# BT Group consensus - 22 May 2020

| INCOME STATEMENT £m unless otherwise stated | Q1 2020/21 | | | | | Full year 2020/21 | | | | | Full year 2021/22 | | | | | Full year 2022/23 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
| **Revenue** | | | | | | | | | | | | | | | | | | | | |
| Consumer | 2,288 | 2,317 | | | | 9,784 | 9,823 | | | | 10,032 | 10,100 | | | | 10,048 | 10,030 | | | |
| Enterprise | 1,428 | 1,440 | | | | 5,706 | 5,729 | | | | 5,548 | 5,525 | | | | 5,385 | 5,320 | | | |
| Global | 997 | 995 | | | | 4,006 | 4,013 | | | | 3,922 | 3,896 | | | | 3,878 | 3,845 | | | |
| Openreach | 1,276 | 1,275 | | | | 5,166 | 5,169 | | | | 5,321 | 5,332 | | | | 5,422 | 5,441 | | | |
| Other | 1 | 1 | | | | 3 | 1 | | | | 3 | 1 | | | | 4 | 1 | | | |
| Eliminations | (776) | (778) | | | | (3,112) | (3,121) | | | | (3,125) | (3,130) | | | | (3,122) | (3,130) | | | |
| **Total Group Revenue [1]** | 5,214 | 5,217 | 5,326 | 5,065 | 7 | 21,553 | 21,632 | 22,049 | 20,794 | 10 | 21,701 | 21,725 | 22,562 | 21,226 | 10 | 21,615 | 21,737 | 22,650 | 20,722 | 9 |
| YoY | (7.5)% | (7.4)% | (5.5)% | (10.1)% | 7 | (5.6)% | (5.2)% | (3.4)% | (8.9)% | 10 | 0.7% | 0.2% | 3.4% | (1.2)% | 10 | (0.4)% | (0.2)% | 2.5% | (2.5)% | 9 |
| **EBITDA [1]** | | | | | | | | | | | | | | | | | | | | |
| Consumer | 479 | 481 | | | | 2,213 | 2,237 | | | | 2,271 | 2,299 | | | | 2,263 | 2,317 | | | |
| Enterprise | 430 | 433 | | | | 1,802 | 1,816 | | | | 1,732 | 1,732 | | | | 1,635 | 1,618 | | | |
| Global | 135 | 132 | | | | 596 | 595 | | | | 600 | 608 | | | | 599 | 596 | | | |
| Openreach | 707 | 695 | | | | 2,876 | 2,868 | | | | 2,992 | 3,001 | | | | 3,076 | 3,086 | | | |
| Other | 23 | 20 | | | | 8 | 2 | | | | 9 | 2 | | | | 10 | 4 | | | |
| **Total** | 1,774 | 1,777 | 1,878 | 1,704 | 7 | 7,495 | 7,478 | 7,589 | 7,377 | 10 | 7,604 | 7,636 | 7,712 | 7,392 | 10 | 7,583 | 7,671 | 7,896 | 7,042 | 9 |
| YoY | (9.4)% | (9.3)% | (4.1)% | (13.0)% | 7 | (5.2)% | (5.4)% | (4.0)% | (6.7)% | 10 | 1.5% | 1.3% | 3.6% | (0.8)% | 10 | (0.3)% | 0.3% | 3.0% | (4.7)% | 9 |
| Margin | 34.1% | 33.6% | 35.6% | 32.8% | 7 | 34.8% | 34.8% | 35.9% | 33.9% | 10 | 35.1% | 35.1% | 36.0% | 33.9% | 10 | 35.1% | 35.6% | 36.2% | 33.9% | 9 |
| Adjusted profit before tax | 515 | 528 | 538 | 464 | 4 | 2,373 | 2,394 | 2,536 | 2,075 | 10 | 2,435 | 2,422 | 2,597 | 2,191 | 10 | 2,399 | 2,386 | 2,830 | 2,055 | 9 |
| Reported profit before tax | 378 | 402 | 407 | 324 | 3 | 1,838 | 1,822 | 2,038 | 1,530 | 10 | 2,031 | 1,989 | 2,315 | 1,746 | 10 | 2,036 | 2,125 | 2,385 | 1,601 | 9 |
| Profit after tax | 291 | 298 | 322 | 245 | 4 | 1,468 | 1,475 | 1,631 | 1,195 | 10 | 1,630 | 1,604 | 1,854 | 1,368 | 10 | 1,638 | 1,715 | 1,932 | 1,329 | 9 |

| INCOME STATEMENT £m unless otherwise stated | | | | | | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Group revenue [1]** | | | | | | 21,553 | 21,632 | | | | 21,701 | 21,725 | | | | 21,615 | 21,737 | | | |
| Operating costs before D&A and specific items | | | | | | (14,058) | (14,109) | | | | (14,097) | (14,056) | | | | (14,032) | (13,982) | | | |
| **Total Group EBITDA [1]** | | | | | | 7,495 | 7,478 | | | | 7,604 | 7,636 | | | | 7,583 | 7,671 | | | |
| Depreciation and amortisation [1] | | | | | | (4,353) | (4,317) | | | | (4,403) | (4,386) | | | | (4,430) | (4,400) | | | |
| Of which lease depreciation | | | | | | (676) | (678) | | | | (674) | (677) | | | | (677) | (676) | | | |
| **Adjusted operating profit** | | | | | | 3,142 | 3,149 | | | | 3,201 | 3,232 | | | | 3,153 | 3,191 | | | |
| Net finance expense [1] | | | | | | (771) | (765) | | | | (768) | (747) | | | | (756) | (766) | | | |
| Of which lease interest | | | | | | (138) | (140) | | | | (136) | (140) | | | | (134) | (140) | | | |
| Share of post tax profits/losses of associates & joint ventures [1] | | | | | | 2 | 1 | | | | 2 | 1 | | | | 2 | 1 | | | |
| **Adjusted profit before tax** | | | | | | 2,373 | 2,394 | 2,536 | 2,075 | 10 | 2,435 | 2,422 | 2,597 | 2,191 | 10 | 2,399 | 2,386 | 2,830 | 2,055 | 9 |
| Total specific items | | | | | | (535) | (522) | | | | (404) | (420) | | | | (363) | (365) | | | |
| Of which impact operating profit | | | | | | (411) | (400) | | | | (270) | (275) | | | | (244) | (250) | | | |
| Of which net interest on pensions | | | | | | (124) | (145) | | | | (134) | (145) | | | | (119) | (145) | | | |
| **Reported profit before tax** | | | | | | 1,838 | 1,822 | 2,038 | 1,530 | 10 | 2,031 | 1,989 | