - - | 0.4 | Patch pane istomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | Connec (ethe | ctions ernet) | | Gbit/s Orentals Ext | 0.7 0.8 ther EAD rentals Int Ex 0.1 0.4 0.1 0.4 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Fm Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs fm (ii) Operating costs by division EOI input prices Attribution of PIA costs Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units £m Em Em Em Em Em Fm Fm Fm Fm F | Conne sint | ections - Cogle fibre Ext | - - onnections Int - - | - dual I fibre Ext | - - - Rentals - sing fib Int E - - | - - - le Rentals rre - - - | | - - Main lin Int - - | 0.4 | Patch pandistomer prem Int | els - Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | essation charge | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | Connec (ethe | ctions ernet) Ext | | Gbit/s Orentals Ext | 0.7 0.8 ther EAD rentals Int Ex 0.1 0.7 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs EM (ii) Operating costs by division EOI input prices Attribution of PIA costs Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business Em | Conne sint | 0.1 | - - onnections Int - - | - dual I fibre Ext | - - - Rentals - sing fib Int E - - | - - - - - - - - - - - - - | | - - - Main lint - - - - - | 0.4 | Patch pane istomer prem Int | Pa ises Ext I | tch panels - exchanges t Ext | Initial to | esting Co | - - - essation charge Int E - - - - - - - - | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | Connec (ethe | ctions ernet) Ext | | 0.6 Gbit/s O entals Ext 0.1 0.1 | 0.7 0.8 ther EAD rentals Int Ex 0.1 0.4 - 0.1 0.4 |
| CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs Em (ii) Operating costs by division EOI input prices Attribution of PIA costs Copenreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business Em | Connesing | 0.1 | onnections Int | - dual I fibre Ext | - - - Rentals - sing fib Int E - - - - - | - - - - - - - - - - - - - | - dual fibre - c | - - - Main lint - - - - - | 0.4 | Patch pandistomer prem | Pa ises Ext I | cth panels - exchanges nt Ext | Initial to | esting Co | - - - essation charge Int E - - - - - - - - | es Right w | - - - vhen testin charge int Ex | g Darkfi s defen | ibre IFRS red reven nt E | 15 Dark | - - - c fibre IFI Int | (0.2) | 0.3 - 0.2 | ctions ernet) Ext | | 0.6 Gbit/s Orentals Ext 0.1 0.1 | 0.7 0.8 ther EAD rentals Int Ex 0.1 0.4 0.1 0.4 |
| CCA adjustments Holding gains | Connesing | ections - Cogle fibre Ext | onnections Int | - dual fibre Ext | - - - Rentals - sing fib Int E - - - - - | Jle Rentals rre ixt Ir | - dual fibre | - | 0.4 | Patch pane istomer prem Int | els - Pa ises Ext I | cth panels - exchanges nt Ext | Initial to | | - - - essation charge Int E - - - - - - - - | es Right w | or charge interest in charge interest in charge in charg | g Darkfis deferi | ibre IFRS red reven nt | 15 Dark | c fibre IFI | (0.2) | 0.3 - 0.2 | ctions ernet) Ext | | 0.6 Gbit/s O entals Ext 0.1 0.1 | 0.7 0.8 ther EAD rentals Int Ex 0.1 0.4 - 0.1 0.4 |

Connections - Connections - dual Rentals - single Rentals - dual fibre Main link (dark Patch panels - Patch panels - Initial testing Cessation charges Right when testing Dark fibre IFRS 15 Dark fibre IFR

EAD 1Gbit/s Other EAD rentals

9.1.2 IEC – BT Only Exchanges Analysis of Service Cost (continued) For the year ended 31 March 2024

| For the year ended 31 March 2024 | | EAD LA 1G | | Other EAL | | Other r | rentalsMa | | | Other ser | | Optical se | | Optical ser | | | | irect ECC bask | et | Time related | | ancillarie | | rnet IFRS | | ernet IFR | | Rou | ınding | | Total |
|---|----------|-----------|------------------|-----------|--------------|----------------------|------------|----------------------|----------------|-----------|---------------|-------------------|-----------------------|-------------|----------------|-------|-------------------------|----------------|-----|------------------------|---------|------------|------------|-------------------------|--------|-----------|------------|-------------------|----------------|----------------------|-------------------|
| (i) Operating costs by type | | Int | entals Ext | | ntals Ext | Int | Ext | Int | rvices) Ext | Int | hernet Ext | Int | rentals Ext | Int | ections Ext | Int | ain link Ext | Int E | xt | charge Int Ex | | E | _ | rred reven | | | SLG Ext | Int | Ext | Int | Ext |
| (,, -,, -,, -, | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EOI input prices | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | | - | - |
| Attribution of PI costs | £m | - | - | - | - | 0.9 | 0.1 0.4 | 3.0 0.5 | 0.8 | - | - | 0.2 | 0.5 | 0.1 | - 0.2 | 0.6 | 0.9 | - | - | - | | | - | - | - | - | - | - | 0.1 | 4.5 | 4.8 2.8 |
| Wages and salaries Social security costs | £m £m | - | - | - | - | 3.8 0.5 | 0.4 | 0.5 | 0.1 | - | - | 0.2 | 0.5 | 0.1 | 0.2 | 0.1 | 0.2 | - | - | - | - 0.4 | . 0 |). 1 | - | - | - | - | - | 0.1 0.1 | 6.0 0.7 | 0.3 |
| Other pension costs | £m | _ | _ | _ | _ | 0.7 | 0.1 | 0.1 | _ | _ | _ | _ | 0.1 | _ | _ | _ | _ | _ | _ | _ | | | _ | _ | _ | _ | _ | (0.4) | 0.2 | 0.5 | 0.5 |
| Share-based payment expense | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Own work capitalised | £m | - | - | - | - | (1.3) | (0.1) | (0.2) | (0.1) | - | - | (0.1) | (0.2) | (0.1) | (0.2) | - | (0.1) | - | - | - | - (0.1) | | - | - | - | - | - | 0.1 | 0.1 | (2.2) | (1.2) |
| Net indirect labour costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Product costs | £m | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | 0.1 | - |
| Sales commissions Payments to telecommunications operators | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | _ |
| Property and energy costs | £m | _ | _ | - | _ | 6.0 | 0.5 | 0.6 | 0.2 | - | _ | _ | 0.1 | _ | - | 0.1 | 0.1 | - | _ | _ | | | _ | - | _ | _ | _ | 0.1 | _ | 7.0 | 1.4 |
| Network operating and IT costs | £m | _ | _ | _ | _ | 2.8 | 0.3 | 0.2 | - | _ | _ | 0.1 | 0.3 | _ | _ | - | 0.1 | - | _ | _ | | | _ | _ | _ | _ | _ | 0.1 | _ | 3.3 | 0.9 |
| TV programme rights charges | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Provision and installation | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Marketing and sales | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | _ |
| Net impairment of losses on TR and contract assets | £m | - | - | - | - | 0.2 | | 0.1 | | - | - | | | | | | | - | - | - | | | - | - | - | - | - | | 0.1 | 0.4 | 0.3 |
| Other operating income | £m | - | - | - | - | 0.7 | 0.1 | 0.3 | 0.1 | - | - | 0.3 | 0.8 | 0.1 | 0.4 | 0.1 | 0.1 | - | - | - | | | - | - | - (0 | 0.2) | (0.4) | 0.5 | 0.1 | 2.3 | 1.6 |
| Other operating income Total operating costs before depreciation | £m £m | - | - | - | - | (0.1) 14.3 | 1.4 | 4.7 | 1.1 | - | | 0.5 | 1.7 | 0.1 | 0.4 | 0.9 | 1.3 | - | - | | - 0.3 | | -).1 | - | - (0 |).2) | (0.4) | 0.5 | 0.9 | (0.1) 22.6 | 11.5 |
| rotal operating costs before depreciation | ΣIII | - | - | - | - | 14.3 | 1.4 | 4./ | 1.1 | - | - | 0.5 | 1.7 | 0.1 | 0.4 | 0.9 | 1.3 | - | - | - | - 0.3 | . 0 | . I | - | - (0 |).2) | (0.4) | 0.5 | 0.9 | 22.6 | 11.5 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Copper Fibre | £m £m | - | - | - | - | - | - | - | - 0.4 | - | - | - | - | - | - | - 0 1 | - 0.3 | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Electronics | £m | - | - | - | - | 0.2 4.7 | 0.5 | 0.5 | 0.1 | - | - | 0.9 | 2.6 | - | - | 0.1 | 0.2 | - | - | - | | | - | - | - | - | - | - | | 7.0 | 0.8 3.8 |
| Software | £m | - | - | - | - | 0.6 | 0.5 | 0.1 | - | - | - | 0.9 | 0.1 | - | - | - | - | - | - | - | | | - | - | - | - | - | - | _ | 0.8 | 0.3 |
| Land and buildings | £m | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | _ | 0.1 | - |
| Right of use assets | £m | - | - | - | - | 1.4 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | 0.1 | 0.2 | 1.6 | 0.3 |
| Other assets | £m | - | - | - | - | 2.0 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | (0.4) | 0.1 | 1.7 | 0.3 |
| Less funded assets (BDUK, etc.) | £m | | - | - | | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | |
| Total depreciation | £m | - | - | - | - | 9.0 | 0.9 | 0.6 | 0.1 | - | - | 0.9 | 2.7 | - | - | 0.1 | 0.2 | - | - | - | | | - | - | - | - | - | (0.3) | 0.3 | 12.0 | 5.5 |
| Specific items | £m | _ | _ | _ | _ | 0.8 | 0.1 | 0.1 | _ | _ | _ | 0.1 | 0.1 | _ | _ | _ | 0.1 | _ | _ | _ | | | _ | _ | _ | _ | _ | 0.2 | 0.1 | 1.3 | 0.7 |
| Total HCA operating costs | £m | - | - | - | - | 24.1 | 2.4 | 5.4 | 1.2 | - | - | 1.5 | 4.5 | 0.1 | 0.4 | 1.0 | 1.6 | - | - | | - 0.3 | 0 |).1 | - | - (0 |).2) | (0.4) | 0.4 | 1.3 | 35.9 | 17.7 |
| | | | | | | | | | | | | | | | | | | | | | | | | | • | | , | | | | |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Supplementary depreciation Other CCA adjustments | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | - | - |
| Rounding | £m | _ | _ | - | _ | (0.1) | (0.1) | 0.1 | 0.3 | - | _ | 0.3 | 0.2 | 0.1 | 0.3 | 0.1 | - | - | _ | _ | - 0.1 | | _ | - | _ | _ | _ | (0.4) | (1.2) | 0.4 | |
| Total CCA operating costs | £m | | | | | 24.0 | 2.3 | 5.5 | 1.5 | | | 1.8 | 4.7 | 0.1 | 0.3 | 1.1 | 1.6 | | - | - | - 0.1 | . 0 |).1 | - | - (0 |).2) | (0.4) | (0.4) | 0.1 | 36.3 | 17.7 |
| Total Ook operating costs | 2 | | - | - | - | | | - | - | - | - | - | | - | - | - | - | - | - | <u>-</u> | - | _ | - | _ | | _ | | _ | - | - | 17.7 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges | £m | - | - | - | - | 0.5 | 0.1 | 0.6 | 0.2 | - | - | - | - | - | - | 0.1 | 0.1 | - | - | - | | | - | - | - | - | - | - | (0.1) | 1.2 | 0.7 |
| Openreach SLGs | £m | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.5 | - | - | - | - | - | | | - | - | - (0 |).2) | (0.4) | 0.1 | 0.1 | 0.2 | - |
| Leaver costs | £m | - | - | - | - | 0.3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | 0.1 | 0.2 | 0.4 | 0.2 |
| | | EAD! A 40 | N. 14 /- | O4b E4E | N. A | 041 | | ! I! I- <i>(</i> - 4 | | 041 | | 0-41 | | N-4'1 | | N | l Di | | - 4 | Ti | .l 041 | | Fals | | 45 544 | A IED | OC 45 | D | | | T-4-1 |
| | | EAD LA 1G | abit/s entals | Other EAL | ntals | Otnerr | rentalsMa | | rvices) | Other ser | hernet | | rvices - C rentals | | ections | | rvices - Di ain link | irect ECC bask | et | Time related charge | | ancılları | | rnet IFRS rred reven | | ernet IFR | SLG | Rou | ınding | | Total |
| (ii) Operating costs by division | | Int | Ext | | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int E | xt | Int Ex | | E | | | | | Ext | Int | Ext | Int | Ext |
| , , , , , , , , , , , , , , , , , , , | | | | 1 | | 1 | | | | | | | | | | | | | - | | | | - | | | | | | 7 | | |
| EOI input prices | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - | 0 | 0 |
| Attribution of PIA costs | £m | - | - | - | - | 0.9 | 0.1 | 3.0 | 0.8 | - | - | - | - | - | - | 0.6 | 0.9 | - | - | - | | | - | - | - | - | - | - | 0.1 | 4.5 | 4.8 |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | _ | _ | _ | _ | 0.3 | 0.1 | 0.3 | (0.1) | _ | _ | (0.1) | (0.1) | 0.1 | 0.3 | _ | 0.1 | _ | _ | _ | - 0.1 | 0 |).1 | _ | - (0 |).2) | (0.4) | 0.2 | 1.5 | 1.2 | 1.9 |
| Openreach support functions | £m | - | - | - | _ | 0.7 | 0.1 | 0.3 | 0.1 | _ | _ | 0.1 | 0.2 | - | 0.1 | 0.1 | 0.1 | | _ | | - 0.2 | | - | - | - (0 | - | - | - | 0.1 | 1.6 | 1.3 |
| Openreach total | £m | - | - | - | - | 1.0 | 0.2 | 0.6 | - | - | - | - | 0.1 | 0.1 | 0.4 | 0.1 | 0.2 | | - | - | | |).1 | - | - (0 |).2) | (0.4) | 0.2 | 1.6 | 2.8 | 3.2 |
| | | | | | | | | | | | | | | | | | | | | | | | | | • | | | | | | |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | - | - | - | - | 0.5 | - | 0.1 | | - | - | 0.1 | 0.2 | - | - | | | - | - | - | | | - | - | - | - | - | 0.1 | (0.3) | 0.9 | 0 |
| Property and facilities | £m | - | - | - | - | 1.5 | 0.1 | 0.6 | 0.2 | - | - | - | - 0.7 | - | - | 0.1 | 0.1 | - | - | - | | | - | - | - | - | - | - | (0.1) | 2.2 | 0.8 |
| Technology units | £m | - | - | - | - | 10.4 | 1.0 | 0.4 | 0.1 | - | - | 0.2 | 0.7 | - | - | 0.1 | 0.1 | - | - | - | | | - | - | - | - | - | - 0.2 | (0.1) | 11.6 | 2.4 |
| Consumer and Business Rest of BT total | £m £m | _ | - | - | - | 12.4 | 1.1 | 1.1 | 0.3 | - | - | 0.2 0.5 | 0.7 1.6 | - | - | - 0.2 | 0.2 | - | - | - | | | - | - | - | | - | 0.2 0.3 | (0.4) (0.8) | 0.6 15.3 | 0.3 3.5 |
| Rest Of DT total | ±m | - | - | - | - | 12.4 | 1.1 | 1.1 | 0.3 | - | - | 0.5 | 1.0 | - | - | 0.2 | 0.2 | - | - | - | | | - | - | - | - | - | 0.3 | (0.8) | 15.5 | 3.5 |
| Operating cost before depreciation | £m | - | - | - | - | 14.3 | 1.4 | 4.7 | 1.1 | - | - | 0.5 | 1.7 | 0.1 | 0.4 | 0.9 | 1.3 | - | - | - | - 0.3 | 0. |).1 | - | - (0 |).2) | (0.4) | 0.5 | 0.9 | 22.6 | 11.5 |
| | | | | | | | | | | | | | | | | | | | | | | | | | - ' | • | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

9.1.2 IEC – BT Only Exchanges Analysis of Service Cost Restated for the year ended 31 March 2023

| | | | ngle fibre | onnection | is - duau fibre | Rentals | fibre | ntats - dua | it fibre | iviain uni | | Patcn pa Istomer pre | | Paten pa exch | anges | initial te | esting | essation charge | es Right w | | | rred rev | | irk Fibre | SLG | Conne (eth | ernet) | | entals | tner EAD rental | 5 |
|---|----------|-------------|--------------|------------|--------------------|---------|-------------|-------------|----------|------------|-------|-------------------------|-----|------------------|--------------|------------|--------|-----------------|------------|------|----|-----------|-----|-----------|-------|---------------|----------|-------|------------|---------------------------------------|----|
| (i) Operating costs by type | | | External | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int E | xt I | nt E | _ | Int | Ext | Int | Ext | Int | Ext | Int . | Ext | Int Ex | ιt |
| | | | | | | | I | | | | - | | · · | | | | | • | | | - | - | | | | | | | | · · · · · · · · · · · · · · · · · · · | _ |
| EOI input prices | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attribution of PI costs | £m | - | - 0.2 | - | - 0.1 | - | - | - | - | - | (0.2) | - | - | - | - 0.1 | - | - 0.2 | - | - | - | - | - | - | - | - | - 0.1 | 0.1 | 0.6 | - 0.2 | | - |
| Wages and salaries Social security costs | £m £m | - | 0.2 | - | 0.1 | - | - | - | - | - | 0.3 | - | - | - | 0.1 | - | 0.3 | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.6 | 0.2 | 0.2 0.2 | 2 |
| Other pension costs | £m | _ | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | - | - | - | - | 0.1 | - | | _ |
| Share-based payment expense | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | _ | | _ |
| Own work capitalised | £m | - | (0.2) | - | (0.1) | - | - | - | - | - | (0.1) | - | - | - | - | - | (0.3) | - | - | - | - | - | - | - | - | (0.1) | _ | (0.3) | (0.1) | (0.1) (0.1 |) |
| Net indirect labour costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | | - |
| Product costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - 0.1 | - | - |
| Property and energy costs Network operating and IT costs | £m £m | - | - | - | - | - | - | - | - | - | 0.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.1 | | - |
| TV programme rights charges | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | - | - | - | _ | _ | - | - | _ | _ | _ | - | - | _ | _ | _ | _ | 0.1 | _ | | _ |
| Provision and installation | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | _ |
| Marketing and sales | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | _ |
| Net impairment of losses on TR and contract assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - |
| Other operating costs | £m | - | - | - | - | - | - | - | - | - | 0.2 | - | - | - | 0.1 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | 0.4 | - | 0.3 | 0.1 | 0.2 0.3 | 3 |
| Other operating income | £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Total operating costs before depreciation | £m | - | - | - | - | - | - | - | - | - | 0.7 | - | - | - | 0.2 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | 0.4 | 0.1 | 1.2 | 0.3 | 0.3 0.4 | 4 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Depreciation Duct | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | _ | _ | _ | - | - | - | - | - | - | - | | _ |
| Copper | £m | _ | _ | - | - | _ | - | _ | - | _ | _ | _ | _ | _ | - | _ | _ | - | _ | _ | _ | _ | _ | - | - | - | _ | _ | _ | | _ |
| Fibre | £m | - | - | - | - | - | - | - | - | - | 0.3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | _ |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.2 | 0.4 | 0.4 0.5 | 5 |
| Software | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Right of use assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - |
| Other assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - |
| Less funded assets (BDUK, etc.) Total depreciation | £m £m | | | | | | | | | | 0.3 | | | | | | | | - | - | | | | | | | | 1.5 | 0.4 | 0.4 0.5 | Ē |
| i otal depreciation | ΣIII | - | - | - | - | - | - | - | - | - | 0.3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1.5 | 0.4 | 0.4 0.: | 3 |
| Specific items | £m | _ | _ | - | _ | - | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | - | - | _ | | _ |
| Total HCA operating costs | £m | - | - | - | - | - | - | - | - | - | 1.0 | - | - | - | 0.2 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | 0.4 | 0.1 | 2.7 | 0.7 | 0.7 0.9 | 9 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Supplementary depreciation Other CCA adjustments | £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rounding | £m | - | 0.1 | - | 0.1 | - | - | - | - | - | 0.2 | - | - | - | - | - | 0.2 | - | - | - | - | - | - | - | - | 0.1 | - | - | 0.1 | 0.2 0.7 | 1 |
| Total CCA operating costs | £m | _ | | | | | | | | | 1.2 | | | - | 0.2 | | 0.2 | | - | - | - | - | | | (0.1) | 0.5 | 0.1 | 2.7 | 0.8 | 0.9 1.0 | _ |
| Total Cortoperating costs | 2 | | | - | - | _ | - | - | - | - | | - | - | - | | - | - | | - | - | - | - | - | = | (0.1) | - | | | - | | = |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 1 |
| Cumulo charges | £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | 0.5 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | | _ |
| Openreach SLGs | £m | _ | - | - | _ | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | 0.4 | 0.1 | - | _ | | - |
| Leaver costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | _ |
| | | | nections - C | Connection | | Rentals | - single Re | ntals - dua | al fibre | Main link | | Patch pa | | Patch pa | | Initial to | esting | essation charge | es Right w | | | | | ark Fibre | | Conne | | | | ther EAD rentals | .s |
| | | | ngle fibre | | fibre | | fibre | | | | | stomer pre | | | anges | | | | 1 | | | rred reve | | | SLG | | ernet) | | entals | | 4 |
| (ii) Operating costs by division | | Internal | External | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int E | xt I | nt E | xt | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int Ex | t |
| EOI input prices | Con | | | | | | | | | _ | | | | | | _ | | | _ | | | | | | | | | | | | |
| Attribution of PI costs | £m £m | - | | - | - | - | - | - | - | - | (0.2) | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | - | - | - | | |
| Actibution of Feests | 2111 | | | | | | | | | | (0.2) | | | | | | | | | | | | | | | | | | | | |
| Openreach | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service and network delivery | £m | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | 0.2 | - | - | - | - | - | - | - | - | - | (0.1) | 0.4 | 0.1 | 0.4 | 0.1 | | - |
| Openreach support functions | £m | | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | 0.1 | - | | _ |
| Openreach total | £m | - | - | - | - | - | - | - | - | - | 0.2 | - | - | - | 0.2 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | 0.4 | 0.1 | 0.5 | 0.1 | | - |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rest of BT | _ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre | £m | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | |
| Property and facilities | £m | - | - | - | - | - | - | - | - | - | 0.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.1 | 0.1 0.1 | |
| Technology units Consumer and Business | £m £m | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | 0.1 0.1 | 0.1 0.7 0.2 0.3 | |
| | £m £m | - | | | - | _ | | - | | - | 0.7 | - | - | <u> </u> | - | - | _ | | _ | - | _ | - | - | - | - | _ | <u> </u> | 0.3 | 0.1 | 0.3 0.4 | |
| Past of RT total | | - | - | - | - | | - | _ | _ | _ | U./ | | | | | | | | | | | _ | _ | _ | - | _ | - | | | 0.5 0.4 | |
| Rest of BT total | | | | | | | | | | | | | | | | | | | | | | | | | | | | •., | | | |
| | £m | - | - | - | - | - | - | - | - | _ | | - | - | - | 0.2 | | 0.1 | - | - | - | - | _ | - | - | (0.1) | 0.4 | 0.1 | | | 0.3 0.4 | |
| Rest of BT total Operating cost before depreciation | | - | - | - | - | - | - | - | - | - | | - | - | - | 0.2 | - | 0.1 | - | - | - | - | - | - | - | (0.1) | 0.4 | 0.1 | 1.2 | 0.3 | 0.3 0.4 | |

Connections - Connections - dual Rentals - single Rentals - dual fibre Main link (dark Patch panels - Patch panels - Initial testing Cessation charges Right when testing Dark Fibre IFRS 15 Dark Fibre IFR

EAD 1Gbit/s Other EAD rentals

9.1.2 IEC – BT Only Exchanges Analysis of Service Cost (continued) Restated for the year ended 31 March 2023

| restated for the year chase of march 2020 | EAD LA 10 | | Other EAD I | | ther rentals | | | Other service | | services - | | | | | irect ECC basket | | | ther ancillar | ies Ethern | | Ethernet | | Ro | unding | | Total |
|---|--------------|---------------|----------------|--------------|--------------------|--------------|-----------------|-----------------|------------------|----------------|-------------|--------------|--------------|-----------------|------------------|--------------|-------------|---------------|--------------------|------------------|--------------|------------|-------|------------|----------------------|--------------|
| (i) Operating costs by type | Int | entals Ext | renta Int E | als Ext l | nt Ext | | ervices) Ext | ethern Int E | et Ext Int | rentals Ext | conne | Ext | Int | ain link Ext | Int Ext | char Int | rges Ext | Int I | deferre Ext Int | d revenue Ext | Int | SLG Ext | Int | Ext | Int | Ext |
| | | | | | | | | | | = | | =~4 | | = | | | | | | | | | | | | |
| EOI input prices £m Attribution of PI costs £m | - | - | - | - (0 | 1) | - (0.4) | (0.1) | - | | - | - | - | - (0.1) | (0.1) | | | - | - | | | - | - | - 0.1 | - | - (0.5) | (0.4) |
| Wages and salaries £m | - | - | - | - (0. - 2 | , | (0.4) 0.5 | 0.1) | - | - 0.2 | 0.4 | 0.1 | 1.3 | (0.1) 0.1 | 0.1) | | - | - | 0.8 | 0.1 - | | - - | - | 0.1 | _ | (0.5) 4.7 | (0.4) 4.1 |
| Social security costs £m | - | - | - | - 0 | | 0.1 | - | - | | 0.1 | - | 0.2 | - | - | | | - | 0.1 | | | - | - | - | 0.2 | 0.5 | 0.5 |
| Other pension costs £m | - | - | - | - 0 | .4 0.1 | 0.1 | - | - | | 0.1 | - | 0.2 | - | - | | | - | 0.1 | | - | - | - | 0.1 | 0.2 | 8.0 | 0.6 |
| Share-based payment expense £m | - | - | - | - | | - (0.0) | - (0.4) | - | | - (0.0) | - | - (0.0) | - (0.4) | - (0.4) | | - | - | - (0.2) | | - | - | - | - | - | - (2.4) | - (2.5) |
| Own work capitalised £m Net indirect labour costs £m | - | - | - | - (1. | 1) (0.2) .5 0.1 | (0.3) | (0.1) | - | - (0.1) | (0.2) | - | (0.9) 0.1 | (0.1) | (0.1) | | - | - | (0.3) | | - | - | - | 0.1 | (0.1) | (2.4) 0.8 | (2.5) 0.4 |
| Product costs £m | - | - | - | - 0 | .5 0.1 .1 - | - | - | - | | - | - | - | - | - | | · - | - | - | | | - - | - | - | - | 0.8 | - |
| Sales commissions £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | | - | - | | | - | - | - | - | - | - |
| Payments to telecommunications operators £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | - | - | - | | - | - | - | - | | - | - |
| Property and energy costs £m | - | - | - | - 5 | .0 1.0 | 0.9 | 0.3 | - | | 0.1 | - | - | 0.4 | 0.5 | | - | - | - | | - | - | - | 0.1 | (0.1) | 6.6 | 2.4 |
| Network operating and IT costs £m TV programme rights charges £m | _ | - | - | - 1 | .0 0.2 | 0.1 | - | - | | 0.1 | - | - | - | - | | - - | - | 0.1 | | · - | · - | - | (0.1) | 0.1 | 1.2 | 0.4 |
| Provision and installation £m | _ | _ | _ | _ | | _ | _ | _ | | _ | _ | _ | _ | _ | | <u> </u> | _ | _ | | _ | _ | _ | _ | _ | _ | |
| Marketing and sales £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | - | - | - | | | - | - | - | - | - | _ |
| Net impairment of losses on TR and contract assets £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | | - | - | | - | - | - | - | - | - | - |
| Other operating costs £m | - | - | - | - 0 | .2 - | 0.4 | 0.1 | - | - 0.5 | 1.1 | 0.1 | 1.4 | 0.1 | 0.1 | | - | - | 0.2 | | - | (0.3) | (1.1) | - | 0.1 | 2.1 | 2.4 |
| Other operating income £m Total operating costs before depreciation £m | - | - | - | - (0. | 1) - .2 1.6 | 1.5 | 0.4 | - | - 0.6 | 1.8 | 0.2 | 2.3 | 0.4 | 0.6 | | - | - | 1.0 | 0.1 - | · - | (0.3) | (1.1) | 0.3 | 0.5 | (0.1) 13.8 | 7.9 |
| Total operating costs before depreciation | - | - | - | - 0 | .2 1.0 | 1.5 | 0.4 | - | - 0.6 | 1.0 | 0.2 | 2.3 | 0.4 | 0.6 | | - | - | 1.0 | 0.1 - | | (0.3) | (1.1) | 0.5 | 0.5 | 13.0 | 7.9 |
| Depreciation | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | - | - | - | | - | - | - | - | - | - | - |
| Poles £m Copper £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | - | - | - | | - | - | - | - | - | - | - |
| Fibre £m | - | - | - | - 0 | 2 - | 0.7 | 0.2 | - | | - | - | - | 0.1 | 0.2 | | · - | - | - | | | - - | - | - | 0.1 | 1.0 | 0.8 |
| Electronics £m | - | - | - | - 4 | .1 0.9 | - | - | - | - 1.4 | 3.6 | - | - | - | - | | | - | - | | | _ | - | 0.1 | - | 7.2 | 5.4 |
| Software £m | - | - | - | - 0 | .4 0.1 | 0.1 | - | - | - 0.1 | 0.2 | - | 0.1 | - | - | | - | - | - | | | - | - | - | 0.1 | 0.7 | 0.5 |
| Land and buildings £m | - | - | - | - 0 | .1 - | - | - | - | | - | - | - | - | - | | - | - | - | | | - | - | - | 0.1 | 0.1 | 0.1 |
| Right of use assets £m Other assets £m | - | - | - | - 1 - 1 | .3 0.3 .5 0.3 | - | - | - | | 0.1 | - | - | - | - | | - | - | - | | - | - | - | 0.1 | 0.1 0.1 | 1.5 1.6 | 0.5 0.4 |
| Less funded assets (BDUK, etc.) £m | - | - | - | - ' | .5 0.5 | _ | - | - | | _ | - | - | - | - | | . <u>-</u> | - | - | | | · - | - | - | 0.1 | 1.0 | 0.4 |
| Total depreciation £m | - | - | - | - 7 | .6 1.6 | 0.8 | 0.2 | - | - 1.5 | 3.9 | - | 0.1 | 0.1 | 0.2 | | | - | - | | | | - | 0.2 | 0.5 | 12.1 | 7.7 |
| · | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Specific items £m | | - | - | - 0 | | - | - | - | | | - | | - | - | | <u>-</u> | - | - | | - | - (2.2) | - | 0.6 | 0.1 | 1.1 | 0.2 |
| Total HCA operating costs £m | - | - | - | - 16 | .3 3.3 | 2.3 | 0.6 | - | - 2.1 | 5.7 | 0.2 | 2.4 | 0.5 | 8.0 | | - | - | 1.0 | 0.1 - | | (0.3) | (1.1) | 1.1 | 1.1 | 27.0 | 15.8 |
| CCA adjustments | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holding gains £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | - | - | - | | | - | - | - | - | - | - |
| Supplementary depreciation £m | - | - | - | - | | - | - | - | | - | - | - | - | - | | - | - | - | | - | - | - | - | - | - | - |
| Other CCA adjustments £m Rounding £m | - | - | - | - | - (0.1) | 0.1 | 0.2 | - | - 0.2 | - | - | - | 0.2 | 0.1 | | - | - | 0.1 | 0.1 - | - | - | (0.1) | (1.2) | (0.9) | (0.3) | 0.1 |
| Total CCA operating costs £m | - | - | - | - 16 | | | 0.2 | | - 2.3 | 5.7 | 0.2 | 2.4 | 0.2 | 0.1 | | <u> </u> | - | | 0.1 - | | (0.3) | (1.2) | (0.1) | 0.2 | 26.7 | 15.9 |
| Total Cost operating costs | - | - | - | - " | - 0.2 | | - | | - | | - | | - | - | - | | _ | - | - | _ | - (0.0) | - (1/ | (0.1) | - | | 10.5 |
| Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulo charges £m | - | - | - | - 0 | .4 0.1 | 0.9 | 0.3 | - | | - | - | - | 0.4 | 0.5 | | | - | - | | - | - | - | - | (0.1) | 1.7 | 1.3 |
| Openreach SLGs £m | - | - | - | - | | - | - | - | | - | 0.1 | 1.5 | - | - | | - | - | - | | - | (0.3) | (1.1) | 0.1 | - | 0.3 | 0.4 |
| Leaver costs £m | - | | - | - 0 | .1 - | | | - | | | - | | | - | | | - | - | | | - | | 0.1 | 0.1 | 0.2 | 0.1 |
| | EAD LA 10 | Gbit/s | Other EAD I | LA O | ther rentals | Main link (e | thernet | Other services | s - Optical | services - | Optical ser | vices - (| Optical ser | rvices - Di | irect ECC basket | Time rela | ated C | ther ancillar | ies Ethern | et IFRS 15 | Ethernet | IFRS 15 | Ro | unding | | Total |
| | | entals | renta | _ | | | ervices) | ethern | _ | rentals | | ections | | ain link | | char | | | | d revenue | | SLG | | | | |
| (ii) Operating costs by division | Int | Ext | Int E | xt I | nt Ext | Int | Ext | Int E | xt Int | Ext | Int | Ext | Int | Ext | Int Ext | Int | Ext | Int | Ext Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| EOI input prices £m | _ | _ | _ | _ | | _ | _ | - | | _ | _ | _ | _ | _ | | | _ | _ | | | | _ | _ | _ | 0 | 0 |
| Attribution of PI costs £m | - | - | | - (0. | | (0.4) | (0.1) | - | | | - | - | (0.1) | (0.1) | | | - | - | | | | - | 0.1 | _ | (0.5) | (0.4) |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Openreach | | | | | • | 0.0 | 0.4 | | (0.4) | 0.0 | | 4.7 | | 0.4 | | | | 0.0 | 0.4 | | (0.2) | (4.4) | | 0.0 | _ | 4.0 |
| Service and network delivery £m Openreach support functions £m | - | - | - | - 0 - 0 | .2 - .3 0.1 | 0.0 | 0.1 0.1 | | - (0.1) - 0.1 | | 0.2 | 1.7 0.4 | 0.1 | 0.1 0.1 | | | - | 0.6 0.2 | 0.1 - | | , | (1.1) | (0.1) | 0.3 | 2 0.9 | 1.8 1 |
| Openreach total £m | | | | | .5 0.1 | | 0.1 | | | | 0.2 | 2.1 | 0.1 | 0.1 | | | | | | | | (1.1) | (0.1) | 0.3 | 2.9 | 2.8 |
| | | | | | ~. 1 | 0.0 | 7. L | | | 0.0 | J.L | | J. . | | | | | | | | (0.0) | () | (0.1) | 3.0 | | |
| Rest of BT | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Group centre £m | - | - | - | - 0 | | | - | - | - 0.1 | 0.1 | - | 0.1 | - | - | | - | - | 0.1 | | - | - | - | 0.1 | 0.1 | 0.8 | 0.5 |
| Property and facilities £m Technology units £m | | - | - | - 1 - 6 | | | 0.3 | - | - 0.1 | 0.3 | - | 0.1 | 0.4 | 0.5 | | - | - | 0.1 | | - | - | - | 0.1 | _ | 2.5 7.1 | 1.5 1.9 |
| Consumer and Business £m | - | - | - | - 0 | - 1.2 | - | - | - | - 0.1 | | - | - | - | - | | - - | - | - | | | - - | - | 0.1 | 0.1 | 1 | 1.6 |
| Rest of BT total £m | - | - | - | - 7 | .8 1.5 | 1.1 | 0.3 | - | - 0.6 | | - | 0.2 | 0.4 | 0.5 | | - | - | 0.2 | | | - | - | 0.3 | 0.2 | 11.4 | 5.5 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating cost before depreciation £m | - | - | - | - 8 | .2 1.6 | 1.5 | 0.4 | - | - 0.6 | 1.8 | 0.2 | 2.3 | 0.4 | 0.6 | | - | - | 1.0 | 0.1 - | | (0.3) | (1.1) | 0.3 | 0.5 | 13.8 | 7.9 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |

9.1.3 IEC – BT Only Exchanges Analysis of Service MCE For the year ended 31 March 2024

| | Connec | tions - Co | nnections - | - dual | Rentals - | single Ren | ntals - dua | l fibre | Main linl | k (dark | Patch pa | nels - | Patch pa | nels - | Initial to | esting C | essation c | narges Rig | ht when t | testing Da | ark Fibre | IFRS 15 | Dark fibre | IFRS15 | Conne | ctions | EAD 1 | Gbit/s C | Other EAD | rentals |
|------------------------------------|--------|------------|-------------|--------|-----------|------------|-------------|---------|-----------|------------|-----------|--------|----------|--------|------------|----------|------------|------------|-----------|------------|------------|---------|------------|--------|-------|--------|-------|----------|-----------|---------|
| | singl | e fibre | | fibre | | fibre | | | | fibre) cus | tomer pre | mises | exch | anges | | | | | c | harges c | leferred : | revenue | | SLG | (eth | ernet) | | rentals | | |
| | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre £m | - | - | - | - | - | - | - | - | - | 4.0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Electronics £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2.1 | 0.5 | 8.0 | 8.0 |
| Software £m | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - |
| Land and buildings £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Right of use assets £m | - | - | - | - | - | - | - | - | - | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | - | - | - |
| Other assets £m | - | - | - | - | - | - | - | - | - | (0.4) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.6 | 0.2 | 0.1 | 0.1 |
| Less funded assets (BDUK, etc.) £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets £m | - | - | - | - | - | - | - | - | - | 3.9 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3.0 | 0.7 | 0.9 | 0.9 |
| Current assets £m | _ | _ | _ | _ | - | - | - | _ | - | 0.8 | - | _ | _ | _ | - | - | - | - | - | _ | _ | - | _ | _ | 0.1 | _ | 1.1 | 0.3 | 0.3 | 0.3 |
| Current liabilities £m | - | (0.1) | - | - | - | - | - | - | - | (3.5) | - | - | - | - | - | - | - | - | - | - | - | (0.3) | - | - | (0.1) | - | (1.5) | (0.4) | (0.3) | (0.3) |
| Provisions £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rounding £m | - | - | - | _ | - | - | - | _ | - | - | - | - | - | _ | - | _ | - | - | - | _ | _ | 0.1 | - | _ | - | _ | _ | 0.1 | _ | _ |
| Total MCE £m | - | (0.1) | - | - | - | - | - | - | - | 1.2 | - | - | - | - | - | - | - | - | - | - | - | (0.2) | - | - | - | - | 2.6 | 0.7 | 0.9 | 0.9 |

9.1.3 IEC – BT Only Exchanges Analysis of Service MCE (continued) For the year ended 31 March 2024

| | | EADLA | 1Gbit/s | Other E | ADLA | Other | rentalsM | lain link (e | ethernet | Other ser | rvices - | Optical se | ervices - | Optical s | ervices - | Optical se | ervices - | Direct ECC | Cbasket | Time | related | Other a | ncillaries | Ethernet | t IFRS 15 | Ethernet I | FRS 15 | R/ | ounding | | Total |
|---------------------------------|----|-------|---------|---------|---------|-------|----------|--------------|----------|-----------|----------|------------|-----------|-----------|-----------|------------|-----------|------------|---------|------|---------|---------|------------|----------|-----------|------------|--------|-------|---------|--------|--------|
| | | | rentals | | rentals | | | s | ervices) | et | hernet | | rentals | con | nections | n | nain link | | | | charges | | | deferred | revenue | | SLG | | | | |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 7 | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | -/ | -/ | _ |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | -/ | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | -/ | - | _ |
| Fibre | £m | - | - | - | - | 1.2 | 0.2 | 4.1 | 1.1 | - | - | - | - | - | - | 8.0 | 1.2 | - | - | - | - | - | - | - | - | - | - | 0.1 | -/ | 6.2 | 6.5 |
| Electronics | £m | - | - | - | - | 21.4 | 2.3 | - | - | - | - | 5.6 | 16.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | -/ | 29.8 | 19.8 |
| Software | £m | - | - | - | - | 2.0 | 0.2 | 0.1 | - | - | - | 0.1 | 0.3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.2 | 2.5 | 0.8 |
| Land and buildings | £m | - | - | - | - | 1.0 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 1.1 | 0.2 |
| Right of use assets | £m | - | - | - | - | 3.1 | 0.3 | 0.1 | - | - | - | 0.1 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 3.6 | 0.8 |
| Other assets | £m | - | - | - | - | 14.6 | 1.3 | (0.4) | (0.1) | - | - | 0.2 | 0.5 | - | - | (0.1) | (0.1) | - | - | - | - | - | - | - | - | - | - | - | (0.4) | 15.0 | 1.1 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | -/ | -/ | _ |
| Total non-current assets | £m | - | - | - | - | 43.3 | 4.4 | 3.9 | 1.0 | - | - | 6.0 | 17.2 | - | - | 0.7 | 1.1 | - | - | - | - | - | - | - | - | - | - | 0.4 | - | 58.2 | 29.2 |
| Current assets | £m | _ | _ | _ | _ | 6.7 | 0.7 | 1.0 | 0.3 | _ | _ | 1.2 | 3.0 | 0.1 | 0.2 | 0.3 | 0.4 | _ | _ | _ | _ | 0.1 | _ | _ | 0.2 | _ | _ | _ | _/ | 10.9 | 6.2 |
| Current liabilities | £m | - | - | - | - | (8.4) | (8.0) | (1.7) | (0.5) | - | - | (1.0) | (1.5) | (0.1) | (0.4) | (0.6) | (0.8) | - | - | - | - | (0.2) | (0.1) | (2.8) | (5.5) | - | - | (0.1) | (0.1) | (16.8) | (14.3) |
| Provisions | £m | - | - | - | - | (0.3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.3) | (0.1) |
| Rounding | £m | _ | - | - | _ | _ | (0.2) | 0.1 | 0.1 | - | _ | - | - | _ | 0.1 | 0.1 | - | - | _ | _ | _ | 0.1 | 0.1 | - | (0.1) | _ | _ | (0.4) | 0.1 | (0.1) | 0.3 |
| Total MCE | £m | - | - | - | - | 41.3 | 4.1 | 3.3 | 0.9 | - | - | 6.2 | 18.7 | - | (0.1) | 0.5 | 0.7 | - | - | - | - | - | - | (2.8) | (5.4) | - | - | (0.1) | (0.1) | 51.9 | 21.3 |

9.1.3 IEC – BT Only Exchanges Analysis of Service MCE Restated for the year ended 31 March 2023

| | | ections - Co | onnection | 1 | Rentals - | single Re | ntals - du | al fibre | Main lin | - 1 | Patch pa | | Patch pa | | Initial 1 | testing C | essation c | harges Rig | • | - | | IFRS 15 | ark Fibre | | Conne | | | Gbit/s O | ther EAD | rentals |
|------------------------------------|-----|------------------|-----------|--------------|-----------|-----------|------------|----------|----------|-------|------------|-----|----------|--------------|-----------|-----------|------------|------------|-----|----------|-----|----------------|-----------|------------|-------|-----|-------|----------------|----------|---------|
| | Int | gle fibre Ext | Int | fibre Ext | Int | Fxt | Int | Ext | Int | Fxt | stomer pre | Fxt | Int | anges Ext | Int | Ext | Int | Ext | Int | harges o | Int | revenue Ext | Int | SLG Ext | (eth | Ext | Int | rentals Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Duct £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre £m | - | - | - | - | - | - | - | - | - | 2.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Electronics £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2.5 | 0.8 | 0.9 | 1.0 |
| Software £m | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.1 | - | - |
| Land and buildings £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Right of use assets £m | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.1 | - | 0.1 |
| Other assets £m | - | - | - | - | - | - | - | - | - | (0.5) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 0.7 | 0.2 | 0.1 | 0.1 |
| Less funded assets (BDUK, etc.) £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total non-current assets £m | - | - | - | - | - | - | - | - | - | 2.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 3.6 | 1.2 | 1.0 | 1.2 |
| Current assets £m | - | - | - | - | _ | - | - | - | - | 0.4 | - | _ | - | - | - | 0.1 | - | - | - | - | _ | - | - | - | 0.2 | - | 1.4 | 0.4 | 0.4 | 0.5 |
| Current liabilities £m | - | (0.1) | - | (0.1) | - | - | - | - | - | (8.0) | - | - | - | - | - | (0.1) | - | - | - | - | - | (0.3) | - | - | (0.2) | - | (1.1) | (0.3) | (0.2) | (0.3) |
| Provisions £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rounding £m | - | 0.1 | _ | 0.1 | _ | - | - | _ | _ | - | - | _ | _ | - | - | 0.1 | - | - | - | - | _ | - | - | - | - | _ | _ | (0.1) | _ | _ |
| Total MCE £m | - | - | - | - | - | - | - | - | - | 1.8 | - | - | - | - | - | 0.1 | - | - | - | - | - | (0.3) | - | - | 0.1 | - | 3.9 | 1.2 | 1.2 | 1.4 |

9.1.3 IEC – BT Only Exchanges Analysis of Service MCE (continued) Restated for the year ended 31 March 2023

| | | EADLA | 1Gbit/s | Other | EADLA | Othe | rentalsM | ain link (e | thernet | Other ser | vices - | Optical se | ervices - | Optical s | ervices - | Optical s | ervices - | Direct ECC | basket | Tim | e related | Other a | ncillaries | Etherne | t IFRS 15 | Etherne | IFRS 15 | Ro | ounding | | Total |
|---------------------------------|----|-------|---------|-------|---------|-------|----------|-------------|----------|-----------|---------|------------|-----------|-----------|-----------|-----------|-----------|------------|--------|-----|-----------|---------|------------|----------|-----------|---------|---------|-------|---------|--------|--------|
| | | | rentals | | rentals | | | s | ervices) | et | hernet | | rentals | coni | nections | r | nain link | | | | charges | | | deferred | l revenue | | SLG | | / | | |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | | | | • | | | • | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | -/ | - | |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - / | - | - |
| Fibre | £m | - | - | - | - | 1.3 | 0.3 | 4.8 | 1.6 | - | - | - | - | - | - | 0.9 | 1.3 | - | - | - | - | - | - | - | - | - | - | 0.1 | - / | 7.1 | 5.7 |
| Electronics | £m | - | - | - | - | 21.3 | 4.5 | - | - | - | - | 5.4 | 13.7 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | -/ | 30.1 | 20.0 |
| Software | £m | - | - | - | - | 1.4 | 0.3 | 0.1 | - | - | - | 0.2 | 0.4 | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | (0.1) | 0.1 | 0.1 | 2.0 | 1.0 |
| Land and buildings | £m | - | - | - | - | 0.8 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - / | 0.9 | 0.2 |
| Right of use assets | £m | - | - | - | - | 2.8 | 0.5 | 0.1 | - | - | - | 0.1 | 0.2 | - | 0.1 | - | - | - | - | - | - | 0.1 | - | - | - | - | - | 0.2 | 0.1 | 3.5 | 1.2 |
| Other assets | £m | - | - | - | - | 13.0 | 2.5 | (1.0) | (0.3) | - | - | 0.2 | 0.6 | - | 0.2 | (0.2) | (0.3) | - | - | - | - | - | - | - | (0.1) | - | (0.1) | (0.1) | - / | 12.8 | 2.3 |
| Less funded assets (BDUK, etc.) | £m | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | _ |
| Total non-current assets | £m | - | - | - | - | 40.6 | 8.3 | 4.0 | 1.3 | - | - | 5.9 | 14.9 | - | 0.4 | 0.7 | 1.0 | - | - | - | - | 0.1 | - | - | (0.1) | - | (0.2) | 0.4 | 0.2 | 56.4 | 30.4 |
| Current assets | £m | - | - | - | _ | 7.2 | 1.4 | 1.1 | 0.4 | - | - | 1.5 | 3.4 | 0.1 | 1.3 | 0.3 | 0.4 | - | - | - | - | 0.4 | 0.1 | 0.1 | (0.2) | - | _ | (0.1) | 0.1 | 12.6 | 8.3 |
| Current liabilities | £m | - | - | - | - | (5.0) | (1.0) | (1.1) | (0.4) | - | - | (1.0) | (1.7) | (0.1) | (2.4) | (0.6) | (8.0) | - | - | - | - | (0.5) | (0.1) | (4.1) | (6.4) | - | 0.1 | 0.1 | 0.1 | (13.8) | (14.6) |
| Provisions | £m | - | - | - | - | (0.2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.3) | (0.1) |
| Rounding | £m | - | _ | - | _ | (0.1) | (0.1) | 0.1 | - | - | - | - | - | _ | - | 0.1 | 0.2 | - | _ | - | - | 0.1 | - | (0.1) | - | _ | _ | (0.3) | (0.3) | (0.2) | _ |
| Total MCE | £m | _ | | - | | 42.5 | 8.6 | 4.1 | 1.3 | - | | 6.4 | 16.6 | | (0.7) | 0.5 | 0.8 | - | | | | 0.1 | | (4.1) | (6.7) | | (0.1) | | | 54.7 | 24.0 |

9.2.1 IEC – BT + 1 Exchanges Summary For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average | External average | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|-----------------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|---------------------|------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | | | | | | | price | price | • | • | | | | |
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Ethernet services basket | | | | | | | | | | | | | | |
| Connections | 1.0 | 0.1 | 1.1 | 133 | 41 | ccts | 7,379.34 | 3,470.05 | 0.2 | _ | _ | _ | 22,009.1% | (15,856.9)% |
| EAD 1Gbit/s rentals | 2.9 | 0.8 | 3.7 | 1.415 | 382 | ccts | 2,067.85 | 2,090.92 | 0.6 | 0.2 | 0.6 | 0.2 | 393.0% | 399.2% |
| Other EAD rentals | 1.6 | 1.8 | 3.4 | 470 | 395 | ccts | 3,375.44 | 4,554.75 | 0.6 | 0.7 | 0.7 | 0.8 | 152.5% | 140.0% |
| EAD LA 1Gbit/s rentals | - | - | - | 5 | 3 | ccts | 1,667.84 | 1,667.84 | - | - | - | - | 290.0% | 290.0% |
| Other EAD LA rentals | - | _ | _ | 3 | 2 | ccts | 1,667.73 | 2,892.34 | _ | _ | _ | _ | 327.5% | 133.1% |
| Other rentals | 37.7 | 2.8 | 40.5 | 2,982 | 284 | ccts | 12,638.71 | 9,954.55 | 24.4 | 1.9 | 42.5 | 3.4 | 31.1% | 28.9% |
| Main link | 3.2 | 1.0 | 4.2 | 15,546 | 4,842 | km | 204.45 | 204.00 | 1.1 | 0.4 | 0.7 | 0.2 | 311.4% | 286.3% |
| Other services | | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | - | - | - | - |
| Total Ethernet services basket | 46.4 | 6.5 | 52.9 | (2) | (2) | (2) | (5) | (4.1) | 26.9 | 3.2 | 44.5 | 4.6 | 43.8% | 76.5% |
| 1000 2000 | | | V2. 10 | | | | | | | V.= | | | 101070 | 7 0.070 |
| Optical services - rentals | 4.4 | 3.9 | 8.3 | 1,686 | 4,958 | ccts | 2,586.37 | 787.59 | 1.2 | 3.3 | 4.4 | 13.4 | 71.5% | 4.3% |
| Optical services - connections | 1.3 | 1.7 | 3.0 | 326 | 408 | ccts | 3,840.11 | 4,168.31 | 0.3 | 0.3 | - | (0.1) | (2,989.0)% | (2,516.3)% |
| Optical services - main link | 2.8 | 2.3 | 5.1 | 9,301 | 8,348 | km | 296.66 | 278.16 | 0.7 | 0.6 | 0.3 | 0.3 | 741.8% | 662.8% |
| | | | | -, | -, | | | | | | | | | |
| Direct ECC basket | - | _ | - | (ux) | (ux) | (ux) | (sx) | (sx) | _ | _ | - | - | - | _ |
| Time related charges | - | _ | _ | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | _ | - | _ | _ |
| Other ancillaries | 1.0 | 0.2 | 1.2 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.3 | - | - | - | (2,373.2)% | (2,483.5)% |
| Ethernet IFRS 15 deferred revenue | 1.3 | 3.2 | 4.5 | (ux) | (ux) | (ux) | (sx) | (sx) | - | - | (3.1) | (3.0) | (41.3)% | (106.6)% |
| Ethernet IFRS 15 SLG | (0.2) | (0.2) | (0.4) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.2) | (0.3) | - | - | (69.6)% | (69.6)% |
| Rounding | (0.1) | 0.1 | - | . , | | . , | | . , | (1.3) | · · | (0.2) | (0.1) | · · · · · · | - |
| Total IEC – BT + 1 Exchanges | 56.9 | 17.7 | 74.6 | | | | | | 27.9 | 7.1 | 45.9 | 15.1 | 63.0% | 69.9% |
| - | | | | | | | | | | | - | | | |

9.2.1 IEC – BT + 1 Exchanges Summary Restated for the year ended 31 March 2023

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average | External average | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|---------------------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|---------------------|------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | | | | | | | price | price | | | | | | |
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Ethernet services basket | | | | | | | | | | | | | | |
| Connections | 1.2 | 0.3 | 1.5 | 162 | 58 | ccts | 7,179.71 | 4,921.92 | 0.3 | _ | 0.1 | _ | 1,179.5% | 2,937.2% |
| EAD 1Gbit/s rentals | 2.7 | 0.8 | 3.5 | 1,425 | 398 | ccts | 1,914.68 | 1,935.20 | 0.6 | 0.2 | 0.9 | 0.3 | 235.9% | 239.1% |
| Other EAD rentals | 1.5 | 2.0 | 3.5 | 469 | 431 | ccts | 3,189.59 | 4,553.11 | 0.7 | 0.9 | 0.9 | 1.2 | 90.5% | 85.2% |
| EAD LA 1Gbit/s rentals | - | - | - | 5 | 2 | ccts | 1,618.42 | 1,618.37 | - | - | - | - | 188.4% | 188.4% |
| Other EAD LA rentals | - | _ | _ | 4 | 2 | ccts | 1,458.96 | 2,801.41 | _ | _ | _ | _ | 182.7% | 76.4% |
| Other rentals | 32.2 | 5.3 | 37.5 | 2,969 | 533 | ccts | 10,844.61 | 9,870.88 | 16.8 | 2.7 | 44.1 | 7.3 | 34.8% | 35.1% |
| Main link | 2.9 | 1.0 | 3.9 | 16,311 | 5,329 | km | 179.64 | 187.00 | 0.5 | 0.2 | 0.9 | 0.3 | 278.9% | 292.7% |
| Other services | | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | | - | - | | |
| Total Ethernet services basket | 40.5 | 9.4 | 49.9 | (un) | (4/1) | (47.) | (5/1) | (5/) | 18.9 | 4.0 | 46.9 | 9.1 | 46.2% | 58.4% |
| Total Ethernet Services businet | 40.5 | 3.4 | 45.5 | | | | | | 10.5 | -1.0 | 40.5 | 5.1 | 40.270 | 30.470 |
| Optical services - rentals | 4.1 | 3.4 | 7.5 | 1,600 | 3,394 | ccts | 2,555.78 | 1,012.42 | 1.6 | 3.2 | 4.4 | 9.7 | 57.8% | 2.2% |
| Optical services - connections | 0.6 | 15.5 | 16.1 | 127 | 3,611 | ccts | 5,024.22 | 4,286.12 | 0.2 | 2.2 | - | (0.6) | (17,519.8)% | (2,126.5)% |
| Optical services - main link | 2.3 | 1.9 | 4.2 | 8,497 | 7,503 | km | 275.75 | 250.56 | 0.4 | 0.3 | 0.3 | 0.3 | 635.1% | 554.4% |
| | | | | -, | , | | | | | | | | | |
| Direct ECC basket | - | - | - | (ux) | (ux) | (ux) | (sx) | (sx) | - | _ | _ | - | - | _ |
| Time related charges | _ | _ | _ | (ux) | (ux) | (ux) | (sx) | (sx) | _ | _ | _ | _ | _ | _ |
| Other ancillaries | 1.2 | 1.0 | 2.2 | (ux) | (ux) | (ux) | (sx) | (sx) | 0.8 | 0.1 | _ | - | 1,076.8% | (42,567.4)% |
| Ethernet IFRS 15 deferred revenue | 1.0 | (5.5) | (4.5) | (ux) | (ux) | (ux) | (sx) | (sx) | - | _ | (2.8) | (5.6) | (37.1)% | 96.3% |
| Ethernet IFRS 15 SLG | (0.1) | (1.0) | (1.1) | (ux) | (ux) | (ux) | (sx) | (sx) | (0.2) | (1.1) | - | (0.1) | (82.9)% | (82.9)% |
| Rounding | 0.1 | 0.2 | 0.3 | . , | , , | , | | | 0.6 | - | - | (0.2) | - | - |
| Total IEC – BT + 1 Exchanges | 49.7 | 24.9 | 74.6 | | | | | | 22.3 | 8.7 | 48.8 | 12.6 | 56.1% | 129.0% |
| · · · · · · · · · · · · · · · · · · · | | | 7.10 | | | | | | | | | | | 1201070 |

9.2.2 IEC – BT + 1 Exchanges Analysis of Service Cost For the year ended 31 March 2024

| Control Cont | For the year ended 31 March 2024 | Г | Connections | (ethernet) | EAD 1Gbi | t/s rentals | Other E | AD rentals | EAD LA 1Gbit | /s rentals | Other EAD I | _A rentals | Oth | er rentals Ma | ain link (etherne | t services) | Other services | | Optical service | es - renta |
|--|---|----------|-------------|------------|--------------|-------------|---------|------------|--------------|------------|--------------|------------|----------|---------------|-------------------|-------------|----------------|-----|-----------------|------------|
| September 1988 | (i) Operating costs by type | - | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | | Int | Ex |
| Silver of Handrich Silver Silv | | <u> </u> | | | | | | | | | | | | | | | | | | |
| Page | | | - | - | - | - | - | - | - | - | - | - | | - | | - | - | - | - | |
| Seminary Sem | | | - | - | - | - | - | - | - | - | - | - | | | | 0.2 | - | - | - | |
| The section of the | | | - | - | 0.1 | - | 0.1 | 0.1 | - | - | - | - | | 0.3 | 0.1 | - | - | - | 0.2 | (|
| The state of the | | | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | , |
| The second process of the content of | | | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | ' |
| The state of the s | | | - | - | (0.1) | - | | (0.4) | - | - | - | - | | | - | - | - | - | - | (0 |
| The second secon | | | - | - | (0.1) | - | (0.1) | (0.1) | - | - | - | - | (1.4) | (0.1) | - | - | - | - | - | ((|
| Signature Signat | | | - | - | - | - | - | - | - | - | - | - | - 0.1 | - | - | - | - | - | - | |
| | | | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | |
| Free Property or September 1988 1 | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Manufacturing specification 1 | | | - | - | 0.1 | - | - | - | - | - | - | - | 6.1 | 0.4 | 0.1 | 0.1 | - | - | - | |
| Yanganganganganganganganganganganganganga | | | - | - | 0.1 | - | - | - | - | - | - | - | | | 0.1 | 0.1 | - | - | - 0.1 | |
| The proper production of the content | | | - | - | - | - | - | - | - | - | - | - | 2.9 | 0.2 | - | - | - | - | 0.1 | |
| The content of the co | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Strong of a place of | | | - | - | - | - | - | - | - | _ | - | - | - | - | - | _ | - | _ | - | |
| Second | | | - | - | - | - | - | - | - | - | - | - | 0.2 | - | - | - | - | - | - | |
| State planting proving provi | | | 0.2 | - | 0.1 | - | 0.1 | 0.1 | - | - | - | - | | 0.1 | 0.1 | - | - | - | 0.2 | |
| Part | | | U.Z | - | 0.1 | - | 0.1 | U. I | - | - | - | - | | | | - | - | - | | |
| Part | | | 0.2 | | 0.2 | | 0.1 | 0.1 | | | | - | | | | 0.3 | | | | |
| Second S | | Z111 | 0.2 | - | 0.2 | - | 0.1 | 0.1 | - | - | - | - | 1-1.5 | 1.0 | 0.5 | 0.5 | - | - | 0.5 | |
| Name | Depreciation Durate | • | | | | | | | | | | | | | | | | | | |
| Separate | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Time | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Section Sect | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Company | | | - | - | | | _ | | - | - | - | - | | - | 0.1 | - | - | - | | |
| and and studingling in a control studing in a contr | | | - | - | 0.2 | 0.1 | 0.3 | 0.3 | - | - | - | - | | 0.4 | - | - | - | - | 0.6 | |
| Figure 1 | | | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | (|
| Second | | | - | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | |
| See | | | - | - | - | - | - | - | - | - | - | - | | | - | - | - | - | - | |
| Part | | | - | - | - | - | - | - | - | - | - | - | 2.1 | 0.1 | - | - | - | - | - | |
| | | | - | - | <u>-</u> | <u> </u> | | <u> </u> | - | - | - | - | <u>-</u> | <u>-</u> | | - | - | - | | |
| Canagement Can | Total depreciation | £m | - | - | 0.2 | 0.1 | 0.3 | 0.3 | - | - | - | - | 9.4 | 0.6 | 0.1 | - | - | - | 0.6 | 2 |
| Calipstanest | Specific items | £m | - | - | - | - | - | - | - | - | - | - | 0.8 | 0.1 | - | - | - | - | - | 0 |
| Coling gains Sm | Total HCA operating costs | £m | 0.2 | - | 0.4 | 0.1 | 0.4 | 0.4 | - | - | - | - | 24.7 | 1.7 | 1.0 | 0.3 | - | - | 1.1 | 3 |
| Coling gains Sm | CCA adjustments | | | | | | | | | | | | | | | | | | | |
| Supplementary depreciation | Holding gains | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| The CA distribution Section Se | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Sounding Fine - 0.2 0.1 0.2 0.3 - 0.3 0.2 0.1 | Other CCA adjustments | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Fame | Rounding | | - | - | 0.2 | 0.1 | 0.2 | 0.3 | - | - | - | - | (0.3) | 0.2 | 0.1 | 0.1 | - | - | 0.1 | (0. |
| Connections Em - - - - - - - - - | Total CCA operating costs | | 0.2 | - | | | | | - | - | - | - | | | | 0.4 | - | - | | |
| Connections Em Em Em Em Em Em Em E | | | = | _ | | - | - | _ | - | - | | | | | _ | - | - | _ | - | |
| Connections (ethernet) EAD 1Gbit/s rentals Connections (ethernet) EAD 1Gbit/s rentals EAD LA 1Gbit/s rentals Connections (ethernet) EAD 1Gbit/s rentals EAD LA 1Gbit/s rentals Connections (ethernet) EAD 1Gbit/s rentals Connections (ethernet) Connections EAD 1Gbit/s rentals Connections EAD 1Gbit/s rentals Connections Connections Connections EAD 1Gbit/s rentals Connections C | | fm | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 0.5 | _ | 0.1 | 0.1 | _ | _ | _ | |
| Connections (etheret) EAD Igbit/s rentals Other EAD rentals EAD LA Igbit/s rentals Other EAD LA rentals Other EAD LA rentals Other rentals Oth | | | | - | _ | _ | _ | _ | - | _ | _ | _ | | _ | - | | - | - | _ | |
| Services | Leaver costs | | | | _ | | | | <u> </u> | | - | | | | <u> </u> | | - | | | |
| Services | | | | | | | | | | | | | | | | | | | | |
| En | | | Connections | (etnernet) | EAD 1Gbr | t/s rentals | Otner E | AD rentals | EAD LA 1GBR | /s rentals | Other EAD I | _A rentals | Oth | er rentals Ma | ain link (etherne | t services) | Other services | | Optical service | :s - renta |
| Company Comp | (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | E |
| Company Comp | FOI input prices | fm | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | |
| Pervice and network delivery | Attribution of PI costs | | - | - | - | - | - | - | - | - | - | - | | | | | - | - | | |
| Pervice and network delivery | Onenvesch | | | | | | | | | | | | | | | | | | | |
| Em | | £m | 0.2 | | 0.1 | | (0.1) | (0.1) | | | _ | _ | 0.4 | _ | _ | | | | | , |
| Penerach total Em | | | 0.2 | - | 0.1 | - | (0.1) | (0.1) | - | - | - | - | | | | | - | - | | |
| Rest of BT Group centre | | _ | - 02 | | 0.1 | | (0.1) | (0.1) | | | | | | | | | | | | |
| From the first series of t | openieach (Old) | ΣIII | 0.2 | - | 0.1 | - | (0.1) | (0.1) | - | - | - | - | 1.0 | - | 0.1 | - | - | - | 0.1 | |
| From the first series of t | Rest of RT | | | | | | | | | | | | | | | | | | | |
| Property and facilities | | £m | _ | _ | _ | | _ | _ | | _ | _ | _ | 0.5 | _ | _ | _ | _ | _ | _ | |
| Fechnology units £m - - 0.1 - - - - - 0.2 Consumer and Business £m - - - 0.1 0.1 - - - - - - 0.2 Rest of BT total £m - - 0.1 - 0.2 0.2 - - - 1.6 0.9 0.2 0.1 - - 0.4 | | | - | - | _ | - | - | _ | - | - | _ | - | | | | 0.1 | - | - | _ | |
| Consumer and Business £m 0.1 0.1 0.2 Rest of BT total 0.1 0.2 0.2 12.6 0.9 0.2 0.1 0.4 | | | - | - | | - | | | - | - | - | - | | | | | - | - | | |
| Rest of BT total 0.1 - 0.2 0.2 12.6 0.9 0.2 0.1 0.4 | | | - | | | - | | | - | - | _ | - | | | | | - | - | | |
| | | | | | | | | | | | | | | | | | | | | |
| Operating cost before depreciation £m 0.2 - 0.2 - 0.1 0.1 14.5 1.0 0.9 0.3 0.5 | NESCOLD I TOTAL | ±m | - | - | 0.1 | - | 0.2 | 0.2 | - | - | - | - | 12.0 | 0.9 | 0.2 | 0.1 | - | - | 0.4 | |
| | Operating cost before depreciation | £m | 0.2 | - | 0.2 | - | 0.1 | 0.1 | - | - | - | _ | 14.5 | 1.0 | 0.9 | 0.3 | - | - | 0.5 | 1 |
| | • | = | | | | | | | | | | | | | | | | | | |

9.2.2 IEC – BT + 1 Exchanges Analysis of Service Cost (continued) For the year ended 31 March 2024

| | Г | Optical services - co | nnections | Optical services - | - main link | Direct ECC basket | Time related char | rges | Other ancillaries | Ethernet IFRS | 15 deferred | Ethernet IF | RS 15 SLG | | Rounding | | Total |
|---|--|---|--------------------------------|--|-------------------------------|---------------------------------------|--|---------------------|-------------------|------------------|--|--|--|---|---|---|---|
| | | | | | | | | | | | revenue | | | | | | |
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int Ext | Int | Ext | Int Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| | | | | | | | | | | | | | | | | | |
| EOI input prices | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | - | |
| Attribution of PI costs | £m | - | - | 0.4 | 0.3 | | - | - | | - | - | - | - | (0.1) | - | 1.8 | 0.6 |
| Wages and salaries | £m | 0.1 | 0.1 | 0.1 | 0.1 | | - | - | 0.3 - | - | - | - | - | - | 0.1 | 4.9 | 1.1 |
| Social security costs | £m | - | - | - | - | | - | - | | - | - | - | - | 0.1 | 0.1 | 0.6 | 0.1 |
| Other pension costs | £m | - | - | - | - | | - | - | | - | - | - | - | 0.1 | 0.1 | 0.8 | 0.2 |
| Share-based payment expense | £m £m | (0.1) | (0.1) | - | - | | - | - | (0.1) | - | - | - | - | - | (0.1) | (1.0) | (0.5) |
| Own work capitalised Net indirect labour costs | £m | (0.1) | (0.1) | - | - | | - | - | (0.1) | - | - | - | - | - | (0.1) | (1.8) | |
| Product costs | £m | - | _ | _ | _ | | - | - | | - | - | - | _ | _ | _ | 0.1 | - |
| Sales commissions | £m | | _ | _ | _ | 1 | _ | _ | | _ | | _ | _ | _ | | - | _ |
| Payments to telecommunications operators | £m | _ | _ | _ | _ | _ | - | _ | | _ | _ | _ | _ | _ | _ | _ | _ |
| Property and energy costs | £m | _ | _ | _ | _ | | - | _ | | _ | _ | _ | _ | 0.1 | _ | 6.4 | 0.6 |
| Network operating and IT costs | £m | _ | _ | _ | _ | | - | _ | | _ | _ | _ | _ | 0.1 | 0.1 | 3.1 | 0.5 |
| TV programme rights charges | £m | _ | _ | _ | _ | | - | _ | | _ | _ | _ | _ | - | - | - | - |
| Provision and installation | £m | _ | _ | _ | - | | - | _ | | _ | _ | _ | _ | _ | _ | - | _ |
| Marketing and sales | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | - | _ |
| Net impairment of losses on TR and contract assets | £m | - | - | - | - | | - | - | | - | - | - | - | 0.1 | 0.1 | 0.3 | 0.1 |
| Other operating costs | £m | 0.2 | 0.2 | - | - | | - | - | | - | - | (0.2) | (0.2) | (0.1) | (0.7) | 1.3 | 0.1 |
| Other operating income | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | (0.1) | _ |
| Total operating costs before depreciation | £m | 0.2 | 0.2 | 0.5 | 0.4 | | - | - | 0.2 - | - | - | (0.2) | (0.2) | 0.3 | (0.3) | 17.4 | 2.8 |
| | | | | | | | | | | | | | | | | | |
| Depreciation | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Fibre | £m | - | - | 0.1 | 0.1 | | - | - | | - | - | - | - | (0.1) | - | 0.3 | 0.1 |
| Electronics | £m | - | - | - | - | | - | - | | - | - | - | - | - | (0.2) | 6.0 | 2.5 |
| Software | £m | - | - | - | - | | - | - | | - | - | - | - | 0.1 | 0.1 | 0.7 | 0.2 |
| Land and buildings | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | 0.1 | - |
| Right of use assets | £m | - | - | - | - | | - | - | | - | - | - | - | - | 0.1 | 1.5 | 0.2 |
| Other assets | £m | - | - | - | - | | - | - | | - | - | - | - | - | 0.1 | 2.1 | 0.2 |
| Less funded assets (BDUK, etc.) | £m _ | - | | | | | | - | | - | | - | - | | - | - | - |
| Total depreciation | £m | - | - | 0.1 | 0.1 | | - | - | | - | - | - | - | - | 0.1 | 10.7 | 3.2 |
| | | | | | | | | | | | | | | | | | |
| Specific items | £m | | - | | - | | - | - | | - | - | | | 0.2 | (0.1) | 1.0 | 0.1 |
| Total HCA operating costs | £m | 0.2 | 0.2 | 0.6 | 0.5 | | - | - | 0.2 - | - | - | (0.2) | (0.2) | 0.5 | (0.3) | 29.1 | 6.1 |
| CCA - division - at- | | | | | | | | | | | | | | | | | |
| CCA adjustments Holding gains | £m | | | | | | | | | | | | | | | | |
| Supplementary depreciation | £m | - | - | - | - | | - | - | | - | - | - | - | - | - | - | |
| Other CCA adjustments | £m | | | _ | _ | 1 | _ | _ | | _ | _ | _ | | _ | | | |
| Rounding | £m | 0.1 | 0.1 | 0.1 | 0.1 | 1 | _ | _ | 0.1 - | _ | | _ | (0.1) | (1.8) | 0.3 | (1.2) | 1.0 |
| Total CCA operating costs | £m | 0.3 | 0.3 | 0.7 | 0.6 | | - | - | 0.3 - | - | - | (0.0) | | (1.0) | 0.5 | 27.9 | 7.1 |
| Total CCA operating costs | ZIII = | - 0.3 | 0.3 | | 0.0 | | | | 0.5 | | | | (0.3) | | _ | <u> </u> | |
| Total CCA operating cost includes the following: | | | _ | | | | | _ | - | | | (0.2) | (0.3) | (1.3) | | | |
| II of all C.C.A operating cost includes the following: | | | | | | | | - | - | - | | (0.2) | (0.3) | | | | |
| | Con | | | | | | | - | - | - | | | <u>-</u> | (1.3) | <u> </u> | 0.7 | 0.1 |
| Cumulo charges | £m | - 0.2 | - | - | - | | - | - | | - | - | - | - | 0.1 | <u>-</u> - | 0.7 | 0.1 |
| Cumulo charges Openreach SLGs | £m | 0.2 | 0.2 | - - | | | - | - - | | - - - | - - - | (0.2) | (0.2) | 0.1 | | 0.2 | - |
| Cumulo charges | | | | - - - | - - - | | | - - - | | - - - - | - - - | - | - | 0.1 | - 0.1 | | 0.1 - 0.1 |
| Cumulo charges Openreach SLGs | £m £m | 0.2 | 0.2 | Ontical services | - - - - main link | | | - - - | | - - - | - | (0.2) | (0.2) | 0.1 | 0.1 | 0.2 | 0.1 |
| Cumulo charges Openreach SLGs | £m £m | 0.2 | 0.2 | - - - Optical services - | - - - - main link | | - - - Time related char | - - - - | | - - - - | - 15 deferred | (0.2) | (0.2) | 0.1 | | 0.2 | - |
| Cumulo charges Openreach SLGs Leaver costs | £m £m | 0.2 | 0.2 - onnections | • | | - - - - Direct ECC basket | - - - Time related char | • | | Ethernet IFRS | 15 deferred revenue | (0.2) | (0.2) - - - - - - - | 0.1 | 0.1 | 0.2 0.3 | 0.1 |
| Cumulo charges Openreach SLGs | £m £m | 0.2 - Optical services - co | 0.2 | - - - Optical services - Int | - - - main link Ext | - - - - Direct ECC basket | - - - Time related char | - - - rges | Other ancillaries | Ethernet IFRS | - 15 deferred | (0.2) - Ethernet IF | (0.2) | 0.1 | 0.1 | 0.2 | 0.1 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division | £m £m | 0.2 - Optical services - co | 0.2 - onnections | • | | - - - - Direct ECC basket | - - - Time related char | • | | Ethernet IFRS | 15 deferred revenue | (0.2) - Ethernet IF | (0.2) - - - - - - - | 0.1 | 0.1 | 0.2 0.3 | 0.1 |
| Cumulo charges Openreach SLGs Leaver costs | £m £m | 0.2 - Optical services - co | 0.2 - onnections Ext | Int | Ext | Direct ECC basket | - - - Time related char | Ext | Int Ext | Ethernet IFRS | 15 deferred revenue Ext | (0.2) - Ethernet IF | (0.2) - FRS 15 SLG Ext | (1.3) 0.1 | 0.1 | 0.2 0.3 | - 0.1 Total Ext |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices | £m £m [| 0.2 - Optical services - co | 0.2 - onnections Ext | Int | Ext | Direct ECC basket | - - - Time related char Int | Ext | Int Ext | Ethernet IFRS | 15 deferred revenue Ext | (0.2) - Ethernet IF Int | (0.2) | 0.1 - - - Int | 0.1 | 0.2 0.3 | 0.1 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices | £m £m [| 0.2 - Optical services - co | 0.2 - onnections Ext | Int | Ext | Direct ECC basket | - - - Time related char Int | Ext | Int Ext | Ethernet IFRS | 15 deferred revenue Ext | (0.2) - Ethernet IF Int | (0.2) | (1.3) 0.1 | 0.1 | 0.2 0.3 | 0.1 Total Ext 0.6 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs | £m £m [| 0.2 - Optical services - co | 0.2 - onnections Ext | Int | Ext | Direct ECC basket | - - - Time related char Int | Ext | Int Ext | Ethernet IFRS | 15 deferred revenue Ext | Ethernet IF | (0.2) - FRS 15 SLG Ext | (1.3) 0.1 | 0.1 Rounding Ext | 0.2 0.3 | 0.1 Total Ext 0.6 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach | £m £m | 0.2 - Optical services - co Int - - | 0.2 - connections Ext | - 0.4 | Ext - 0.3 | Direct ECC basket | - - - Time related char Int | Ext | Int Ext | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) - Ethernet IF Int | (0.2) | (1.3) 0.1 (0.1) | 0.1 | 0.2 0.3 Int | 0.1 Total Ext 0.6 (0.7) 0.1 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery | £m £m £m £m | 0.2 - Optical services - co Int - - | 0.2 connections Ext 0.2 | - 0.4 | - 0.3 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext | Ethernet IFRS | - 15 deferred revenue Ext - - | Ethernet IF | (0.2) - FRS 15 SLG Ext | (1.3) 0.1 - Int (0.1) | 0.1 Rounding Ext | 0.2 0.3 Int - 1.8 | 0.1 Total Ext 0.6 (0.7) 0.1 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions | £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 (0.1) 0.1 | 0.1 Rounding Ext | 0.2 0.3 Int - 1.8 | - 0.1 Total Ext - 0.6 (0.7) |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions | £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 (0.1) 0.1 | 0.1 Rounding Ext | 0.2 0.3 Int - 1.8 | 0.1 Total Ext 0.6 (0.7) 0.1 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total | £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 (0.1) 0.1 | 0.1 Rounding Ext | 0.2 0.3 Int - 1.8 | 0.1 Total Ext 0.6 (0.7) 0.1 (0.6) |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre | £m £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 - (0.1) 0.1 - 0.1 | 0.1 Rounding Ext (0.8) (0.8) | 0.2 0.3 Int - 1.8 0.7 1.1 | 0.1 Total Ext 0.6 (0.7) 0.1 (0.6) |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT | £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 (0.1) 0.1 0.1 0.1 0.2 | 0.1 Rounding Ext (0.8) (0.8) | 0.2 0.3 Int - 1.8 0.7 1.1 1.8 | 0.1 Total Ext 0.6 (0.7) 0.1 (0.6) |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 (0.1) 0.1 - 0.1 0.2 0.1 | 0.1 Rounding Ext (0.8) (0.8) | 0.2 0.3 Int - 1.8 0.7 1.1 1.8 | 0.1 Total Ext 0.6 (0.7) 0.1 (0.6) 0.2 0.2 1.4 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities | £m £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 - (0.1) 0.1 - 0.1 0.1 - 0.1 | (0.8) (0.8) | 0.2 0.3 Int - 1.8 0.7 1.1 1.8 | 0.1 Total Ext 0.6 (0.7) 0.1 (0.6) 0.2 0.2 1.4 1.0 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int | Ext | Int Ext 0.2 - | Ethernet IFRS | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 - (0.1) 0.1 - 0.1 0.2 0.1 | (0.8) (0.8) 0.1 0.1 0.4 | 0.2 0.3 Int - 1.8 0.7 1.1 1.8 0.7 1.7 1.7 11.1 0.3 | 0.1 Total Ext 0.6 (0.7) 0.1 (0.6) 0.2 0.2 1.4 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m £m | 0.2 - Optical services - co | 0.2 | - 0.4 - 0.1 | - 0.3 0.1 | Direct ECC basket Int Ext | - - - Time related char Int - - - - - - - - - | Ext | Int Ext 0.2 - | | - 15 deferred revenue Ext - - | (0.2) Ethernet IF Int (0.2) | (0.2) | (1.3) 0.1 - (0.1) 0.1 - 0.1 0.2 0.1 | (0.8) (0.8) 0.1 0.1 0.4 | 0.2 0.3 Int - 1.8 0.7 1.1 1.8 0.7 1.7 1.7 11.1 0.3 | 0.1 Total Ext 0.6 (0.7) 0.1 (0.6) 0.2 0.2 1.4 1.0 2.8 |
| Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business Rest of BT total | £m £m £m £m £m £m £m £m £m £m | 0.2 - Optical services - co Int - - 0.2 - 0.2 | 0.2 | | 0.3 0.1 - 0.1 | Direct ECC basket Int Ext | - - - Time related char Int - - - - - - - - - | | Int | | 15 deferred revenue Ext | (0.2) Ethernet IF Int (0.2) (0.2) (0.2) - (0.2) | (0.2) FRS 15 SLG Ext | (1.3) 0.1 (0.1) 0.1 0.1 0.2 0.1 0.3 | (0.8) (0.8) 0.1 (0.8) 0.1 0.4 0.5 | 0.2 0.3 Int - 1.8 0.7 1.1 1.8 0.7 1.7 11.1 0.3 13.8 | 0.1 Total Ext - 0.6 (0.7) 0.1 (0.6) 0.2 0.2 1.4 1.0 |

9.2.2 IEC – BT + 1 Exchanges Analysis of Service Cost Restated for the year ended 31 March 2023

| EOI input prices Attribution of PI costs Wages and salaries Social security costs Cher pension costs Share-based payment expense Net indirect labour costs Fm Own work capitalised Net indirect labour costs Fm Product costs Sales commissions Payments to telecommunications operators Property and energy costs Network operating and IT costs Ty programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Other operating costs Other assets Em Total operating costs Other assets Land and buildings Right of use assets Other assets Less funded assets (BDUK, etc.) Total depreciation Fm Total CCA adjustments Rounding Total CCA operating costs Total CCA operating costs Total CCA operating costs Total CCA operating costs Fm Total CCA operating costs Total CCA operating costs Total CCA operating costs Fm Total CCA operating costs Total CCA operating costs Em Total CCA operating cost includes the following: Cumulo charges Em Cumulo charges Em Deprecation Em Total CCA operating cost includes the following: Cumulo charges Em Deprecators Em Total CCA operating cost includes the following: Cumulo charges Em Em Doperecators Em Total CCA operating cost includes the following: Cumulo charges Em Em Em Total CCA operating cost includes the following: Cumulo charges Em Em Em Em Em Em Total CCA operating cost includes the following: Em Em Em Em Em Total CCA operating cost includes the following: Em | Int | Ext | 0.1 (0.1) | Ext | 0.1 - (0.1) 0.2 - 0.2 - 0.3 | 0.2 - (0.1) 0.2 0.3 | Int | Ext | | Ext | (0.1) 2.1 0.2 0.4 - (1.2) 0.5 0.1 - 5.2 1.0 - 0.2 (0.1) 8.3 | Ext 0.3 0.1 - (0.2) 0.1 | (0.1) (0.1) (0.1) (0.1) (0.1) (0.2) (0.1) (0.2) (0.1) (0.1) (0.2) (0.1) (0.1) (0.2) (0.1) (0.1) (0.2) (0.1) (0.1) (0.1) (0.2) (0.1) | Ext | | services) Ext | - 0.1 | (0 |
|--|--|---|--|-----------------------------------|-----------------------------------|-------------------------|---|---|---|---|---|--|---|--|---|---|-------------------------|----------|
| Attribution of PI costs Wages and salaries Social security costs Cher pension costs Share-based payment expense Own work capitalised Net indirect labour costs Fm Net indirect labour costs Sales commissions Sales commissions Sales commissions Payments to telecommunications operators Property and energy costs Network operating and IT costs TV programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Other operating costs Cher operating costs Cher operating costs Other operating costs Other operating costs Software Land and buildings Right of use assets Other assetts Cher a | | - - - - - - - - | (0.1) | - - - 0.1 - - - | (0.1) | (0.1) 0.2 | | - | - - - - - - - - - - - - - - - - - - - | | (0.1) 2.1 0.2 0.4 - (1.2) 0.5 0.1 - 5.2 1.0 - 0.2 (0.1) 8.3 | 0.3 - 0.1 - (0.2) 0.1 - - 0.8 0.2 - - - - - - - - - - - - - | (0.1) 0.1 (0.1) 0.2 0.1 0.2 | 0.11 | | | 0.3 | (C |
| Attribution of Pi costs Wages and salaries Social security costs Other pension costs Share-based payment expense Om work capitalised Net indirect labour costs Sales commissions Sales commissions Sales commissions Payments to telecommunications operators Property and energy costs Network operating and IT costs Signate of the communication of the cost of | | - - - - - - - - | (0.1) | - - - 0.1 - - - | (0.1) | (0.1) 0.2 | | - | - - - - - - - - - - - - - - - - - - - | | (0.1) 2.1 0.2 0.4 - (1.2) 0.5 0.1 - 5.2 1.0 - 0.2 (0.1) 8.3 | 0.3 - 0.1 - (0.2) 0.1 - - 0.8 0.2 - - - - - - - - - - - - - | (0.1) 0.1 (0.1) 0.2 0.1 0.2 | 0.1 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | 0.3 | (C |
| Wages and salaries £m Social security costs £m Other pension costs £m Share-based payment expense £m Own work capitalised £m Net indirect labour costs £m Product costs £m Sales commissions £m Payments to telecommunications operators £m Property and energy costs £m Network operating and IT costs £m TV programme rights charges £m Provision and installation £m Marketing and sales £m Net impairment of losses on TR and contract assets £m Other operating costs £m Other operating income £m Total operating costs £m Depreciation £m Duct £m Poles £m Copper £m Fibre £m Electronics £m Software £m Land and buildings £m Right of use assets £m Other assets £m | | - - - - - - - - | (0.1) | - - - 0.1 - - - | (0.1) | (0.1) 0.2 | | | - - - - - - - - - - - - - - - - - - - | | 2.1 0.2 0.4 - (1.2) 0.5 0.1 - 5.2 1.0 - - 0.2 (0.1) 8.3 | 0.3 - (0.2) 0.1 - - 0.8 0.2 - - - - - - - - - - - - - | 0.1 - (0.1) - - 0.2 - - 0.1 - 0.2 | 0.1 | - - - - - - - - - - - - - - - - - - - | | 0.3 | (C |
| Social security costs Other pension costs Share-based payment expense Own work capitalised Net indirect labour costs Froduct costs Sales commissions Payments to telecommunications operators Property and energy costs Sem Network operating and IT costs Ty programme rights charges Provision and installation Marketing and sales Pension and installation Marketing and sales Other operating costs Other operating cost includes the following: Cumulo charges Openeach SLGs | | - - - - - - - - | (0.1) | - - - 0.1 - - - | (0.1) | (0.1) 0.2 | | - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | 0.2 0.4 - (1.2) 0.5 0.1 - 5.2 1.0 - - 0.2 (0.1) 8.3 | 0.1 (0.2) 0.1 - - 0.8 0.2 - - - - - - - - - - - - - - - - - - - | (0.1) | 0.1 | - | | 0.3 | (C |
| Other pension costs Share-based payment expense Own work capitalised Net indirect labour costs Fm Product costs Sales commissions Payments to telecommunications operators Property and energy costs Substituting and IT costs TV programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Other operating costs Substituting costs Other operating income Total operating costs before depreciation Duct Poles Copper Fibre Electronics Software Land and buildings Right of use assets Less funded assets (BDUK, etc.) Total depreciation CCA adjustments Holding gains Em Total CCA operating costs Em Total CCA operating costs Em Total CCA operating cost includes the following: Cumulo charges Openeach SLGs | - 0.3 | - - - - - - - - | 0.1 - - - - 0.1 - - - 0.3 - - | - - - 0.1 - - - | 0.2 | 0.2 | | | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | 0.4 - (1.2) 0.5 0.1 5.2 1.0 0.2 (0.1) 8.3 | (0.2) 0.1 - - 0.8 0.2 - - - - - - - - - - - - - | (0.1) 0.2 0.1 0.2 | 0.1 | - | | - 0.4 - - - | |
| Share-based payment expense Own work capitalised She mover coapitalised Sales commissions Sales commissions Sales commissions Sem Product costs Sales commissions Sem Property and energy costs Sem Property and energy costs Sem Property and energy costs Sem Provision and installation Sem Provision and installation Sem Marketing and sales Sem Provision and installation Sem Marketing and sales Sem Other operating costs Sem Other operating costs Sem Other operating income Total operating costs before depreciation Depreciation Duct Sem Copper Sem Copper Sem Copper Sem Software Land and buildings Sem Software Land and buildings Sem Other assets Sem Other CCA adjustments Specific items S | - 0.3 | - - - - - - - - | 0.1 - - - - 0.1 - - - 0.3 - - | - - - 0.1 - - - | 0.2 | 0.2 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | | - - - - - - - - - - - - - - - - - - - | (1.2) 0.5 0.1 - 5.2 1.0 - - 0.2 (0.1) 8.3 | (0.2) 0.1 - - 0.8 0.2 - - - - - - - - - - - - - | (0.1) 0.2 0.1 0.2 | 0.1 | - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| Own work capitalised Net indirect tabour costs Per Met indirect tabour costs Sales commissions Sales commissions Payments to telecommunications operators Property and energy costs Network operating and IT costs TV programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Other operating costs Other operating income Total operating costs before depreciation Duct Popper Sem Copper Sem Copper Sem Copper Sem Copper Sem Copper Sem Copter sem | - 0.3 | - - - - - - - - | 0.1 - - - - 0.1 - - - 0.3 - - | - - - 0.1 - - - | 0.2 | 0.2 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | 0.5 0.1 - 5.2 1.0 - - 0.2 (0.1) 8.3 | 0.1 - 0.8 0.2 - - - - - - - - - - - - - | 0.2 | 0.1 | - | | - 0.4 - - - | |
| Net indirect labour costs | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.2 | - - - - - - - - - - - - - - - - - - - | - | - | - - - - - - - - - - - - - - - - - - - | 0.5 0.1 - 5.2 1.0 - - 0.2 (0.1) 8.3 | 0.1 - 0.8 0.2 - - - - - - - - - - - - - | 0.2 | 0.1 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| Sales commissions Payments to telecommunications operators Payments to telecommunications operators Property and energy costs Network operating and IT costs TV programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Other operating costs Other operating income Total operating costs before depreciation Duct Poles Sem Copper Fibre Electronics Software Land and buildings Right of use assets Other assets Em Other assets Software S | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - | - - - - - - - - - - - - - - - - - - - | 5.2 1.0 - - - 0.2 (0.1) 8.3 | 0.2 - - - - - - - - - - - - - - - - - - - | 0.1 - 0.2 | 0.1 | - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| Payments to telecommunications operators Property and energy costs Sem Network operating and IT costs TV programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Sem Other operating costs Other operating income Total operating costs before depreciation Depreciation Duct Sem Copper Sem Copper Sem Copper Sem Copper Sem Land and buildings Right of use assets Sem Cother assets Sem CCA adjustments Holding gains Supplementary depreciation Em Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - | - - - - - - - - - - - - - - - - - - - | 1.0 - - 0.2 (0.1) 8.3 | 0.2 - - - - - - - - - - - - - - - - - - - | 0.1 - 0.2 | 0.1 - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| Property and energy costs Network operating and IT costs Sem TV programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Other operating costs Other operating income Total operating costs before depreciation Poepreciation Duct Poles Copper Sem Electronics Software Land and buildings Right of use assets Other assets Sem Other assets Sem Other assets Sem Other depreciation Pibre Ces funded assets (BDUK, etc.) Total depreciation Specific items Total HCA operating cost includes the following: Cumulo charges Openeaned SLGs Em Total CCA operating cost includes the following: Cumulo charges Sem Openeach SLGs | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | 1.0 - - 0.2 (0.1) 8.3 | 0.2 - - - - - - - - - - - - - - - - - - - | 0.1 - 0.2 | 0.1 - - - - - - - - - - - - - - - - - - - | - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| Network operating and IT costs TV programmer rights charges Frovision and installation Marketing and sales Net impairment of losses on TR and contract assets Other operating costs Other operating income Total operating costs before depreciation Depreciation Duct Poles Copper Fibre Electronics Software Land and buildings Right of use assets Other assets Less funded assets (BDUK, etc.) Total depreciation Specific items Total HCA operating costs Em Total CCA operating cost includes the following: Cumulo charges Em Total CCA operating cost includes the following: Cumulo charges £m Fm | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - | - - - - - - - - - - - - - - - - - - - | 1.0 - - 0.2 (0.1) 8.3 | 0.2 - - - - - - - - - - - - - - - - - - - | 0.1 - 0.2 | 0.1 - - - - - - 0.1 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| TV programme rights charges Provision and installation Marketing and sales Net impairment of losses on TR and contract assets Em Other operating costs Other operating income Total operating costs before depreciation Depreciation Duct Em Copper Em Copper Fibre Electronics Software Land and buildings Right of use assets Other assets Less funded assets (BDUK, etc.) Total depreciation Specific items Total HCA operating costs Em Supplementary depreciation Total CCA adjustments Rounding Fibre Fib | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - | - - - - - - - - - - - - - - - - - - - | 0.2 (0.1) 8.3 | - - - - - - - - - - - - - - - - - - - | - 0.2 - - | 0.1 | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| Provision and installation £m Marketing and sales £m Other operating costs £m Other operating income £m Total operating costs before depreciation £m Depreciation Duct £m Poles £m Copper £m Electronics £m Electronics £m Electronics £m Elestrated buildings £m Elestrated buildings £m Elest of use assets £m Copper £m Elest funded assets (BDUK, etc.) Total depreciation £m CCA adjustments Holding gains £m Total HCA operating costs includes the following: Cumulo charges £m Total CCA operating cost includes the following: Cumulo charges £m CC cumulo charges £m | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - - - - | - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | (0.1) 8.3 - - - 0.2 4.3 | - - - - 0.7 | - 0.2 - - | 0.1 | - | - - - - - - - - - - - - - - - - - - - | - 0.4 - - - | |
| Marketing and sales Net impairment of losses on TR and contract assets £m Other operating costs £m Other operating costs before depreciation Depreciation Duct Poles £m Copper £m Electronics £m Software Land and buildings Right of use assets £m Other assets £m Total depreciation Specific items Total HCA operating costs £m COPA adjustments Holding gains £m Supplementary depreciation Total CCA adjustments £m Comunic CA adjustments £m Total CCA operating cost includes the following: Cumulo charges £m Cumulo charges £m Cumulo charges £m Cumulo charges £m Em Cumulo charges £m Em Cumulo charges £m Em Coppenreach SLGs | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - | - | - - - - - - - - - - - - - - - - - - - | - - - - - - - - - - - - - - - - - - - | (0.1) 8.3 - - - 0.2 4.3 | - - - - 0.7 | - 0.2 - - | 0.1 | - | - | - 0.4 - - - | |
| Net impairment of losses on TR and contract assets Other operating costs Other operating income Total operating costs before depreciation Depreciation Duct Poles Copper Fibre Fibre Electronics Software Land and buildings Right of use assets Other assets Less funded assets (BDUK, etc.) Total depreciation Specific items Total HCA operating costs Em Sothwane CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Em Cother assets Em Cother assets Em Total CCA operating cost includes the following: Cumulo charges Em Em Em Cother assets Em Cothe | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | | - - - - - - - - - - - - - | - | - - - - - - - - - | (0.1) 8.3 - - - 0.2 4.3 | - - - - 0.7 | - 0.2 - - | 0.1 | - | - | - 0.4 - - - | |
| Other operating costs Other operating income | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - - - - - - | - | - | - | (0.1) 8.3 - - - 0.2 4.3 | - - - - 0.7 | - 0.2 - - | 0.1 | - | - | - 0.4 - - - | |
| Other operating income Total operating costs before depreciation Depreciation Duct £m Poles £m Copper £m Electronics £m Software £m Land and buildings £m Right of use assets £m Less funded assets (BDUK, etc.) Total depreciation £m Specific items £m Total HCA operating costs CCA adjustments Holding gains £m Other CCA adjustments £m COTAL CCA operating costs includes the following: Cumulo charges £m Coppensed £m Copp | - 0.3 | - - - - - - - - | - 0.1 | - - - 0.1 - - - | - 0.2 - - - - | 0.3 | - - - - - - - - - - - | | | - - - - - - - - | (0.1) 8.3 - - - 0.2 4.3 | - - - - 0.7 | - 0.2 - - | 0.1 | - - - - - - | - - - - - - - | - 0.4 - - - | |
| Total operating costs before depreciation Depreciation Duct | - - - - - - - - - | - - - - - - - - | - - - 0.3 - - - | - - - 0.1 - - - | - - - - | - - - - | - - - - - - - - - | - | - - - - - - - | - - - - - - - | 8.3 - - - 0.2 4.3 | - - - - 0.7 | 0.2 - - | 0.1 - - - - - | - - - - - | - - - - - - | 0.4 - - - | |
| Depreciation Duct | - - - - - - - - - | - - - - - - - - | - - - 0.3 - - - | - - - - | - - - - | - - - - | - - - - - - - - - | - - - - - | - | - - - - - | - - - 0.2 4.3 | - - - - 0.7 | - - - | - - - - - | - | - - - - - | - - - - | |
| Duct Poles £m Poles £m Copper £m Fibre £m Electronics £m Software £m Land and buildings £m Right of use assets £m Other assets £m Cother assets £m Total depreciation £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Coppenreach SLGs | - - - - - - - - - | - - - - - - - - - | - - - - | - - - - | - - - 0.3 - - - | 0.4 | - - - - - - - | - - - - - | - | - - - - - | 4.3 | | - - - 0.1 - | - - - - - | - - - - - | - - - - - | - - - 1.0 | |
| Poles £m Copper £m Fibre £m Electronics £m Software £m Land and buildings £m Right of use assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Other CCA adjustments £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Coppeneach SLGs | - - - - - - - - - - | - - - - - - - - - | - - - - | - - - - | 0.3 | 0.4 | - - - - - - | - - - - - - | - | - - - - - | 4.3 | | - - 0.1 - - | - - - - - | - - - - | - - - - | - - - 1.0 | |
| Copper Fibre | - - - - - - - - - | - - - - - - - - | - - - - | - - - - | - - 0.3 - - - - | 0.4 | - - - - - - | - - - - - | - - - - | - - - - | 4.3 | | - 0.1 - - | - - - - | - - - - | - - - - | - - 1.0 | |
| Fibre £m Electronics £m Software £m Land and buildings £m Right of use assets £m Other assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | - | | - - - - | - - - - | - 0.3 - - - - - | - 0.4 - - - | - | - - - - | - - - - | - - - | 4.3 | | 0.1 | - - - | - - - | - - - | 1.0 | |
| Electronics £m Software £m Land and buildings £m Right of use assets £m Other assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | - | - - - - - - | - - - - | - - - - | 0.3 - - - - | 0.4 - - - | - - - - | - - - | - - - | - - - | 4.3 | | - | - | - - - | - - - | 1.0 | |
| Software £m Land and buildings £m Right of use assets £m Other assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | - | - - - - - | - - - - | - - - - | - - - - | - - - | - - - - | - - - | - - - | - | | | - | - | - | - | - | |
| Land and buildings £m Right of use assets £m Other assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | - | - - - - | | - - - | - - - | - | - - - | - | - | | | | | | | | | |
| Right of use assets £m Other assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | - - - | - - - | - - - 0.3 | - - - | - - - | - | - | - | | _ | 0.1 | - | _ | _ | _ | _ | _ | |
| Other assets £m Less funded assets (BDUK, etc.) £m Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs | - | - | 0.3 | | - | - | - | | _ | _ | 1.4 | 0.2 | _ | _ | _ | _ | _ | |
| Less funded assets (BDUK, etc.) Total depreciation Specific items Total HCA operating costs CCA adjustments Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | - | - | 0.3 | - | - | | | - | _ | _ | 1.5 | 0.2 | - | _ | _ | _ | _ | |
| Total depreciation £m Specific items £m Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | - | - | 0.3 | | | - | - | - | - | - | - | - | - | - | _ | - | - | |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | - | | | 0.1 | 0.3 | 0.4 | - | - | - | - | 7.9 | 1.2 | 0.1 | - | - | - | 1.0 | |
| Total HCA operating costs £m CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | _ | _ | _ | _ | _ | _ | | | _ | _ | 0.5 | 0.1 | _ | _ | _ | _ | | |
| CCA adjustments Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | 0.3 | - | 0.4 | 0.1 | 0.5 | 0.7 | - | - | - | - | 16.7 | 2.6 | 0.3 | 0.1 | - | - | 1.4 | |
| Holding gains £m Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | | | | | | | | | | | | | | | | | | |
| Supplementary depreciation £m Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | | | | | | | | | | | | | | | | | | |
| Other CCA adjustments £m Rounding £m Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs £m £m £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total CCA operating costs £m Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | - | _ | 0.2 | 0.1 | 0.2 | 0.2 | - | - | - | - | 0.1 | 0.1 | 0.2 | 0.1 | - | - | 0.2 | |
| Total CCA operating cost includes the following: Cumulo charges £m Openreach SLGs £m | 0.3 | - | 0.6 | 0.2 | 0.7 | 0.9 | - | - | - | - | 16.8 | 2.7 | 0.5 | 0.2 | - | - | 1.6 | |
| Cumulo charges £m Openreach SLGs £m | | | | | | | | | | | | | | | | | | |
| Openreach SLGs £m | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 0.4 | 0.1 | 0.2 | 0.1 | _ | _ | _ | |
| | 0.2 | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | - | - | - | _ | _ | _ | |
| | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | - | - | - | - | |
| | | | | | | | | | | - 1 | | - 1 | | 1 | | | | |
| | Connections | (etnernet) | EAD 1Gbit | t/s rentals | Other E/ | AD rentals | EAD LA 1Gbit, | /s rentals | Other EAD L | Arentals | Othe | er rentals Ma | in link (ethernet | t services) | Other services | s (etnernet services) | Optical service | s - rent |
| (ii) Operating costs by division | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | |
| EOI input prices £m | | | | | _ | _ | | | | | | | | | | | | |
| Attribution of PI costs £m | - | - | - | - | - | - | - | - | - | - | (0.1) | - | (0.1) | - | - | - | - | |
| Onenweek | | | | | | | | | | | | | | | | | | |
| Openreach Service and network delivery £m | 0.3 | | (0.1) | | _ | (0.1) | | | _ | | (0.1) | 0.1 | 0.1 | | | | | |
| Openreach support functions £m | 0.3 | - | (0.1) | - | - | (0.1) | - | - | - | - | 0.3 | 0.1 | U.1 - | - | - | - | - | (0 |
| Openreach total £m | 0.3 | <u>-</u> | (0.1) | <u> </u> | - | (0.1) | <u> </u> | | - | - | 0.3 | 0.1 | 0.1 | | <u> </u> | <u>-</u> | <u> </u> | (0 |
| Openicacii totat EIII | 0.3 | - | (0.1) | - | - | (0.1) | - | - | - | - | 0.2 | 0.1 | 0.1 | • | - | - | - | ,, |
| Rest of BT | | | | | | | | | | | | | | | | | | |
| Group centre £m | _ | - | - | - | _ | - | - | - | - | - | 0.3 | - | - | _ | - | _ | _ | |
| Property and facilities £m | - | - | - | - | - | - | - | - | - | - | 1.2 | 0.2 | 0.2 | 0.1 | - | - | - | |
| Fechnology units £m | | - | 0.1 | - | - | 0.1 | - | - | - | - | 6.6 | 1.0 | - | - | - | - | 0.1 | |
| Consumer and Business £m | - | - | 0.1 | - | 0.2 | 0.3 | | | | | 0.1 | - | - | | | | 0.3 | |
| Rest of BT total £m | <u>-</u> - | | 0.2 | - | 0.2 | 0.4 | - | - | - | - | 8.2 | 1.2 | 0.2 | 0.1 | - | - | 0.4 | |
| | - - | - | | | | | | | | | 8.3 | 1.3 | | | | | | |
| Operating cost before depreciation £m | - 0.3 | - | 0.1 | - | 0.2 | 0.3 | - | - | - | - | | | 0.2 | 0.1 | - | - | 0.4 | |

9.2.2 IEC – BT + 1 Exchanges Analysis of Service Cost (continued) Restated for the year ended 31 March 2023

| Part | Restated for the year ended 5 Financh 2025 | Op | tical services - co | onnections | Optical services | - main link | Direct E | CC basket | Time relate | d charges | Othera | ancillaries | Ethernet IFRS 1 | | Ethernet IF | RS 15 SLG | | Rounding | | Total |
|--|--|----------|----------------------|--------------|-------------------|-------------|----------|-----------|--------------|-----------|---------|-------------|-----------------|------------|-------------|------------|-------|----------|------|--------------|
| Part | (i) Operating costs by type | - | Int | Evt | Int | Evt | Int | Evt | Int | Evt | Int | Evt | Int | revenue | Int | Evt | Int | Evt | Int | Ext |
| March Marc | (i) Operating costs by type | <u> </u> | ·····q | EXU | ıııq | EXY | | EXY | ıııq | EXY | | EXY | шч | EXY | ıııq | EXY | q | EXU | | EXL |
| Magnetic | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | - | - |
| Mail | | | - | | | - | - | - | - | - | | - | - | - | - | - | | (0.1) | | (0.1) |
| Prince | | | - | | 0.1 | 0.1 | - | - | - | - | | 0.1 | - | - | - | - | | | | 2.1 |
| Part | | | - | | - | - | - | - | - | - | | - | - | - | - | - | | 0.1 | | 0.2 |
| Control Cont | | | - | | - | - | - | - | - | - | 0.1 | - | - | - | - | - | | - | | 0.3 |
| Part | | | - | | - | - | - | - | - | - | (0.2) | - | - | - | - | - | 0.1 | - | | (1.3) |
| Pose of the Pose | | | - | | - | - | - | - | - | - | (0.2) | - | - | - | - | - | 0.1 | - | | 0.2 |
| Part | | | - | 0.1 | - | - | _ | - | - | - | - | - | - | - | - | - | 0.1 | - | | - |
| Page 11 Page 12 Page 12 Page 12 Page 13 Page 13 Page 13 Page 14 Page | | | _ | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ | _ | | 0.1 | |
| Part of part | | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Method property post of control | | | _ | _ | 0.2 | 0.2 | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | 0.1 | _ | 5.7 | 1.1 |
| Programme of the content of the co | | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | 0.1 | _ | | 0.2 |
| Manual production | | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Per contract contra | Provision and installation | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Principal position Princip | | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Principal principal properties Principal p | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Part | | | 0.1 | 1.3 | - | - | - | - | - | - | 0.1 | - | - | - | (0.2) | (1.0) | 0.1 | 0.1 | | 1.2 |
| Part | | | - | - | - | - | - | - | - | - | - | - | - | - | | - | | - | | - |
| Designation | Total operating costs before depreciation | £m | 0.1 | 2.0 | 0.3 | 0.3 | - | - | - | - | 0.7 | 0.1 | - | - | (0.2) | (1.0) | 1.2 | 0.1 | 11.6 | 3.9 |
| Part | | | | | | | | | | | | | | | | | | | | |
| Figure F | Duct | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Final Conference | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Conversion | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | - |
| Second S | | | - | - | 0.1 | 0.1 | - | - | - | - | - | - | - | - | - | - | | | | 0.2 |
| Land subsidiseged Fights of Land Search Fights of | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | 0.1 | | 3.4 |
| Fight Sept | | | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | 0.3 | - | | 0.3 |
| Characteriste Characterist | Land and buildings | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - 0.1 | | - |
| Final Personal Pers | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | 0.3 0.3 |
| Part | | | - | _ | - | - | _ | _ | - | - | - | _ | - | - | - | _ | (0.5) | 0.1 | 1.0 | 0.3 |
| Part | | | - | 0.1 | 0.1 | 0.1 | - | - | - | - | - | - | - | - | - | - | 0.2 | 0.4 | 9.9 | 4.5 |
| CACA diputinents | | | | | | | | | | | | | | | | | | | | |
| CA adjustments | | | | - | - | - | - | - | - | - | | - | - | - | <u> </u> | | | - | | 0.1 |
| Holding gains | Total HCA operating costs | £m | 0.1 | 2.1 | 0.4 | 0.4 | - | - | - | - | 0.7 | 0.1 | - | - | (0.2) | (1.0) | 1.8 | 0.5 | 22.4 | 8.5 |
| Holding gains | CCA adjustments | | | | | | | | | | | | | | | | | | | |
| Character CA adjustments Em | Holding gains | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Find | | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Total CCA operating cost includes the following: Cumulo charges | | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | | - |
| Total CCA operating cost includes the following: Cumulac harges Em | | | | | | | - | - | - | - | | - | - | - | | | | (0.5) | | 0.2 |
| Commission Em | Total CCA operating costs | £m | 0.2 | 2.2 | 0.4 | 0.3 | - | - | - | - | 8.0 | 0.1 | - | - | (0.2) | (1.1) | 0.6 | - | 22.3 | 8.7 |
| Commence | Total CCA operating cost includes the following: | | | | | | | | | | | | | | | | | | | |
| Consideration Em | | £m | - | - | 0.2 | 0.2 | - | - | - | - | - | - | - | - | - | - | - | (0.1) | 0.8 | 0.3 |
| Optical services - connections Optical services - main link Direct ECC basket Time related charges Other ancillaries Ethernet IFRS 15 deferred revenue | Openreach SLGs | £m | 0.1 | 1.4 | - | - | - | - | - | - | - | - | - | - | (0.1) | (1.0) | - | - | 0.2 | 0.4 |
| (ii) Operating costs by division Int | Leaver costs | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - |
| (ii) Operating costs by division Int | | On | atical services - co | nnections | Ontical services | - main link | Direct F | CC hasket | Time relate | d charges | Other | ancillaries | Ethernet IEBS 1 | 5 deferred | Fthernet IF | PS 15 SI G | | Pounding | | Total |
| Folimpt prices | | " | ricut services ec | Jillicetions | Optical sci vices | THAIL CHIL | Direct | oo buskee | rincretate | a charges | Other t | ancillaries | Zuiemetii Ko i | I | Linemetii | 15 15 52 4 | | rtounung | | Total |
| Attribution of Placests | (ii) Operating costs by division | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Attribution of Placests | FOI input prices | £m | | | | | | | | | _ | | | | | | | | | |
| Service and network delivery Em 0.1 1.5 0.1 0.1 0.1 - - - 0.3 0.1 - - 0.3 0.1 - - 0.2 (1.0) 0.6 0.1 1.1 | | | | | | | | | | | | - | | | | | | (0.1) | | (0.1) |
| Service and network delivery Em 0.1 1.5 0.1 0.1 0.1 - - - 0.3 0.1 - - 0.3 0.1 - - 0.2 (1.0) 0.6 0.1 1.1 | Onenwaseh | | | | | | | | | | | | | | | | | | | |
| Openreach support functions Em - 0.3 - - - - - - - - - - - - - - 0.2 - - 0.6 Openreach total Rest of BT Group centre - - 0.1 - - - - 0.1 - - - 0.1 - - - - 0.1 - - - 0.1 0.6 - - 0.1 0.6 - - - - - - - 0.1 0.6 - <th></th> <th>£m</th> <th>0.1</th> <th>1.5</th> <th>0.1</th> <th>0.1</th> <th>_</th> <th>_</th> <th>_</th> <th></th> <th>0.3</th> <th>0.1</th> <th>_</th> <th>_</th> <th>(0.2)</th> <th>(1.0)</th> <th>0.6</th> <th>0.1</th> <th>1 1</th> <th>0.6</th> | | £m | 0.1 | 1.5 | 0.1 | 0.1 | _ | _ | _ | | 0.3 | 0.1 | _ | _ | (0.2) | (1.0) | 0.6 | 0.1 | 1 1 | 0.6 |
| Openreach total £m 0.1 1.8 0.1 0.1 - - - 0.5 0.1 - - (0.2) (1.0) 0.7 0.3 1.7 Rest of BT Group centre £m - 0.1 - - - - 0.1 - - - 0.1 - - 0.1 - - 0.2 0.1 0.6 Property and facilities £m - 0.1 - - - - - - 0.2 0.2 0.2 - - - - - - - 0.2 0.1 - - - - - - - 0.2 0.2 0.1 - | | | | | | | | | _ | | | | | | | | | | | 0.5 |
| Rest of BT Group centre | · | | | | | | | | | | | | | | | | | | | 1.1 |
| Group centre £m - 0.1 - - - - - - 0.2 0.1 0.6 Property and facilities £m - - 0.2 0.2 - - - - - - - - 0.2 0.2 0.2 1.8 Technology units £m - 0.1 - - - - - - - - 0.1 - - 7.0 Consumer and Business £m - - - - - - - - - - - 0.6 | Sperificacii (Otal | -111 | 0.1 | 1.0 | 0.1 | 0.1 | _ | _ | - | - | 0.5 | 0.1 | - | - | (0.2) | (1.0) | 0.7 | 0.5 | 1.7 | 1.1 |
| Group centre £m - 0.1 - - - - - - 0.2 0.1 0.6 Property and facilities £m - - 0.2 0.2 - - - - - - - - 0.2 0.2 0.2 1.8 Technology units £m - 0.1 - - - - - - - - 0.1 - - 7.0 Consumer and Business £m - - - - - - - - - - - 0.6 | Rest of BT | | | | | | | | | | | | | | | | | | | |
| Property and facilities £m - - 0.2 0.2 - <td< th=""><th></th><th>£m</th><th>-</th><th>0.1</th><th>-</th><th></th><th>-</th><th>-</th><th>-</th><th>-</th><th>0.1</th><th>-</th><th>-</th><th>-</th><th>-</th><th>-</th><th>0.2</th><th>0.1</th><th>0.6</th><th>0.3</th></td<> | | £m | - | 0.1 | - | | - | - | - | - | 0.1 | - | - | - | - | - | 0.2 | 0.1 | 0.6 | 0.3 |
| Technology units £m - 0.1 - - - - - - - - - - - - - - - - - - - 0.1 - 7.0 Consumer and Business £m - - - - - - - - - - 0.6 | Property and facilities | | - | | 0.2 | 0.2 | - | - | - | - | - | - | - | - | - | - | | | | 0.3 |
| Consumer and Business £m 0.1) - 0.6 | | £m | - | 0.1 | | | - | - | - | - | 0.1 | - | - | - | - | - | | _ | | 1.4 |
| Port of RT total | | £m _ | | | | | | | _ | <u> </u> | | | | | | | | | | 0.9 |
| Rescribit total | Rest of BT total | £m | - | 0.2 | 0.2 | 0.2 | - | - | - | - | 0.2 | - | - | - | - | - | 0.4 | (0.1) | 10.0 | 2.9 |
| Operating cost before depreciation £m 0.1 2.0 0.3 0.3 0.7 0.1 (0.2) (1.0) 1.2 0.1 11.6 | Operating cost before depreciation | £m | 0.1 | 2.0 | 0.2 | 0.3 | | | | | 0.7 | 0.1 | | | (0.2) | (1.0) | 1 2 | 0.1 | 11.6 | 3.9 |
| Operating Cost Defore depreciation 5.11 0.1 2.0 0.5 0.5 0.7 0.1 (0.2) (1.0) 1.2 0.1 11.6 | Operating cost perore depreciation | Z111 | U. I | 2.0 | 0.3 | 0.3 | - | - | - | - | U./ | U. I | - | - | (0.2) | (1.0) | 1.4 | U. I | 11.0 | 3.9 |

9.2.3 IEC – BT + 1 Exchanges Analysis of Service MCE For the year ended 31 March 2024

| | | Connections (| (ethernet) | EAD 1Gb | it/s rentals | Other E | AD rentals | EAD LA 1Gbit | t/s rentals | Other EAD I | LA rentals | Ot | her rentals | Main link (etherne | et services) | Other services | (ethernet services) | Optical servic | es - rentals |
|---------------------------------|-------------|---------------|------------|---------|--------------|---------|------------|--------------|-------------|-------------|------------|-------|-------------|--------------------|--------------|----------------|------------------------|----------------|--------------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | - | - | - | - | - | - | - | - | - | - | 1.2 | 0.1 | 8.0 | 0.3 | - | - | - | - |
| Electronics | £m | - | - | 0.5 | 0.1 | 0.6 | 0.7 | - | - | - | - | 21.9 | 1.8 | - | - | - | - | 3.9 | 11.5 |
| Software | £m | - | - | - | - | - | - | - | - | - | - | 2.1 | 0.2 | - | - | - | - | 0.1 | 0.2 |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | 1.0 | 0.1 | - | - | - | - | - | - |
| Right of use assets | £m | - | - | - | - | - | - | - | - | - | - | 3.1 | 0.2 | - | - | - | - | 0.1 | 0.1 |
| Other assets | £m | - | - | 0.1 | - | 0.1 | 0.1 | - | - | - | - | 15.0 | 1.1 | (0.1) | - | - | - | 0.1 | 0.4 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets | £m | - | - | 0.6 | 0.1 | 0.7 | 0.8 | - | - | - | - | 44.3 | 3.5 | 0.7 | 0.3 | - | - | 4.2 | 12.2 |
| Current assets | £m | 0.1 | - | 0.2 | 0.1 | 0.2 | 0.2 | - | - | - | - | 6.7 | 0.5 | 0.2 | 0.1 | - | - | 0.8 | 2.1 |
| Current liabilities | £m | (0.1) | - | (0.3) | (0.1) | (0.2) | (0.3) | - | - | - | - | (8.3) | (0.6) | (0.3) | (0.1) | - | - | (0.6) | (0.9) |
| Provisions | £m | - | - | - | - | - | - | - | - | - | - | (0.3) | - | - | - | - | - | - | - |
| Rounding | £m | - | - | 0.1 | 0.1 | - | 0.1 | - | - | - | - | 0.1 | - | 0.1 | (0.1) | - | - | - | - |
| Total MCE | £m | - | - | 0.6 | 0.2 | 0.7 | 0.8 | - | - | - | - | 42.5 | 3.4 | 0.7 | 0.2 | - | - | 4.4 | 13.4 |
| | | | | | | | | | | | | | | | | | | | |

9.2.3 IEC – BT + 1 Exchanges Analysis of Service MCE (continued) For the year ended 31 March 2024

| | | Optical services - | connections | Optical services | - main link | Direct EC | C basket | Time related | l charges | Other a | ancillaries | Ethernet IFRS 1 | 5 deferred | Ethernet IF | RS 15 SLG | | Rounding | | Total |
|---------------------------------|----|--------------------|-------------|------------------|-------------|-----------|----------|--------------|-----------|---------|-------------|-----------------|------------|-------------|-----------|-------|----------|--------|-------|
| | | | | | | | | | | | | | revenue | | | | | | |
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Fibre | £m | - | - | 0.5 | 0.4 | - | - | - | - | - | - | - | - | - | - | - | - | 2.5 | 0.8 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 26.9 | 14.2 |
| Software | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 2.3 | 0.5 |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 1.1 | 0.1 |
| Right of use assets | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 3.3 | 0.4 |
| Other assets | £m | - | - | (0.1) | - | - | - | - | - | - | - | - | - | - | - | 0.1 | (0.2) | 15.2 | 1.4 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Total non-current assets | £m | - | - | 0.4 | 0.4 | - | - | - | - | - | - | - | - | - | - | 0.4 | 0.1 | 51.3 | 17.4 |
| Current assets | £m | 0.1 | 0.1 | 0.2 | 0.1 | - | - | _ | _ | 0.1 | _ | - | 0.1 | - | - | - | _ | 8.6 | 3.3 |
| Current liabilities | £m | (0.2) | (0.2) | (0.4) | (0.3) | - | - | - | - | (0.2) | - | (3.2) | (3.1) | - | - | 0.1 | - | (13.7) | (5.6) |
| Provisions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.3) | - |
| Rounding | £m | 0.1 | - | 0.1 | 0.1 | - | - | - | - | 0.1 | _ | 0.1 | - | - | _ | (0.7) | (0.2) | - | _ |
| Total MCE | £m | - | (0.1) | 0.3 | 0.3 | - | - | - | - | - | - | (3.1) | (3.0) | - | - | (0.2) | (0.1) | 45.9 | 15.1 |

9.2.3 IEC – BT + 1 Exchanges Analysis of Service MCE Restated for the year ended 31 March 2023

| | | Connections (| (ethernet) | EAD 1Gbi | it/s rentals | Other E | AD rentals | EAD LA 1Gbit | s rentals | Other EAD L | A rentals | Otl | ner rentals | Main link (etherne | et services) | Other service | - | Optical service | s - rentals |
|---------------------------------|----|---------------|------------|----------|--------------|---------|------------|--------------|-----------|-------------|-----------|-------|-------------|--------------------|--------------|---------------|------------------|-----------------|-------------|
| | - | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | services) Ext | Int | Ext |
| Non-current assets | _ | 11 | 111 | 1 | 1 | 11 | 11 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Fibre | £m | - | - | - | - | - | - | - | - | - | - | 1.3 | 0.2 | 1.0 | 0.3 | - | - | - | _ |
| Electronics | £m | - | - | 0.6 | 0.2 | 0.7 | 0.9 | - | - | - | - | 22.1 | 3.8 | - | - | - | - | 3.7 | 7.9 |
| Software | £m | - | - | - | - | - | - | - | - | - | - | 1.5 | 0.2 | - | - | - | - | 0.1 | 0.2 |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | 0.8 | 0.1 | - | - | - | - | - | _ |
| Right of use assets | £m | - | - | - | - | - | - | - | - | - | - | 2.9 | 0.5 | - | - | - | - | - | 0.1 |
| Other assets | £m | - | - | 0.2 | - | 0.1 | 0.1 | - | - | - | - | 13.5 | 2.1 | (0.2) | (0.1) | - | - | 0.2 | 0.4 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets | £m | - | - | 0.8 | 0.2 | 0.8 | 1.0 | - | - | - | - | 42.1 | 6.9 | 0.8 | 0.2 | - | - | 4.0 | 8.6 |
| Current assets | £m | 0.1 | - | 0.3 | 0.1 | 0.3 | 0.4 | - | - | - | - | 7.3 | 1.2 | 0.2 | 0.1 | - | - | 1.0 | 1.9 |
| Current liabilities | £m | (0.1) | - | (0.2) | (0.1) | (0.2) | (0.2) | - | - | - | - | (5.1) | (8.0) | (0.2) | (0.1) | - | - | (0.7) | (8.0) |
| Provisions | £m | - | - | - | - | - | - | - | - | - | - | (0.2) | - | - | - | - | - | - | - |
| Rounding | £m | 0.1 | - | _ | 0.1 | - | - | - | _ | - | - | - | - | 0.1 | 0.1 | - | - | 0.1 | _ |
| Total MCE | £m | 0.1 | - | 0.9 | 0.3 | 0.9 | 1.2 | - | - | - | - | 44.1 | 7.3 | 0.9 | 0.3 | - | - | 4.4 | 9.7 |

9.2.3 IEC – BT + 1 Exchanges Analysis of Service MCE (continued) Restated for the year ended 31 March 2023

| | | Optical services - c | onnections | Optical services | - main link | Direct E | CC basket | Time relate | d charges | Other | ancillaries | Ethernet IFRS 1 | 5 deferred revenue | Ethernet IF | RS 15 SLG | | Rounding | | Total |
|---------------------------------|----|----------------------|------------|------------------|-------------|----------|-----------|-------------|-----------|-------|-------------|-----------------|-----------------------|-------------|-----------|-------|----------|--------|-------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | • | • | • | | • | | | | • | | • | • | • | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Poles | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Fibre | £m | - | - | 0.5 | 0.5 | - | - | - | - | - | - | - | - | - | - | 0.1 | - | 2.9 | 1.0 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | 27.0 | 12.7 |
| Software | £m | - | 0.1 | - | - | - | - | - | - | - | - | - | - | - | (0.1) | 0.1 | 0.2 | 1.7 | 0.6 |
| Land and buildings | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.9 | 0.2 |
| Right of use assets | £m | - | 0.1 | - | - | - | - | - | - | 0.1 | - | - | - | - | - | 0.2 | - | 3.2 | 0.7 |
| Other assets | £m | - | 0.2 | (0.1) | (0.1) | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.1) | 13.6 | 2.4 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | _ |
| Total non-current assets | £m | - | 0.4 | 0.4 | 0.4 | - | - | - | - | 0.1 | - | - | - | - | (0.2) | 0.3 | 0.1 | 49.3 | 17.6 |
| Current assets | £m | 0.1 | 1.2 | 0.2 | 0.1 | - | - | - | - | 0.3 | 0.1 | - | (0.2) | - | _ | _ | (0.1) | 9.8 | 4.8 |
| Current liabilities | £m | (0.1) | (2.2) | (0.3) | (0.3) | - | - | - | - | (0.4) | (0.1) | (2.8) | (5.4) | - | 0.1 | 0.1 | 0.1 | (10.0) | (9.8) |
| Provisions | £m | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (0.1) | (0.1) | (0.3) | (0.1) |
| Rounding | £m | - | - | - | 0.1 | - | - | - | - | - | - | - | - | - | - | (0.3) | (0.2) | - | 0.1 |
| Total MCE | £m | - | (0.6) | 0.3 | 0.3 | - | - | - | - | - | - | (2.8) | (5.6) | - | (0.1) | - | (0.2) | 48.8 | 12.6 |

10.1.1 Shared Ancillaries Summary For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|--------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | % |
| Service | | | | | | | | | | | | | | |
| Cablelink | 0.2 | 1.4 | 1.6 | 3,694 | 10,420 | lines | 56.00 | 134.00 | 0.5 | 1.3 | 2.5 | 6.9 | (10.3)% | 0.8% |
| Accommodation | - | 90.5 | 90.5 | (ux) | (ux) | (ux) | (sx) | (sx) | - | 52.5 | - | 143.4 | - | 26.5% |
| Electricity charges | - | 50.1 | 50.1 | (ux) | (ux) | (ux) | (sx) | (sx) | - | 60.6 | - | 16.0 | - | (65.8)% |
| Total Shared Ancillaries | 0.2 | 142.0 | 142.2 | | | | | | 0.5 | 114.4 | 2.5 | 166.3 | (10.3)% | 16.6% |
| = | | | | | | | | | | | | | | |

10.1.1 Shared Ancillaries Summary Restated for the year ended 31 March 2023

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price | Internal Opex | External Opex | Internal MCE | External MCE | Internal ROCE | External ROCE |
|--------------------------|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | £m | £m | £m | | | | £ | £ | £m | £m | £m | £m | % | <u>%</u> |
| Service | | | | | | | | | | | | | | |
| Cablelink | 0.1 | 2.3 | 2.4 | 3,120 | 9,495 | lines | 44.00 | 239.00 | 0.4 | 1.1 | 1.8 | 5.2 | (11.8)% | 22.9% |
| Accommodation | - | 94.4 | 94.4 | (ux) | (ux) | (ux) | (sx) | (sx) | - | 45.5 | - | 141.3 | - | 34.6% |
| Electricity charges | - | 47.0 | 47.0 | (ux) | (ux) | (ux) | (sx) | (sx) | - | 51.3 | - | 16.1 | - | (26.4)% |
| Total Shared Ancillaries | 0.1 | 143.7 | 143.8 | | | | | | 0.4 | 97.9 | 1.8 | 162.6 | (11.8)% | 28.2% |

10.1.2 Shared Ancillaries Analysis of Service Cost For the year ended 31 March 2024

| | | | Cablelink | | ccommodation | Ele | ctricity charges | | Rounding | | Total |
|---|--|-------------------------------------|---|-------------------------------|--|--|---------------------------------|--|--|---|---|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| FOI insultanions | C | | | | | | | | | | |
| EOI input prices Attribution of PI costs | £m £m | - | - | - | - | - | - | - | - | - - | - |
| Wages and salaries | £m | 0.2 | 0.7 | - | 8.9 | - | 2.1 | - | - | 0.2 | - 11.7 |
| Social security costs | £m | - | 0.1 | _ | 1.0 | _ | 0.2 | _ | (0.3) | - | 1.0 |
| Other pension costs | £m | _ | 0.1 | _ | 1.5 | _ | 0.4 | _ | (0.5) | _ | 2.0 |
| Share-based payment expense | £m | _ | - | - | - | - | - | _ | - | _ | - |
| Own work capitalised | £m | (0.2) | (0.4) | - | (3.5) | - | (0.9) | - | (0.1) | (0.2) | (4.9) |
| Net indirect labour costs | £m | - | - | - | 2.7 | - | 0.7 | (0.1) | 0.1 | (0.1) | 3.5 |
| Product costs | £m | - | - | - | 0.1 | - | - | - | - | - | 0.1 |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - |
| Property and energy costs | £m | - | 0.1 | - | 8.8 | - | 52.4 | - | (0.3) | - | 61.0 |
| Network operating and IT costs | £m | - | 0.1 | - | 5.7 | - | 1.9 | - | (0.1) | = | 7.6 |
| TV programme rights charges Provision and installation | £m | - | - | - | - | - | - | - | - | - | - |
| Marketing and sales | £m £m | - | - | - | 0.1 | - | - | - | (0.3) | - | (0.2) |
| Net impairment of losses on TR and contract assets | £m | - | - | - | 0.2 | - | 0.1 | - | 0.1 | - | 0.4 |
| Other operating costs | £m | _ | (0.1) | _ | 0.9 | _ | 0.6 | 2.0 | - | 2.0 | 1.4 |
| Other operating costs Other operating income | £m | - | (0.1) | - | (0.3) | _ | - | - | _ | - | (0.3) |
| Total operating costs before depreciation | £m | _ | 0.6 | - | 26.1 | - | 57.5 | 1.9 | (0.9) | 1.9 | 83.3 |
| | 2 | | 0.0 | | _2,, | | 27.0 | | (3.5) | | 55.5 |
| Depreciation | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | 0.2 | 0.6 | - | - | - | - | - | - | 0.2 | 0.6 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - |
| Software | £m | - | - | - | 1.2 | - | 1.5 | - | (0.0) | - | 2.7 |
| Land and buildings | £m | - | - | - | 0.3 | - | - | - | (0.3) | = | - |
| Right of use assets | £m | - | - | - | 4.5 | - | 0.1 | - | 0.1 | = | 4.7 |
| Other assets Less funded assets (BDUK, etc.) | £m | - | - | - | 18.4 | - | 1.0 | - | - | - | 19.4 |
| Total depreciation | £m £m | 0.2 | 0.6 | - | 24.4 | - | 2.6 | <u> </u> | (0.2) | 0.2 | 27.4 |
| i otal depreciation | Σ111 | 0.2 | 0.0 | - | 24.4 | - | 2.0 | - | (0.2) | 0.2 | 27.4 |
| Specific items | £m | _ | 0.1 | _ | 1.9 | _ | 0.4 | - | _ | _ | 2.4 |
| Total HCA operating costs | £m | 0.2 | 1.3 | - | 52.4 | - | 60.5 | 1.9 | (1.1) | 2.1 | 2.4 113.1 |
| | | | | | | | | | | | |
| CCA adjustments | | | | | | | | | | | |
| | _ | | | | | - | - | - | _ | | |
| Holding gains | £m | - | - | - | - | | | | | - | - |
| Supplementary depreciation | £m | - | - - | - | - | - | - | - | - | - - | - |
| Supplementary depreciation Other CCA adjustments | £m £m | - - - 5 | - - - | - - - | - - - - | - | - - | - - | - . - | - | - |
| Supplementary depreciation Other CCA adjustments Rounding | £m £m £m | - - 0.3 | - - - | - - - - | - - - 0.1 | - - - | - - 0.1 | - - (1.9) | - 1.1 | - - (1.6) | 1.3 |
| Supplementary depreciation Other CCA adjustments | £m £m | - - 0.3 0.5 | - - - - 1.3 | - - - - | 0.1 52.5 | - - - - | 0.1 60.6 | (1.9) | - 1.1 - | - | 1.3 114.4 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs | £m £m £m | | 1.3 | | | - - - - - | | | | - - (1.6) | |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: | £m £m £m £m | 0.5_ | - | | 52.5 __ | - - - - | | | | (1.6) 0.5 | 114.4 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m £m | 0.5 | 0.1 | - | 1.5 | - | 60.6 | - | | (1.6) 0.5 | |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m £m | 0.5_ | - | | 1.5 | - - - - - | 60.6 - - | | | (1.6) 0.5 | 114.4 1.6 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m £m | 0.5 | 0.1 | - | 1.5 | - | 60.6 | - | | (1.6) 0.5 | 114.4 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m £m | 0.5 | 0.1 | - - - - | 1.5 - 0.6 | - - - - | - - 0.2 | - | - - - - | (1.6) 0.5 | 114.4 1.6 - 0.8 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs | £m £m £m £m £m £m | 0.5 - - - | 0.1 - - - Cablelink | - - - - - | 1.5 - 0.6 ccommodation | - - - - | 60.6 0.2 cctricity charges | - - - - | - - - Rounding | - (1.6) 0.5 - - - | 114.4 1.6 - 0.8 Total |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m £m | 0.5 | 0.1 | - - - - | 1.5 - 0.6 | - - - - | - - 0.2 | - | - - - - | (1.6) 0.5 | 114.4 1.6 - 0.8 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs | £m £m £m £m £m £m | 0.5 - - - | 0.1 - - - Cablelink | - - - - - | 1.5 - 0.6 ccommodation | - - - - | 60.6 0.2 cctricity charges | - - - - | - - - Rounding | - (1.6) 0.5 - - - | 114.4 1.6 - 0.8 Total |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division | £m £m £m £m £m £m £m | 0.5 - - - Int | 0.1 - - - Cablelink Ext | - - - - - A | 1.5 - 0.6 ccommodation Ext | - - - - Ele Int | 60.6 0.2 cctricity charges | - - - - Int | - - - Rounding | - (1.6) 0.5 - - - - - | 114.4 1.6 - 0.8 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs | £m £m £m £m £m £m | 0.5 - - - - Int | 0.1 - - - Cablelink Ext | - - - - - MInt | 1.5 - 0.6 ccommodation Ext | - - - Ele Int | 60.6 0.2 cctricity charges | - - - - Int | - - - Rounding Ext | - (1.6) 0.5 - - - - Int | 114.4 1.6 - 0.8 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach | £m £m £m £m £m £m £m | 0.5 - - - - Int | 0.1 - - - Cablelink Ext | - - - - - Int | 1.5 - 0.6 ccommodation Ext | - - - Ele Int | 60.6 0.2 cctricity charges | - - - - - Int | Rounding Ext | - (1.6) 0.5 - - - - - Int | 114.4 1.6 - 0.8 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery | £m £m £m £m £m £m £m | 0.5 - - - - - Int | 0.1 - - - Cablelink Ext | - - - - - Int | 1.5 - 0.6 ccommodation Ext | - - - Ele Int | 60.6 0.2 ctricity charges Ext | - - - - - - - - 1.9 | - - - - Rounding Ext - - | - (1.6) 0.5 - - - - - Int | 114.4 1.6 - 0.8 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions | £m £m £m £m £m £m £m | 0.5 - - - - Int | 0.1 - - - Cablelink Ext - - - | - - - - - Int | 1.5 - 0.6 ccommodation Ext | - - - Ele Int | ctricity charges Ext 3.2 | - - - - - 1.9 | | - (1.6) 0.5 - - - - - - - - - 1.9 | 114.4 1.6 - 0.8 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery | £m £m £m £m £m £m £m | 0.5 - - - - - Int | 0.1 - - - Cablelink Ext | - - - - - Int | 1.5 - 0.6 ccommodation Ext | - - - Ele Int | 60.6 0.2 ctricity charges Ext | - - - - - - - - 1.9 | - - - - Rounding Ext - - | - (1.6) 0.5 - - - - - Int | 114.4 1.6 - 0.8 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total | £m £m £m £m £m £m £m | 0.5 - - - - Int | 0.1 - - - Cablelink Ext - - - | - - - - - Int | 1.5 - 0.6 ccommodation Ext | - - - Ele Int - - | ctricity charges Ext 3.2 | - - - - - 1.9 | | - (1.6) 0.5 - - - - - - - - - 1.9 | 114.4 1.6 - 0.8 Total Ext |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT | £m £m £m £m £m £m £m £m | 0.5 | 0.1 - - - Cablelink Ext - - - 0.3 | - - - - - Int | 1.5 - 0.6 ccommodation Ext | - - - - Int - - - - | 60.6 | - - - - - 1.9 | Rounding Ext - (0.9) (0.4) (1.3) | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext 2.1 4.0 6.1 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre | £m £m £m £m £m £m £m £m | 0.5 | 0.1 - - - Cablelink Ext - - - 0.3 - 0.3 | A Int | 1.5 - 0.6 ccommodation Ext | - - - Int - - - | 60.6 | | Rounding Ext (0.9) (0.4) (1.3) | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext 2.1 4.0 6.1 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities | £m £m £m £m £m £m £m £m £m | | 0.1 | A Int | 1.5 - 0.6 ccommodation Ext 2.7 1.2 3.9 | - - - - Int | 60.6 | | Rounding Ext | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext 2.1 4.0 6.1 2.3 5.3 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m | | 0.1 | A Int | 1.5 - 0.6 ccommodation Ext | - - - Int - - - | 60.6 | | CO.9) (0.9) (0.4) (1.3) 0.5 (0.1) | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext 2.1 4.0 6.1 2.3 5.3 69.6 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m | | 0.1 - - Cablelink Ext - - 0.3 - 0.3 - 0.1 0.1 0.1 | A Int | 1.5 - 0.6 ccommodation Ext | - - - - Int - - - - - | 60.6 | - - - - - - - 1.9 - 1.9 | CO.9) (0.9) (0.4) (1.3) 0.5 (0.1) | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext 2.1 4.0 6.1 2.3 5.3 69.6 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m | | 0.1 | A Int | 1.5 - 0.6 ccommodation Ext | - - - - Int - - - - - | 60.6 | | CO.9) (0.9) (0.4) (1.3) 0.5 (0.1) | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext 2.1 4.0 6.1 2.3 5.3 69.6 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business Rest of BT total | £m £m £m £m £m £m £m £m £m £m | | 0.1 - - - Cablelink Ext - - 0.3 - 0.3 0.1 0.1 0.1 0.1 0.1 0.1 | A Int | 1.5 - 0.6 ccommodation Ext | - - - - Int | 60.6 | 1.9 - - - - - - - - - - - | Control Contro | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext - 2.1 4.0 6.1 2.3 5.3 69.6 - 77.2 |
| Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m | | 0.1 - - Cablelink Ext - - 0.3 - 0.3 - 0.1 0.1 0.1 | A Int | 1.5 - 0.6 ccommodation Ext | - - - - Int - - - - - | 60.6 | - - - - - - - 1.9 - 1.9 | CO.9) (0.9) (0.4) (1.3) 0.5 (0.1) | - (1.6) 0.5 | 114.4 1.6 - 0.8 Total Ext 2.1 4.0 6.1 2.3 5.3 69.6 |

10.1.2 Shared Ancillaries Analysis of Service Cost Restated for the year ended 31 March 2023

| | | | Cablelink | | ccommodation | Ele | ectricity charges | | Rounding | | Total |
|---|--|---|-----------------------------------|------------------------------|---|---|--|---|------------------------------|--|--|
| (i) Operating costs by type | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| | | | | | | | | | | | |
| EOI input prices Attribution of PI costs | £m | - | - | - | - | - | - | - | - | - | - |
| Wages and salaries | £m £m | 0.2 | 0.7 | - | - 5.7 | - | 1.8 | - | _ | 0.2 | - 8.2 |
| Social security costs | £m | - | 0.1 | _ | 0.6 | _ | 0.2 | _ | _ | - | 0.9 |
| Other pension costs | £m | _ | 0.1 | _ | 1.0 | _ | 0.4 | _ | _ | _ | 1.5 |
| Share-based payment expense | £m | - | - | - | = | - | - | - | - | - | - |
| Own work capitalised | £m | (0.1) | (0.5) | - | (2.9) | - | (1.0) | - | 0.1 | (0.1) | (4.3) |
| Net indirect labour costs | £m | - | - | - | 2.5 | - | 0.6 | - | 0.1 | - | 3.2 |
| Product costs | £m | - | - | - | 0.2 | - | 0.3 | - | 0.5 | - | 1.0 |
| Sales commissions | £m | - | - | - | - | - | - | - | - | - | - |
| Payments to telecommunications operators | £m | - | - | - | - | - | - | - | - | - | - |
| Property and energy costs | £m | - | 0.1 | - | 9.6 | - | 46.3 | - | - | - | 56.0 |
| Network operating and IT costs | £m | - | - | - | 2.0 | - | 0.7 | - | 0.1 | - | 2.8 |
| TV programme rights charges Provision and installation | £m | - | - | - | - | - | - | - | - | - | - |
| Marketing and sales | £m £m | - | - | - | 0.1 | - | - | - | - | - | 0.1 |
| Net impairment of losses on TR and contract assets | £m | _ | - | - | - | - | _ | _ | | - | - |
| Other operating costs | £m | _ | (0.1) | _ | 3.6 | _ | _ | _ | (1.1) | _ | 2.4 |
| Other operating costs Other operating income | £m | - | (0.1) | - | (0.4) | _ | _ | _ | 0.5 | - | 0.1 |
| Total operating costs before depreciation | £m | 0.1 | 0.4 | - | 22.0 | - | 49.3 | - | 0.2 | 0.1 | 71.9 |
| | | V | VI-7 | | | | .5.0 | | V.2 | V. . | ,5 |
| Depreciation | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | _ |
| Poles | £m | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | 0.1 | 0.4 | - | - | - | - | - | - | 0.1 | 0.4 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - |
| Software | £m | - | 0.1 | - | 1.1 | - | 1.0 | - | (0.1) | - | 2.1 |
| Land and buildings | £m | - | - | - | 0.3 | - | - | - | - | - | 0.3 |
| Right of use assets | £m | - | - | - | 5.1 | - | 0.1 | - | - | - | 5.2 |
| Other assets | £m | - | - | - | 15.4 | - | 0.6 | - | 0.1 | - | 16.1 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | | - | - | - | 24.1 |
| Total depreciation | £m | 0.1 | 0.5 | - | 21.9 | - | 1.7 | - | - | 0.1 | 24.1 |
| Specific items | £m | _ | _ | _ | 1.6 | _ | 0.1 | _ | 0.1 | _ | 1.8 |
| Total HCA operating costs | £m | 0.2 | 0.9 | - | 45.5 | - | 51.1 | - | 0.3 | 0.2 | 1.8 97.8 |
| | | | | | | | 2.00 | | | | |
| w | | | | | | | | | | | |
| CCA adjustments | | | | | | | | | | | |
| CCA adjustments Holding gains | £m | - | - | - | - | - | - | - | - | - | _ |
| Holding gains Supplementary depreciation | £m £m | - - | - | - - | <u>-</u> - | - - | - | - - | - | - - | _ |
| Holding gains Supplementary depreciation Other CCA adjustments | | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - | - |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding | £m | - - - 0.2 | - - 0.2 | - - - - | - - - - | - - - | - - - 0.2 | - - - | - - - (0.3) | - - 0.2 | - - - 0.1 |
| Holding gains Supplementary depreciation Other CCA adjustments | £m £m | - - 0.2 0.4 | - - 0.2 1.1 | - - - - | - - - - - 45.5 | - - - - - | - - - 0.2 51.3 | - - - - | (0.3) | - | - - 0.1 97.9 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs | £m £m £m | | | | - - - - 45.5 | - - - - - | | | | - - 0.2 | 0.1 97.9 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: | £m £m £m £m | | 1.1_ | | - | - - - - - - | | | | - - 0.2 | 97.9 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m £m | | | | - - - - - 45.5 | - - - - - - | | | | - - 0.2 | 0.1 97.9 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | 0.4 | 1.1_ | | 2.0 | - | 51.3 - - | | | - 0.2 0.4 | 97.9 2.1 - |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges | £m £m £m £m | 0.4 | 0.1 | - | 2.0 | - | 51.3 | - <u>-</u> - | | - 0.2 0.4 | 97.9 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | 0.4 | 0.1 | - - - - | 2.0 - 0.2 | - - - | 51.3 - - 0.1 | - <u>-</u> - | - - - - | - 0.2 0.4 | 2.1 - 0.3 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs | £m £m £m £m £m | - - - - | 0.1 - - Cablelink | - - - - - | 2.0 - 0.2 | - - - | 51.3 0.1 ectricity charges | - - - - | - - - - Rounding | - 0.2 0.4 - - | 97.9 2.1 - 0.3 Total |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs | £m £m £m £m £m | 0.4 | 0.1 | - - - - | 2.0 - 0.2 | - - - | 51.3 - - 0.1 | - <u>-</u> - | - - - - | - 0.2 0.4 | 2.1 - 0.3 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division | £m £m £m £m £m £m | 0.4 - - - - Int | 0.1 - - Cablelink Ext | - - - - - Int | 2.0 - 0.2 accommodation Ext | - - - Eld Int | 51.3 0.1 ectricity charges | - - - - Int | - - - - Rounding | - 0.2 0.4 - - - - | 97.9 2.1 - 0.3 Total Ext |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices | £m £m £m £m £m £m | - - - - | 0.1 - - Cablelink | - - - - - | 2.0 - 0.2 | - - - | 51.3 0.1 ectricity charges | - - - - | - - - - Rounding | - 0.2 0.4 - - | 97.9 2.1 - 0.3 Total |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division | £m £m £m £m £m £m | 0.4 - - - - Int | 0.1 Cablelink Ext | - - - - - Int | 2.0 - 0.2 accommodation Ext | - - - Ele Int | 51.3 0.1 ectricity charges | - - - - Int | Rounding Ext | - 0.2 0.4 - - - - Int | 97.9 2.1 - 0.3 Total Ext |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach | £m £m £m £m £m £m | 0.4 - - - - Int | 0.1 Cablelink Ext | - - - - - Int | 2.0 - 0.2 accommodation Ext | - - - Ele Int | 51.3 0.1 ectricity charges | - - - - Int | Rounding Ext | - 0.2 0.4 - - - - Int | 97.9 2.1 - 0.3 Total Ext |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs | £m £m £m £m £m £m | 0.4 - - - - Int | 0.1 Cablelink Ext | - - - - - Int | 2.0 - 0.2 accommodation Ext | - - - Ele Int | 51.3 0.1 ectricity charges | - - - - Int | Rounding Ext | - 0.2 0.4 - - - - Int | 97.9 2.1 - 0.3 Total Ext 3.8 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions | £m £m £m £m £m £m £m £m | 0.4 - - - - - - 0.1 | 0.1 | - - - - - Int | 2.0 - 0.2 .ccommodation Ext - - - 3.6 2.3 | - - - Int | 51.3 - - 0.1 ectricity charges Ext - - - 3.0 | - - - - Int | Rounding Ext 0.2 (0.1) | - 0.2 0.4 | 97.9 2.1 - 0.3 Total Ext 3.8 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery | £m £m £m £m £m £m £m | 0.4 | 0.1 | - - - - - Int | 2.0 - 0.2 .ccommodation Ext - - - | - - - Ele Int - - | 51.3 0.1 ectricity charges Ext | - - - - - Int | Rounding Ext | - 0.2 0.4 | 2.1 - 0.3 Total Ext |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total | £m £m £m £m £m £m £m £m | 0.4 - - - - - - 0.1 | 0.1 | - - - - - Int | 2.0 - 0.2 .ccommodation Ext - - - 3.6 2.3 | - - - Ele Int - - | 51.3 - - 0.1 ectricity charges Ext - - - 3.0 | - - - - - Int | Rounding Ext 0.2 (0.1) | - 0.2 0.4 | 2.1 - 0.3 Total Ext |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT | £m £m £m £m £m £m £m £m | 0.4 - - - - - 0.1 - 0.1 | 0.1 - - Cablelink Ext | A Int | 2.0 - 0.2 .ccommodation Ext - - - 3.6 2.3 5.9 | - - - Int - - - | 51.3 | - - - - - Int | Rounding Ext 0.2 (0.1) 0.1 | - 0.2 0.4 | 97.9 2.1 - 0.3 Total Ext 3.8 5.3 9.1 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre | £m £m £m £m £m £m £m £m £m | 0.4 | 0.1 | | 2.0 - 0.2 .ccommodation Ext - - 3.6 2.3 5.9 | - - - Int - - - - | 51.3 | - - - - - Int | Rounding Ext 0.2 (0.1) 0.1 | - 0.2 0.4 | 97.9 2.1 - 0.3 Total Ext 3.8 5.3 9.1 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Fotal CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities | £m £m £m £m £m £m £m £m £m £m | 0.4 | 0.1 | | 2.0 - 0.2 .ccommodation Ext - - - 3.6 2.3 5.9 | - - - Int | 51.3 | - - - - - - - - - | | - 0.2 0.4 | 2.1 - 0.3 Total Ext - - 3.8 5.3 9.1 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m £m | 0.4 | 0.1 | A Int | 2.0 - 0.2 .ccommodation Ext 3.6 2.3 5.9 | - - - Int - - - - - - | 51.3 | - - - - - - - - - | Rounding Ext 0.2 (0.1) 0.1 | - 0.2 0.4 | 2.1 - 0.3 Total Ext 3.8 5.3 9.1 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m | 0.4 | 0.1 | | 2.0 - 0.2 .cccommodation Ext 3.6 2.3 5.9 1.1 5.0 9.9 0.1 | - - - Int - - - - - - | 51.3 0.1 ectricity charges Ext 3.0 3.0 3.0 0.5 0.1 45.6 0.1 | | | - 0.2 0.4 | 97.9 2.1 - 0.3 Total Ext 3.8 5.3 9.1 1.7 5.2 55.6 0.3 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units | £m £m £m £m £m £m £m £m £m £m | 0.4 | 0.1 | A Int | 2.0 - 0.2 .ccommodation Ext 3.6 2.3 5.9 | - - - Int - - - - - - | 51.3 | - - - - - - - - - | Rounding Ext 0.2 (0.1) 0.1 | - 0.2 0.4 | 97.9 2.1 - 0.3 Total Ext - 3.8 5.3 9.1 1.7 5.2 55.6 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business Rest of BT total | £m £m £m £m £m £m £m £m £m £m | 0.4 | 0.1 | | 2.0 - 0.2 - - - - - 3.6 2.3 - - - - - 1.1 5.0 9.9 0.1 16.1 | - - - Int - - - - - - - | 51.3 - 0.1 ectricity charges Ext - 3.0 3.0 3.0 0.5 0.1 45.6 0.1 46.3 | | | - 0.2 0.4 | 97.9 2.1 - 0.3 Total Ext - 3.8 5.3 9.1 1.7 5.2 55.6 0.3 62.8 |
| Holding gains Supplementary depreciation Other CCA adjustments Rounding Total CCA operating costs Total CCA operating cost includes the following: Cumulo charges Openreach SLGs Leaver costs (ii) Operating costs by division EOI input prices Attribution of PI costs Openreach Service and network delivery Openreach support functions Openreach total Rest of BT Group centre Property and facilities Technology units Consumer and Business | £m £m £m £m £m £m £m £m £m £m | 0.4 | 0.1 | | 2.0 - 0.2 .cccommodation Ext 3.6 2.3 5.9 1.1 5.0 9.9 0.1 | - - - Int - - - - - - | 51.3 0.1 ectricity charges Ext 3.0 3.0 3.0 0.5 0.1 45.6 0.1 | | | - 0.2 0.4 | 97.9 2.1 - 0.3 Total Ext 3.8 5.3 9.1 1.7 5.2 55.6 0.3 |

10.1.3 Shared Ancillaries Analysis of Service MCE For the year ended 31 March 2024

| Non-assurant accepts | | Int | Ext | | | | | | | | |
|---------------------------------|----|-------|-------|-----|--------|-----|-------|-----|-------|-------|--------|
| Non-assument accets | | mq | EXŪ | Int | Ext | Int | Ext | Int | Ext | Int | Ext |
| Non-current assets | | | | | | | | | | | |
| Duct | £m | - | - | - | - | - | - | - | - | - | - |
| Poles | £m | - | - | - | - | - | - | - | - | - | - |
| Copper | £m | - | - | - | - | - | - | - | - | - | - |
| Fibre | £m | 2.4 | 6.8 | - | - | - | - | - | (0.1) | 2.4 | 6.7 |
| Electronics | £m | - | - | - | - | - | - | - | - | - | - |
| Software | £m | - | 0.1 | - | 4.1 | - | 5.2 | - | (0.1) | - | 9.3 |
| Land and buildings | £m | - | - | - | 3.3 | - | 0.1 | - | _ | - | 3.4 |
| Right of use assets | £m | 0.1 | 0.2 | - | 9.3 | - | 0.4 | - | - | 0.1 | 9.9 |
| Other assets | £m | - | - | - | 123.8 | - | 2.6 | - | (0.8) | - | 125.6 |
| Less funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | - | - | - |
| Total non-current assets | £m | 2.5 | 7.1 | - | 140.5 | - | 8.3 | - | (1.0) | 2.5 | 154.9 |
| Current assets | £m | 0.2 | 0.5 | - | 20.4 | - | 12.6 | - | 0.1 | 0.2 | 33.6 |
| Current liabilities | £m | (0.2) | (0.6) | - | (16.7) | - | (4.8) | - | - | (0.2) | (22.1) |
| Provisions | £m | - | - | - | (0.8) | - | (0.1) | - | - | - | (0.9) |
| Rounding | £m | - | (0.1) | - | - | - | - | - | 0.9 | - | 0.8 |
| Total MCE | £m | 2.5 | 6.9 | - | 143.4 | - | 16.0 | - | - | 2.5 | 166.3 |

10.1.3 Shared Ancillaries Analysis of Service MCE Restated for the year ended 31 March 2023

| | | | Cablelink | A | ccommodation | Ele | ctricity charges | | Rounding | | Tota |
|--------------------------------|---------|-------|-----------|-----|--------------|-----|------------------|-----|----------|-------|-------|
| | | Int | Ext | Int | Ext | Int | Ext | Int | Ext | Int | Ex |
| Non-current assets | <u></u> | • | • | • | · | • | • | • | | · | |
| Duct | £m | - | - | - | - | - | - | - | - | - | |
| Poles | £m | - | - | - | - | - | - | - | - | - | |
| Copper | £m | - | - | - | - | - | - | - | - | - | |
| -ibre | £m | 1.6 | 4.7 | - | - | - | - | - | - | 1.6 | 4. |
| Electronics | £m | - | - | - | - | - | - | - | - | - | |
| Software | £m | - | 0.1 | - | 3.4 | - | 3.6 | - | - | - | 7. |
| and and buildings | £m | - | - | - | 3.3 | - | 0.1 | - | (0.1) | - | 3. |
| Right of use assets | £m | - | 0.1 | - | 10.1 | - | 0.3 | - | 0.1 | - | 10. |
| Other assets | £m | - | 0.1 | - | 117.1 | - | 2.5 | - | (0.1) | - | 119. |
| ess funded assets (BDUK, etc.) | £m | - | - | - | - | - | - | - | · - | - | |
| Fotal non-current assets | £m | 1.6 | 5.0 | - | 133.9 | - | 6.5 | - | (0.1) | 1.6 | 145. |
| Current assets | £m | 0.2 | 0.7 | - | 23.3 | - | 15.6 | - | _ | 0.2 | 39. |
| Current liabilities | £m | (0.1) | (0.5) | - | (14.9) | - | (5.9) | - | - | (0.1) | (21.3 |
| Provisions | £m | - | - | - | (0.9) | - | (0.1) | - | - | - | (1.0 |
| Rounding | £m | 0.1 | - | - | (0.1) | - | - | - | 0.1 | 0.1 | |
| Total MCE | £m | 1.8 | 5.2 | - | 141.3 | - | 16.1 | - | - | 1.8 | 162. |

Section 11 - Review of WCT Market

11.1 WCT Summary For the year ended 31 March 2024

| | Internal Revenue | External Revenue | Total Revenue | Internal Volume | External Volume | Measure | Internal average price | External average price |
|---|---------------------|---------------------|------------------|--------------------|--------------------|---------|------------------------------|------------------------------|
| | £m | £m | £m | mm | mm | | pence | pence |
| Service | | | | | | | | <u> </u> |
| Wholesale call termination | 1.4 | 3.8 | 5.2 | 4,105 | 11,033 | lines | 0.0334 | 0.0343 |
| Total WCT | 1.4 | 3.8 | 5.2 | , | , | | | |
| | | | | | | | | |
| 11.1 WCT Summary Restated for the year ended 31 March 2023 | | | | | | | | |
| | Internal | External | Total | Internal | External | Measure | Internal | External |
| | Revenue | Revenue | Revenue | Volume | Volume | cusure | average | average |
| | Revenue | nevenue | nevenue | Votame | Votame | | price | price |
| | £m | £m | £m | mm | mm | | pence | pence |
| Service | | | | | | | penee | pooo |
| Wholesale call termination | 1.5 | 3.6 | 5.1 | 4,845 | 11,804 | lines | 0.0301 | 0.0310 |
| Total WCT | 1.5 | 3.6 | 5.1 | .,0 .0 | 1,,00 | | 1.000 | 0.00.0 |

| Section 12: Review of Time Division Multiplex (TDM) Interconnection | | | | | | | |
|---|--|--|--|--|--|--|--|
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Section 12 - Review of TDM Interconnection

12.1 TDM Interconnection Summary

For the year ended 31 March 2024

| | Revenue | Volume | iviedSui e | average |
|---|---------|--------|------------|----------|
| | | | | price |
| | £m | | | £ |
| Service | | | | |
| Wholesale IEC connections | - | - | lines | - |
| Wholesale IEC rentals - fixed | 0.8 | 1,958 | lines | 397.02 |
| Wholesale IEC rentals - per km | 0.6 | 21,437 | lines | 26.40 |
| Wholesale intra-building circuits connections | - | 14 | lines | 1,057.50 |
| Wholesale intra-building circuits rentals | 0.9 | 6,581 | lines | 131.88 |
| Wholesale rearrangements | - | 26 | lines | 595.00 |
| Total TDM Interconnection | 2.3 | | | |
| | | | | |

Notes 1) Services not offered

Wholesale CSI connections, Wholesale CSI rentals - fixed, Wholesale CSI rentals - per km, Wholesale ISI links rentals, Wholesale ISI links per km are offered in the interconnect basket of products, but fall outside the regulated area (DLE). As such are not included in the Regulatory Financial Statements.

12.1 TDM Interconnection Summary

Restated for the year ended 31 March 2023

| | External | External | Measure | External |
|---|----------|----------|---------|----------|
| | Revenue | Volume | | average |
| | | | | price |
| | £m | | | £ |
| Service | | | | _ |
| Wholesale IEC connections | - | 46 | lines | 574.14 |
| Wholesale IEC rentals - fixed | 1.3 | 3,687 | lines | 358.68 |
| Wholesale IEC rentals - per km | 0.9 | 38,555 | lines | 24.00 |
| Wholesale intra-building circuits connections | 0.1 | 80 | lines | 955.70 |
| Wholesale intra-building circuits rentals | 1.3 | 10,916 | lines | 119.16 |
| Wholesale rearrangements | - | 34 | lines | 537.50 |
| Total TDM Interconnection | 3.6 | | | |

Notes
1) Services not offered
Wholesale CSI rentals - fixed, Wholesale CSI rentals - per km, Wholesale ISI links rentals, Wholesale ISI links per km are offered in the interconnect basket of products, but fall outside the regulated area (DLE). As such are not included in the Regulatory Financial Statements.

| Section 13: Review of Internet Protocol (IP) Interconnection | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
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Section 13 - Review of IP Interconnection

13.1 IP Interconnection Summary

For the year ended 31 March 2024

| | External Revenue | External Volume | Measure | External average |
|--|---------------------|--------------------|------------------------------------|------------------|
| | £k | | | price f |
| Service | ΔIX | | | |
| IP Exchange service set-up charges | 18.9 | 11 | Connections (Internet, NAP or PoP) | 1,715.91 |
| IP Exchange interoperability testing charges | 34.7 | 69 | days | 503.00 |
| IP Exchange port charges ¹ | - | 176,592 | units | - |
| Total IP Interconnection | 53.6 | | | |

Notes

nterconnection reporting includes revenue, volume and price information as well as cost estimates for the year.

1) Services not offered

The following services are not offered at present:

- IP Exchange circuit charges - direct access at BT exchanges

2) Estimates of costs:

| Direct | ect wark up for common c | osts Return on capital employed | i otal estimate |
|---|--|--|--|
| | £ | £ % | £ |
| P Exchange service set-up charges 4,96 | 61 19 | 252 - | 24,213 |
| P Exchange interoperability testing charges 22,98 | 80 89 | .180 - | 112,160 |
| | IP Exchange service set-up charges 4,9 | £ IP Exchange service set-up charges 4,961 19, | £ £ % IP Exchange service set-up charges 4,961 19,252 - |

The IP Exchange port charges service does not attract labour cost or other costs as this is a rental service. BT rents the assets from Openreach at a very small cost, therefore there is no capital cost of assets or depreciation. The cost of maintenance is included in the rental cost.

BT does not levy separate port charges by access type therefore BT is permitted to omit these services from the RFS.

²There are no assets associated with IP Interconnect, therefore return on capital employed is 0%.

13.1 IP Interconnection Summary

Restated for the year ended 31 March 2023

| | External | External | Measure | External |
|--|--------------|----------|------------------------------------|----------|
| | Revenue | Volume | | average |
| | | | | price |
| | £k | | | £ |
| Service | | | | _ |
| IP Exchange service set-up charges | 20.9 | 15 | Connections (Internet, NAP or PoP) | 1,392.00 |
| IP Exchange interoperability testing charges | 13.0 | 26 | days | 500.00 |
| IP Exchange port charges ¹ | - | 121,566 | units | - |
| Total IP Interconnection | 33.9 | | | |

Notes

nterconnection reporting includes revenue, volume and price information as well as cost estimates for the year.

1) Services not offered

The following services are not offered at present:

- IP Exchange circuit charges - direct access at BT exchanges

| 2 |) Estimates | s of costs |
|----|-------------|------------|
| -, | Latinates | o Costs |

| | Direct | Mark up for common costs | Return on capital employed | i Otat estimate |
|--|--------|--------------------------|----------------------------|-----------------|
| | £ | £ | % | £ |
| IP Exchange service set-up charges | 5,897 | 27,511 | - | 33,408 |
| IP Exchange interoperability testing charges | 9,714 | 45,322 | - | 55,036 |
| | | | | |

The IP Exchange port charges service does not attract labour cost or other costs as this is a rental service. BT rents the assets from Openreach at a very small cost, therefore there is no capital cost of assets or depreciation. The cost of maintenance is included in the rental cost.

¹BT does not levy separate port charges by access type therefore BT is permitted to omit these services from the RFS.

²There are no assets associated with IP Interconnect, therefore return on capital employed is 0%.

| ppendix 1: Network Adjustments Restated on MCE Basis | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|
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Appendix 1 – Network Adjustments Restated on MCE Basis

Appendix 1.1 - Network adjustments restated on MCE basis For the year ended 31 March 2024

| | Internal MCE | External MCE | Total MCE |
|---------------------------|--------------|--------------|-----------|
| | £m | £m | £m |
| | | | |
| Above the financial limit | 20 | - | 20 |
| Below the financial limit | 107 | 42 | 149 |
| | 127 | 42 | 169 |

Appendix 1.2 - Network adjustments restated on MCE basis Restated for the year ended 31 March 2023

| | Internal MCE | External MCE | Total MCE |
|---------------------------|--------------|--------------|-----------|
| | £m | £m | £m |
| Al | 40 | | 40 |
| Above the financial limit | 12 | - | 12 |
| Below the financial limit | 82 | 25 | 107 |
| | 94 | 25 | 119 |
| | | | |

Appendix 2: Reconciliation Report

2.1. Comparability of Current and Prior Year Results

This reconciliation report is prepared in line with the basis of preparation set out in Section 2 of the RFS, except for the adjustments to methodologies and correction of errors as described in Appendix sections 2.2 and 2.3. It sets out:

- details of changes to regulatory accounting methodologies for the FY24 RFS (Section 2.2)
- details of errors, which meet Ofcom's definition of materiality, subsequently identified in the FY23 RFS (Section 2.3)
- restatement walks presenting the impact of these methodology changes and material error corrections on revenue, operating cost, and MCE results for the FY23 RFS, originally published on 31 July 2023 (Section 2.4); and
- where applicable, restatement walks presenting the impact of these methodology changes on the FY24 RFS (Section 2.5).

From 1 April 2023, the Group's Fixed Asset Register was migrated from the Oracle accounting system to SAP. The migration was performed as a hard cutover with no parallel running of the two systems; as such, all restated values in the RFS are taken from the FY23 Oracle FAR, and all current year values are taken from the FY24 SAP FAR.

2.2 Methodology Changes

The impact of material methodology changes as defined by Ofcom (i.e., resulting in a change of any figure in the RFS which exceeds the higher of 5% or £1m), as well as cumulative non-material changes, interactions, and roundings on the FY23 RFS results are detailed in the restatement walk tables set out in Section 2.4.

The impacts of these methodology changes on the FY24 RFS results are set out in Section 2.5 where applicable.

Changes driven by Ofcom's legal directions

There were no Ofcom-directed changes implemented in the FY24 RFS.

BT driven changes

i. Decapitalisation of FTTX CoW (Class of Work)

We have updated our methodology to decapitalise costs of the FTTX CoW up to a limit of the amount received in equivalent upfront costs, whereas previously all capitalised costs on the FTTX CoW were decapitalised, as detailed in section 2.3.1 of the FY24 Change Control Notification (CCN). The impact of this change is set out in section 2.4 of this report.

ii. Improvement of CCA (Current Cost Accounting) methodology

We have updated our methodology to no longer apply CCA to the following CoWs: TPC, ACPN, CJF, and LDX, as detailed in section 2.3.2 of the FY24 CCN. The impact of this report. The impact of this methodology change varies to that shown in the CCN, due to an error in our initial draft in relation to the interaction of the change with the Poles HCA Journal.

iii. Changes to decapitalisation of tie cables

We have updated our data sources used to identify tie cable labour costs for the purpose of decapitalisation, as detailed in section 2.3.3 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

iv. Cumulo allocation

We have updated our cumulo methodology to remove unnecessary complexity, as detailed in section 2.3.4 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

v. Changes to TRC (Time Related Charges), AVC (Abortive Visit Charges), SFI (Special Fault Investigations) and SFVA (Visit Assure) data

We have updated our methodology to improve the accuracy of calculations to allocate costs to AVC, SFI, TRC and SFVA services to remain consistent across the various attribution rules, as detailed in section 2.3.5 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report

vi. Automation of Physical Infrastructure (PI) returns

We now use the regulatory accounting system to automatically calculate a 7% return for the PI market, as detailed in section 2.3.6 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

vii. Changes to General Ledger (GL) and CoW data inputs

We have updated our methodology to use newly available GL and CoW data from our reporting system SAP, as detailed in section 2.3.7 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

viii. Change to Cumulo and Ofcom licence fee data

We have updated our methodology to calculate the cumulo and Ofcom licence fee allocations based on the latest available information, as detailed in section 2.3.8 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report. The impact of this methodology change varies to that shown in the CCN. This is due to an update to the data source of this latest information, which ensures consistency of unit costs between internal and external services.

ix. Allocation of sales and product management costs

We have updated our methodology to include an additional calculation step based on connections, to ensure cost allocations to FTTP (Fibre to the Premises), FTTC (Fibre to the Cabinet) and SOGEA (Single Order Generic Ethernet Access) services are more accurate, as detailed in section 2.3.9 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

x. Removal of Part Services

We have now removed the part services allocation layer in our regulatory accounting software, as detailed in section 2.3.10 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xi. Removal of internal revenue for Rest of BT

We have updated our methodology to remove internal revenue and costs for some services within the Rest of BT section of the RFS, which are subsequently eliminated, as detailed in section 2.3.11 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

Appendix 2 - Reconciliation Report

xii. Optical cables discounts

We have updated our methodology to remove a historic discount adjustment, which is no longer required, as detailed in section 2.3.12 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xiii. Mapping of PI SLGs (Service Level Guarantees) to the PI market

We have updated our methodology for PI SLGs to align to all other SLG allocations in the RFS, as detailed in section 2.3.13 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xiv. Improvement of GEA (General Ethernet Access) electronics allocation

We have updated our methodology to calculate the GEA electronics allocation based on headends card volumes, as detailed in section 2.3.14 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xv. Allocation of Protect BT costs

We have updated our methodology to directly allocate BT Protect costs to AG118 (BT Group Previously Allocated Costs (PAC) - Including Overseas), which removes the requirement for the BTPROTECT base, as detailed in section 2.3.15 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xvi. Change to presentation of 'Specific Items'

We have updated our methodology to separate out the 'Specific Items' balance more easily in the 'Attribution of Operating Costs' table in the RFS, as detailed in section 2.3.16 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xvii. Transfer of Fixed Assets Register (FAR) data to SAP

We have updated our methodology to use SAP to extract fixed assets data, as detailed in section 2.3.17 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xviii. Changes to capitalised pay and FAR

We have updated our methodology to use a new reporting solution to provide capitalised pay data, as detailed in section 2.3.18 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

xix. Removal of adjustment to internal/external cost categorisation

We have updated our methodology to remove an adjustment to internal cost categorisation as it is no longer required, as detailed in section 2.3.19 of the FY24 CCN. The impact of this change is set out in section 2.4 of this report.

Methodology Changes not reversed in the Reconciliation Report

The following changes included in our FY23 CCN have not been reversed in the restatement walks presented in the tables shown in section 2.5:

Changes not reversed as there will be no material impact at a market or service level:

- Automation of Physical Infrastructure (PI) returns (2.2.vi)
- Change to Cumulo and Ofcom licence fee data (2.2 viii)
- Removal of Part Services (2.2 x)
- Removal of internal revenue for Rest of BT (2.2.xi)
- Mapping of PI SLGs to the PI market (2.2 xiii)
- Improvement of GEA (General Ethernet Access) electronics allocation (2.2.xiv)
- Allocation of Protect BT costs (2.2 xv)
- Change to presentation of 'Specific Items' (2.2 xvi)
- Removal of adjustment to internal/external cost categorisation (2.2.xix)

Changes not reversed as the required data is no longer available:

- Improvement of CCA methodology (2.2 ii)
- Changes to decapitalisation of tie cabling (2.2 iii)
- Changes to TRC, AVC, SFI and SFVA data (2.2 v)
- Change to GL and CoW data inputs (2.2 vii)
- Transfer of FAR data to SAP (2.2 xvii)
- Changes to capitalised pay and FAR (2.2 xviii)

Appendix 2 - Reconciliation Report

2.3 Error Corrections

The prior year comparatives have been restated to reflect the correction of errors which meet Ofcom's definition of a material error (i.e., resulting in a change of any figure in the RFS which exceeds the higher of 5% or £1m). The error must fulfil at least one of the following conditions:

- the error has arisen within the Regulatory Attribution System; or
- the error has been brought to the attention of the Audit and Risk Committee by the Regulatory Auditor.

The impacts of correcting these material errors on the FY23 RFS results are detailed in the restatement walk tables set out in Section 2.4.

i. Optical fibre usage

An error was identified in the optical fibre usage calculation, with optical fibre volumes overstated. This error was identified by the regulatory auditors.

ii. Updating headend card mapping files

An error was identified in the mapping of headend cards to FTTC cards rather than FTTP. This error was identified during a routine review.

iii. Shared ancillaries internal accommodation

An error was identified in the shared ancillaries market, where an element of revenue was being double counted. This error was identified during a routine review.

iv. Software depreciation allocations

An error was identified in the data used to calculate software depreciation allocations. This error was identified by the regulatory auditors.

v. CoW information not complete

An error was identified with how we map CoW data, with the result that several GL accounts were not being assigned a CoW. This error was identified during a routine review.

vi. Error in pay cost attribute

A GL account was mapped to pay costs in error in our Regulatory Attribution System. This error was identified during the implementation of BT driven change vii. 'Changes to General ledger (GL) and Class of Work (CoW) data inputs' set out in section 2.2.

vii. Change to copper recovery

An error was identified in the attribution of copper recovery costs, with costs allocated across all Openreach services rather than to copper-related services in line with recovery data. This error was identified during a routine review.

viii. Change in labour decapitalisation cost mapping

An error was identified in the mapping of decapitalised labour costs. These costs were classified as 'Wages and Salaries' within the Operating Costs schedule of the RFS, however they are more appropriately classified within 'Own Work Capitalised' to offset the original capitalisation impact. This error was identified by the regulatory auditors.

ix. Corrections to 'Specific Items' disclosures

An error was identified in the presentation of depreciation included within 'Specific Items'. This error was identified during the implementation of BT driven change xvi. 'Change to presentation of 'Specific items' set out in section 2.2. A further error was identified within the prior year income statement reconciliation (schedule 5.4 of the RFS), where specific items relating to net short-term interest were double counted within the Openreach reconciliation². This error was identified by the auditors.

x. Cumulo FTTP/FTTC mapping

An error was identified in the mapping of FTTC and FTTP services for the cumulo calculation. This error was identified during a routine review.

xi. Poles journal error

An error was identified in the poles journal calculation, resulting in lower depreciation and net book value. This error was identified during a routine review.

xii. Network adjustments journal error

An error was identified in the mapping of network adjustments. This error was identified during a routine review.

xiii. PI allocation volume correction

An error was identified in the volume data used to calculate internal/external MCE allocations for manhole covers and joint box services within the PI market. This error was identified during a routine review.

xiv. Interexchange Fibre allocation

An error was identified in the Interexchange Fibre allocation whereby the allocations to a few small services were being double counted. This error was identified by the auditors.

² The BT Group plc reconciliation within the same schedule has also been adjusted so the presentation is consistent with the corrected Openreach reconciliation.

2.4.1 Restatement Walks - Impact of methodology changes and error corrections to FY23 published RFS revenue

Below sets out the impact each change has to the published FY23 RFS revenue figures (£m), at Market level.

Restated for the year ended 31 March 2023

| Property | | | | | | | | | | | | | | | D : (DT | | 77.0 | |
|--|--|----------------|----------|--------|-------|--------------|------------|-------------|-------------|-------------|--------------|-----------|--------------|--------|------------|--------------|----------|--------|
| Probability of the property of | | Dhusiaal | 1A/I A | 1A/I A | 11.4 | 11.4 | | • | IEC DT +4 | Chauad | Tatal CMD | Non CMD | Fliminations | Tatal | Rest of BT | Fliminations | BT Group | Tatal |
| Part | | | | | | | | • | | | I Otal SIVIP | Non-SIVIP | Eliminations | Total | Total | Euminations | Rounding | Iotal |
| Professionary | | illiastructure | Aleaz | Aleas | Aleaz | Alea 3 lietw | voikieacii | excitatiges | excitatiges | ancittaries | | | | I_ | | | | |
| Professionary | | | | | | | | | | | | | | | | | | |
| Professionary | | | | | | | | | | | | | | | | | | |
| Professionary | FY23 Published RFS revenue | (27) | 1.900 | 1.050 | 471 | 260 | 40 | 121 | 69 | 146 | 4.030 | 1.604 | 38 | 5.672 | 19.720 | (4.711) | 1 | 20.682 |
| Procession Pro | | (=- / | .,500 | .,,,,, | ., . | | | | | | .,000 | ., | | 0,07 = | , | (1,2) | | |
| The second control c | Ofcom directed changes | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PT2 Praise for all membelosing changes [18] 150 150 150 150 150 150 150 150 150 150 | | | - | - | 7 | 4 | - | 6 | 5 | - | | | | 2 | | | - | - |
| Property Published MS Freework | Total effect of methodology changes | 13 | - | - | 7 | 4 | - | 6 | 5 | - | 35 | (20) | (13) | 2 | (1,630) | 1,628 | - | - |
| Property Published MS Freework | | (4.0) | | | | | | | | | | | | | | (2.22) | | |
| Part | FY23 restated for all methodology changes | (14) | 1,900 | 1,050 | 478 | 264 | 40 | 127_ | 74 | 146 | 4,065 | 1,584 | 25 | 5,674 | 18,090 | (3,083) | 11 | 20,682 |
| Part | EV22 Bublished BEC revenue | (27) | 4.000 | 1.050 | 474 | 260 | 40 | 424 | 60 | 146 | 4.020 | 4.604 | 20 | F 672 | 40.720 | (4744) | | 20.602 |
| Fig Hench Color Fig Hench | FY23 Published RF3 revenue | (27) | 1,900 | 1,050 | 4/1 | 260 | 40 | 121 | 69 | 146 | 4,030 | 1,604 | 30 | 5,672 | 19,720 | (4,/11) | ' | 20,682 |
| Fig Hench Color Fig Hench | Ofcom directed changes | | | | | | | | | | | | | | | | | |
| Page | | - | - | - | - | - | - | - | - | - | - | - | - | - | _ | - | - | _ |
| Peace Peac | <i>3.</i> 3 | | | | | | | | | | | | | | | | | |
| Improvement of Coff methodology 12 | | | | | | | | | | | | | | | | | | |
| Charges to descriptions of the robbes | | | - | - | - | - | - | - | - | - | 2 | - | | - | - | - | - | - |
| Carnivo Allocation | | 12 | - | - | - | - | - | - | - | - | 12 | - | (12) | - | 1 | (1) | - | - |
| Charges 176C, AVC, Sel and SPA deata | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Latination of Picturias Clark (Compare Compare | | - (1) | - | - | - | - | - | - | - | - | (4) | - | - | - | - | - | - | - |
| Changes to General Ledger (CR) Second and Class of Wark (CAVI) data in pass Canaga to Canaga and Class of Caraga and Caraga an | | | - | - | - | - | - | - | - | - | (1) | - | (1) | - | - | - | - | - |
| Changes Curried and Cell Cell Cell Cell Cell Cell Cell Cel | | - | _ | _ | - | - | _ | _ | - | _ | <u>'</u> | _ | (1) | - | _ | - | _ | _ |
| Allocation facilities and products management costs | | (1) | _ | _ | _ | _ | _ | _ | _ | | (1) | 2 | 1 | 2 | (2) | _ | | |
| Removal of Jamas Insertue for Ret of BT | | - | _ | _ | _ | _ | _ | _ | _ | _ | - | - | <u>.</u> | - | - | _ | _ | _ |
| Spiral calible discounts | | - | - | - | - | - | - | - | - | - | _ | _ | _ | - | - | - | - | _ |
| Melping of PI SLGG to the PIA market more memor of CAB Lectronics allocation in more memory of CAB Lectronic allocation in more me | | - | - | - | - | - | - | - | - | - | - | - | - | - | (1,611) | 1,611 | - | - |
| Improvement of GR- Electronics allocation | Optical cables discounts | - | - | - | 7 | 4 | - | 6 | 5 | - | 22 | (22) | - | - | (18) | 18 | - | - |
| Allocation of Protect BT Costs | Mapping of PI SLGs to the PIA market | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Changes due to correction of material cross Appellia tells part (and the control of the control | · | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer of fixed asset register of the to to SAP Changes to capitaled pay and fixed asset register Changes to capital depay and fixed asset register For oval of adjustment to internal/sosteral cots categorisation 13 - 7 4 - 6 5 - 35 (20) (13) 2 (1630) 1,628 - 1 Total effect of 1 firther methodology changes 13 - 7 4 - 6 5 - 35 (20) (13) 2 (1630) 1,628 - 1 Total effect of 1 firther methodology changes 15 - 8 4 - 6 6 6 - 39 (24) (15) - (1,637) 1,637 (1) (1) Total effect of 3 internal errors Changes due to correction of material errors From the company of the company | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Changes to capitalised pay and fixed asset register | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Permotal fadigustment to internal/externations categorisation | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total effect of Bf driven methodology changes 13 - 7 4 - 6 5 - 35 (20) (13) 2 (1,630) 1,628 - - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cumulative non-material changes, interactions and rounding 2 | | 12 | <u> </u> | | 7 | - 1 | | - 6 | - 5 | | 25 | (20) | (13) | 2 | (1 630) | 1 628 | | |
| Total effect of all methodology changes | rotatemect of B1 driven methodology changes | 13 | - | - | , | 4 | - | 0 | 3 | | 33 | (20) | (13) | 2 | (1,030) | 1,020 | _ | _ |
| Total effect of all methodology changes | Cumulative non-material changes, interactions and rounding | 2 | - | - | 1 | - | - | _ | 1 | _ | 4 | (4) | (2) | (2) | (7) | 9 | (1) | (1) |
| Changes due to correction of material errors Optical Fibre usage Updating headened card mapping files Software Depreciation Allocations Software Depreciation Allocations COV information not complete Error in pay cost attribute Change to copper recovery Change to copper recovery Coverations to "Specific Items disclosures Coverations to "Specific Items disclosures Coverations to "Specific Items" disclosures Coveration volume correction Levent Agriculture State Stat | | | | | | | | | | | | | | | | | | |
| Optical Fibre usage Lipdating headend card mapping files Shared Ancillaries Internal Accomodation Software Depreciation Allocations COW information not complete 1 | Total effect of all methodology changes | 15 | - | - | 8 | 4 | - | 6 | 6 | - | 39 | (24) | (15) | - | (1,637) | 1,637 | (1) | (1) |
| Optical Fibre usage Lipdating headend card mapping files Shared Ancillaries Internal Accomodation Software Depreciation Allocations COW information not complete 1 | Changes due to correction of material errors | | | | | | | | | | | | | | | | | |
| Updating headend card mapping files | | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Sheard Ancillaries Internal Accomodation Software Operication Allocations COW information not complete Cow information not | · | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Software Depreciation Allocations | | _ | _ | _ | _ | _ | _ | _ | _ | (2) | (2) | 2 | _ | _ | _ | _ | _ | _ |
| Collinformation not complete From in pays cost attribute 1 | Software Depreciation Allocations | - | - | - | - | - | - | - | - | ` _ | - | - | - | - | - | - | _ | _ |
| Change in Copper recovery (1) | | - | - | - | - | - | - | - | - | - | - | - | - | - | 8 | (8) | - | - |
| Change in Labour Decapitalisation Cost Mapping | Error in pay cost attribute | 2 | - | - | - | - | - | - | - | - | 2 | - | (2) | - | 1 | (1) | - | - |
| Corrections to 'Specific Items' disclosures Network Adjustments Journal Error (3) (3) - 3 - (3) 3 | | (1) | - | - | - | - | - | - | - | - | (1) | - | 1 | - | - | - | - | - |
| Network Adjustments Journal Error (3) | Change in Labour Decapitalisation Cost Mapping | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cumulo FTTC/FTTP mapping - </td <td></td> <td>- (2)</td> <td>-</td> | | - (2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Pl allocation volume correction - | Network Adjustments Journal Error | (3) | - | - | - | - | - | - | - | - | (3) | - | 3 | - | (3) | 3 | - | - |
| Poles journal error 2 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | | (1) | - | - |
| Interexchange Fibre allocation | | 2 | - | - | _ | - | - | _ | - | _ | 2 | = | (2) | | | - | _ | |
| Total effect of correcting material errors (2) (2) 2 7 (7) Total effect of all methodology changes and correcting material errors 15 8 4 - 6 6 (2) 37 (22) (15) - (1,630) 1,630 (1) (1) | | - | - | - | - | - | - | - | - | _ | - | - | (2) | _ | | - | - | _ |
| Total effect of all methodology changes and correcting material errors 15 8 4 - 6 6 (2) 37 (22) (15) - (1,630) 1,630 (1) (1) | | _ | - | - | - | - | - | - | - | (2) | (2) | 2 | - | - | 7 | (7) | - | _ |
| | | | | | | | | | | ` | | | | | | | | |
| FY23 RFS figures reflecting all changes (12) 1,900 1,050 479 264 40 127 75 144 4,067 1,582 23 5,672 18,090 (3,081) - 20,681 | Total effect of all methodology changes and correcting material errors | 15 | - | - | 8 | 4 | - | 6 | 6 | (2) | 37 | (22) | (15) | - | (1,630) | 1,630 | (1) | (1) |
| | FY23 RFS figures reflecting all changes | (12) | 1,900 | 1,050 | 479 | 264 | 40 | 127 | 75 | 144 | 4,067 | 1,582 | 23 | 5,672 | 18,090 | (3,081) | | 20,681 |

2.4.2 Restatement Walks - Impact of methodology changes and error corrections to FY23 published RFS CCA operating costs

Below sets out the impact each change has to the published FY23 RFS CCA operating cost figures (£m), at Market level.

Restated for the year ended 31 March 2023

| | | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|--|----------------|-------------|-------------|--------------|--------------|-----|-------------|---------------------------------------|-------------|--------------|---------|--------------|-------------|-----------------|--------------|----------|---------|
| | Physical | WLA | WLA | LLA | LLA | | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| | Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 net | | exchanges | exchanges | ancillaries | | | | | | | | |
| FY23 Published RFS cost | (469) | 1,505 | 795 | 325 | 156 | 30 | 39 | 30 | 98 | 2,509 | 794 | 38 | 3,341 | 18,668 | (4,769) | (1) | 17,239 |
| Ofcom directed changes | - | - | - | - | - | - | - | - | - | _ | - | - | - | - | - | - | _ |
| BT driven changes | 12 | (145) | (69) | 16 | 9 | - | 3 | 1 | 1 | (172) | 33 | 14 | (125) | (1,610) | 1,626 | - | (109) |
| Total effect of methodology changes | 12 | (145) | (69) | 16 | 9 | - | 3 | 1 | 1 | (172) | 33 | 14 | (125) | (1,610) | 1,626 | - | (109) |
| FY23 restated for all methodology changes | (457) | 1,360 | 726 | 341 | 165 | 30_ | 42 | 31 | 99 | 2,337 | 827 | 52 | 3,216 | 17,058 | (3,143) | (1) | 17,130 |
| FY23 RFS cost | (469) | 1,505 | 795 | 325 | 156 | 30 | 39 | 30 | 98 | 2,509 | 794 | 38 | 3,341 | 18,668 | (4,769) | (1) | 17,239 |
| Ofcom directed changes Total effect of Ofcom directed methodology changes | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| BT driven changes | | | | | | | | | | | | | | | | | |
| Decapitalisation of FTTX CoW | 2 | (105) | (43) | 4 | 2 | - | - | - | - | (140) | 10 | (2) | (132) | 5 | (1) | - | (128) |
| Improvement of CCA methodology | 10 | (2) | (1) | 1 | 1 | - | 1 | - | 1 | 11 | (10) | 15 | 16 | 1 | (2) | - | 15 |
| Changes to decapitalisation of tie cables | - | (22) | 2 | - | - | - | - | - | - | (26) | 15 | - | 4 | - 11 | - | - | 4 |
| Cumulo Allocation Changes to TRC, AVC, SFI and SFVA data | (1) | (22) (8) | (13) (4) | 5 | 3 | - | 1 | - | - | (26) (10) | 15 | - 1 | (11) (8) | 11 | - | - | - |
| Automation of Pl returns | (1) | (0) | (4) | _ | - | _ | - | - |] | (10) | 1 | (1) | (0) | - | - | _ | _ |
| Change to General Ledger (GL) account and Class of Work (CoW) data inputs | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | - | - | _ | _ | _ | _ | _ |
| Change to Cumulo and Ofcom licence fee data | - | (9) | (10) | 4 | 2 | - | 1 | 1 | - | (11) | 16 | 1 | 6 | (6) | - | - | _ |
| Allocation of sales and product management costs | 1 | (1) | - | - | - | - | - | - | - | - | - | - | - | - (4) | - | - | - |
| Removal of Part Services Removal of internal revenue for Rest of BT | - | - | - | - | - | - | - | - | - | - | - | - | - | (1) | 1 611 | - | - |
| Optical cables discounts | - | - | - | - | - | _ | - | - | _ | _ | - | _ | - | (1,611) (17) | 1,611 17 | _ | _ |
| Mapping of PI SLGs to the PIA market | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | (17) | - | _ | _ |
| Improvement of GEA Electronics allocation | - | - | - | - | - | - | _ | _ | _ | _ | - | _ | - | _ | _ | _ | _ |
| Allocation of Protect BT costs | - | - | - | - | - | - | - | - | - | _ | - | - | - | - | - | - | _ |
| Change to presentation of specific Items | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer of fixed assets register data to SAP | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Changes to capitalised pay and fixed asset register | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Removal of adjustment to internal/external cost categorisation | - 42 | - (4.45) | (60) | - | - | - | - | - | - | - (470) | - | - | (425) | - (4.640) | 4.505 | - | - (400) |
| Total effect of BT driven methodology changes | 12 | (145) | (69) | 16 | 9 | - | 3 | 1 | 1 | (172) | 33 | 14 | (125) | (1,610) | 1,626 | - | (109) |
| Cumulative non-material changes, interactions and roundings | 4 | 21 | 12 | 4 | 4 | 1 | 1 | - | (2) | 45 | 10 | (29) | 26 | (29) | 9 | (4) | 2 |
| Total effect of all methodology changes | 16 | (124) | (57) | 20 | 13 | 1 | 4 | 1 | (1) | (127) | 43 | (15) | (99) | (1,639) | 1,635 | (4) | (107) |
| Changes due to correction of material errors | | | | | | | | | | | | | | | | | |
| Optical Fibre usage | - | - | - | (1) | - | - | - | - | - | (1) | 1 | - | - | - | - | - | - |
| Updating headend card mapping files | - | (1) | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Shared Ancillaries Internal Accomodation Software Depreciation Allocations | - | - | - 1 | - | - | - | - | - | - | 1 | (1) | - | - | | - | - | _ |
| COW information not complete | - | - | (1) | - | - | - | - | - | 1 | | 11 | _ | 11 | _ | (11) | _ | _ |
| Error in pay cost attribute | 2 | 1 | 1 | (3) | (1) | _ | _ | _ | | _ | (1) | (2) | (3) | 4 | (1) | _ | _ |
| Change to copper recovery | (1) | (7) | (4) | (1) | (1) | - | - | - | - | (14) | 14 | ` <u>í</u> | 1 | (1) | - | - | _ |
| Change in Labour Decapitalisation Cost Mapping | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Corrections to 'Specific Items' disclosures | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Network Adjustments Journal Error | (3) | (1) | - | - | - | - | - | - | - | (4) | (1) | 3 | (2) | (3) | 3 | - | (2) |
| Cumulo FTTC/FTTP mapping | - | 11 | 8 | (3) | (2) | - | - | - | - | 14 | (10) | - | 4 | (3) | (1) | - | - |
| Plallocation volume correction | - 1 | - | - | - | - | - | - | - | - | - 1 | - 1 | (2) | - | - | - | - | - |
| Poles journal error Interexchange Fibre allocation | 1 | - | - | - | - | - | - | - | - | 1 | (3) | (2) | (3) | - | - 2 | - | _ |
| Total effect of correcting material errors | (1) | 3 | 6 | (8) | (4) | - | - | - | 1 | (3) | 11 | - | 8 | (3) | | - | (2) |
| Total effect of all methodology changes and correcting material errors | 15 | (121) | (51) | 12 | 9 | 1 | 4 | 1 | _ | (130) | 54 | (15) | (91) | (1,642) | 1,628 | (4) | (109) |
| | | | | | - | - | | · · · · · · · · · · · · · · · · · · · | | | | | | | | | |
| FY23 RFS figures reflecting all changes | (454) | 1,384 | 744 | 337 | 165 | 31 | 43 | 31 | 98 | 2,379 | 848 | 23 | 3,250 | 17,026 | (3,141) | (5) | 17,130 |

2.4.3 Restatement Walks - Impact of methodology changes and error corrections to FY23 published RFS MCE

Below sets out the impact each change has to the published FY23 RFS MCE figures (£m), at Market level.

Restated for the year ended 31 March 2023

| | | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|--|----------------|------------|------------|--------|-------|------------|-------------|-----------|-------------|------------|------------|--------------|--------|------------|--------------|----------|--------|
| | Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| | Infrastructure | Area 2 | Area 3 | Area 2 | | work reach | exchanges | exchanges | ancillaries | | | | | | | | |
| FY23 Published RFS MCE | 6,326 | 4,465 | 2,725 | 1,013 | 483 | 90 | 86 | 65 | 168 | 15,421 | 2,689 | - | 18,110 | 21,756 | (124) | (2) | 39,740 |
| Ofcom directed changes | - | - | - | - | - | - | - | - | - | _ | - | - | - | - | - | - | - |
| BT driven changes | (37) | 32 | 8 | - | (1) | - | (7) | (4) | (4) | (13) | 11 | - | (2) | (32) | | - | (27) |
| Total effect of methodology changes | (37) | 32 | 8 | - | (1) | - | (7) | (4) | (4) | (13) | 11 | - | (2) | (32) | 7 | - | (27) |
| FY23 restated for all methodology changes | 6,289 | 4,497 | 2,733 | 1,013 | 482 | 90 | 79 | 61 | 164 | 15,408 | 2,700 | - | 18,108 | 21,724 | (117) | (2) | 39,713 |
| FY23 RFS MCE | 6,326 | 4,465 | 2,725 | 1,013 | 483 | 90 | 86 | 65 | 168 | 15,421 | 2,689 | - | 18,110 | 21,756 | (124) | (2) | 39,740 |
| Of com directed changes | | | | | | | | | | | | | | | | | |
| Total effect of Ofcom directed methodology changes | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| BT driven changes | | | | | | | | | | | | | | | | | |
| Decapitalisation of FTTX CoW | - | 32 | 15 | 2 | 1 | - | - | - | - | 50 | (1) | - | 49 | 13 | | - | 62 |
| Improvement of CCA methodology | (23) | (14) | (10) | (5) | (5) | - | (4) | (2) | (4) | (67) | (17) | - | (84) | (41) | 6 | - | (119) |
| Changes to decapitalisation of tie cables | _ | 12 | 4 | (1) | - | - | - | - | - | 15 | 22 | - | 37 | (3) | (1) | - | 33 |
| Cumulo Allocation | - | (6) | (3) | 1 | 1 | - | - | - | - | (7) | 3 | - | (4) | 2 | - | - | (2) |
| Changes to TRC, AVC, SFI and SFVA data Automation of PI returns | - | (1) | - | - | - | - | - | - | - | (1) | 1 - | - | - | - | - | - | - |
| Change to General Ledger (GL) account and Class of Work (CoW) data inputs | _ | _ | _ | - | _ | - | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Change to Cumulo and Ofcom licence fee data | (5) | 1 | (1) | 1 | 1 | - | _ | _ | _ | (3) | 4 | _ | 1 | (1) | _ | _ | _ |
| Allocation of sales and product management costs | (9) | 7 | 2 | 2 | 1 | _ | (3) | (2) | _ | (2) | 1 | _ | (1) | - | _ | _ | (1) |
| Removal of Part Services | = | 1 | 1 | _ | _ | _ | - | - | _ | 2 | (2) | _ | - | (2) | 2 | _ | - |
| Removal of internal revenue for Rest of BT | _ | - | - | _ | _ | _ | _ | _ | _ | _ | (-) | _ | _ | (-) | - | _ | _ |
| Optical cables discounts | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Mapping of PI SLGs to the PIA market | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Improvement of GEA Electronics allocation | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Allocation of Protect BT costs | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Change to presentation of specific Items | _ | _ | _ | _ | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ |
| Transfer of fixed assets register data to SAP | _ | _ | _ | _ | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ |
| Changes to capitalised pay and fixed asset register | _ | _ | _ | _ | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ |
| Removal of adjustment to internal/external cost categorisation | _ | _ | _ | _ | _ | _ | _ | _ | | _ | _ | _ | _ | _ | _ | _ | _ |
| Total effect of BT driven methodology changes | (37) | 32 | 8 | - | (1) | - | (7) | (4) | (4) | (13) | 11 | - | (2) | (32) | 7 | - | (27) |
| Cumulative non-material changes interactions and rounding | 4 | (5) | (4) | 2 | | | | | | (2) | 25 | | າາ | (16) | (6) | 4 | 4 |
| Cumulative non-material changes, interactions and rounding | 4 | (5) | (4) | | - | - | - | - | | (3) | 25 | | 22 | (16) | | 4 | |
| Total effect of all methodology changes | (33) | 27 | 4 | 2 | (1) | - | (7) | (4) | (4) | (16) | 36 | - | 20 | (48) | 1 | 4 | (23) |
| Changes due to correction of material errors | | | | (0) | (1) | | | | | (0) | 9 | | | 2 | (2) | | |
| Optical Fibre usage | - | - (4) | - | (8) | (1) | - | - | - | - | (9) | 9 | - | - | 2 | (2) | - | - |
| Updating headend card mapping files Shared Ancillaries Internal Accomodation | - | (4) | 4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | - | (1) | (1) | - | - | - | - | - | - | (2) | 2 | - | - | - | - | - | - |
| Software Depreciation Allocations COW information not complete | - | (1) (1) | (1) (1) | (1) | - | - | - | - | - | (2) (3) | (5) | - | (8) | - | (1) | - | - |
| · | (1) | (1) | (1) | (1) | - | - | - | - | - | (4) | (5) | - | (3) | 9 | (1) | - | - |
| Error in pay cost attribute | (1) | 1 1 | (1) | (1) | - | - | - | - | - | 1.1 | (1) | - | | 3 | - | - | - |
| Change to copper recovery | - | (1) | - | - | - | - | - | - | - | (1) | (1) | - | (2) | 2 | - | - | - |
| Change in Labour Decapitalisation Cost Mapping | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Corrections to 'Specific Items' disclosures | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Network Adjustments Journal Error Cumulo FTTC/FTTP mapping | - | - | - | - | - | - | - | - | - | - | (E) | - | - | - | - | (2) | - |
| | - | 5 | 2 | - | - | - | - | - | - | / | (5) | - | 2 | - | - | (2) | - |
| Plallocation volume correction | - | (2) | - (4) | - (4) | - (4) | - | - | - | - | - | - | - | - | - | - | - | - |
| Poles journal error | Э | (2) | (1) 1 | (1) | (1) | - | - | - | - | - | (2) | - | - | (2) | - | - | |
| Interexchange Fibre allocation Total effect of correcting material errors | 4 | (4) | 3 | (11) | (2) | - | - | | | (10) | (2) (1) | - | (11) | (3) 13 | | (2) | _ |
| rotat errect or correcting material errors | 4 | (4) | s | (11) | (2) | | | | | (10) | (1) | | (11) | | | (2) | |
| Total effect of all methodology changes and correcting material errors | (29) | 23 | 7 | (9) | (3) | - | (7) | (4) | (4) | (26) | 35 | - | 9 | (35) | 1 | 2 | (23) |
| FY23 RFS figures reflecting all changes | 6,297 | 4,488 | 2,732 | 1,004 | 480 | 90 | 79 | 61 | 164 | 15,395 | 2,724 | - | 18,119 | 21,721 | (123) | - | 39,717 |

2.5 Restatement Walks - FY24 RFS restated for FY23 methodologies (£m)

| | | mpact | of r | neth | odol | ogies | on | reve | nue |
|--|--|-------|------|------|------|-------|----|------|-----|
|--|--|-------|------|------|------|-------|----|------|-----|

| FY24 Published RFS |
|--|
| Cumulo Allocation |
| Decapitalisation of FTTX CoW |
| Optical cables discounts |
| Allocation of sales and product management costs |
| |
| FY24 RFS figures using FY23 methodologies |

Impact of methodologies on CCA operating costs

| FY24 Published RFS |
|--|
| Cumulo Allocation |
| Decapitalisation of FTTX CoW |
| Optical cables discounts |
| Allocation of sales and product management costs |
| |

FY24 RFS figures using FY23 methodologies

Impact of methodologies on MCE

| FY24 Published RFS | |
|--|------|
| Cumulo Allocation | |
| Decapitalisation of FTTX CoW | |
| Optical cables discounts | |
| Allocation of sales and product management c | osts |
| | |
| FY24 RFS figures using FY23 methodologies | |

| | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|----------------------------|---------------|---------------|---------------|------------------|-------------------------|-----------------------|---------------------|--------------------|-------------|---------|--------------|-------|------------|--------------|----------|--------|
| Physical Infrastructure | WLA Area 2 | WLA Area 3 | LLA Area 2 | LLA Area 3 ne | LLA High twork reach | IEC BT only exchanges | IEC BT +1 exchanges | Shared ancillaries | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| 713 | 2,190 | 1,241 | 541 | 306 | 44 | 135 | 75 | 142 | 5,387 | 1,356 | (661) | 6,082 | | (3,363) | (2) | 20,797 |
| (3) | - | - | - | - | - | - | - | - | (3) | - | 3 | - | . 3 | (3) | - | - - |
| (2) | - | - | (6) - | (3) | - | (2) | (1) | - | (12) (2) | 13 | 2 | 1 | . 4 | (4) | - | 1 - |
| 708 | 2,190 | 1,241 | 535 | 303 | 44 | 133 | 74 | 142 | 5,370 | 1,369 | (656) | 6,083 | 18,087 | (3,370) | (2) | 20,798 |

| | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|----------------------------|---------------|---------------|---------------|------------------|--------------------------|-----------------------|---------------------|--------------------|-----------|-------------|--------------|-------|-------------|--------------|----------|-------|
| Physical Infrastructure | WLA Area 2 | WLA Area 3 | LLA Area 2 | LLA Area 3 ne | LLA High etwork reach | IEC BT only exchanges | IEC BT +1 exchanges | Shared ancillaries | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Tota |
| 212 | 2,033 | 1,094 | 386 | 198 | 33 | 54 | 35 | 115 | 4,160 | 995 | (661) | 4,494 | 17,635 | (3,423) | (1) | 18,70 |
| (3) | 31 75 | 22 28 | (9) (3) | (5) (1) | (1) | (1) | - | (1) | 36 96 | (28) (3) | - 3 | 96 | (8) (16) | (3) | _ | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | 20 | (4) | - | ? |
| (3) | - | - | 1 | 1 | - | (1) | (1) | - | (3) | 1 | 2 | - | - | - | - | |
| 206 | 2,139 | 1,144 | 375 | 193 | 32 | 52 | 34 | 114 | 4,289 | 965 | (656) | 4,598 | 17,631 | (3,430) | (1) | 18,79 |

| | | | | | | Openreach | | | | | | | Rest of BT | | BT Group | |
|----------------|--------|--------|--------|-----------|--------------|-------------|-----------|-------------|-------------|------------|--------------|--------|------------|--------------|----------|--------|
| Physical | WLA | WLA | LLA | LLA | LLA High | IEC BT only | IEC BT +1 | Shared | Total SMP | Non-SMP | Eliminations | Total | Total | Eliminations | Rounding | Total |
| Infrastructure | Area 2 | Area 3 | Area 2 | Area 3 ne | etwork reach | exchanges | exchanges | ancillaries | TOTAL SIVIE | NOII-SIVIE | Lummations | Totat | Totat | Lummations | Rounding | Totat |
| 7,150 | 4,885 | 2,906 | 1,042 | 503 | 91 | 73 | 61 | 169 | 16,880 | 2,359 | _ | 19,239 | 21,940 | (108) | (1) | 41,070 |
| - | 5 | 4 | (2) | (1) | - | - | - | - | 6 | (4) | - | 2 | (1) | - | - | 1 |
| (1) | (121) | (48) | - | (1) | - | 1 | - | - | (170) | (1) | - | (171) | (2) | - | - | (173) |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | (3) | (1) | (5) | (2) | - | 4 | 2 | (1) | 4 | (3) | - | 1 | - | - | - | 1 |
| 7,159 | 4,766 | 2,861 | 1,035 | 499 | 91 | 78 | 63 | 168 | 16,720 | 2,351 | - | 19,071 | 21,937 | (108) | (1) | 40,899 |

Appendix 3: Attribution Diagrams

Appendix 3: Attribution diagrams

See Appendix 3: Attribution diagrams published separately to this RFS.

Glossary and Footnotes List

Glossary and Footnotes List

Glossary

| ' | Glossary | |
|---|-----------------|--|
| | AMD | Accounting Methodology Document. This sets out the detailed processes by which revenues and costs are attributed between the SMP Markets, Services and Residual Activities. |
| | AVC | Abortive Visit Charges |
| | Annual Report | BT Group plc's Annual Report including the consolidated financial statements for the year ended 31 March 2024. These are available on the BT website at: |
| | | https://www.bt.com/about/investors/financial-reporting-and-news/annual-reports |
| | BDUK | Building Digital UK |
| | CCA | Current Cost Accounting – adjustments to historical costs arising from the revaluation of assets on a current cost basis. In the statements for individual markets the adjustments comprise the holding gains or losses arising from changes in asset values, together with the effect on asset values and depreciation of the appropriate allocation of current cost asset values between markets and wholesale services. |
| | CCN | Change Control Notification |
| | ccts | Circuits |
| | conns | Connections |
| | Commitments | The commitments given to Ofcom and Industry by BT on how Openreach will operate, first issued on 10 March 2017 and most recently issued on 15 September 2023 |
| | Cost Accounting | A Cost Accounting system is a set of rules which supports the attribution of costs, revenues and mean capital employed to individual activities and services. |
| | CoW | Class of Work |
| | СР | Communication Provider |
| | CPI | Consumer Price Index |
| | DLE | Digital Local Exchange |
| | EAD | Ethernet Access Direct |
| | ECC | Excess Construction Charge |
| | EOI | Equivalence of Input |
| | Equinox | Openreach pricing offers for fibre services |
| | FAR | Fixed asset register |
| | FTTC | Fibre To The Cabinet |
| | FTTP | Fibre To The Premises |
| | Gbit/s | Gigabits per second |
| | GEA | Generic Ethernet Access |
| | НСА | Historical Cost Accounting |
| | IEC | Inter-exchange Connectivity |
| | IFRS | International Financial Reporting Standard |
| | IP | Internet Protocol |
| | km | Kilometres |
| | lines | No. of Lines |
| | LLA | Leased Line Access |
| | m | Millions |
| I | | |

Glossary and Footnotes List

| MCE | Mean Capital Employed is defined as total assets less current liabilities, excluding corporate taxes and dividends payable, and provisions other than those for deferred taxation. The mean is computed from the start and end values for the period. |
|---------------|---|
| mm | Millions of Minutes |
| MPF | Metallic Path Facilities |
| NGA | Next Generation Access |
| Ofcom | Office of Communications |
| OR | Openreach |
| PI | Physical Infrastructure |
| PIA | Physical Infrastructure Access |
| PSTN | Public switched telephone network |
| RAP | Regulatory Accounting Principles |
| RFS | Regulatory Financial Statements |
| ROCE | Return on Capital Employed |
| RPI | Retail Price Index |
| SOGEA | Single Order Generic Ethernet Access |
| SLG | Service Level Guarantees |
| SFI | Special Fault Investigation |
| SML | Service Maintenance Level |
| SMP | Significant Market Power |
| SFVA | Superfast Visit Assure |
| TDM | Time Division Multiplex |
| TRC | Time related charges |
| Usage Factors | Usage Factors refer to the usage of any network component, including conveyance components. |
| Use | The proportional bandwidth use of each circuit. |
| WACC | Weighted Average Cost of Capital |
| WCT | Wholesale Call Termination |
| WFTMR | Wholesale Fixed Telecoms Market Review |
| WLA | Wholesale Local Access |
| WVMR | Wholesale Voice Market Review |

Footnotes

| (sx) | This service comprises a number of individual prices as indicated by the value of x. |
|------|--|
| (ux) | This service comprises a number of individual volume types as indicated by the value of x. |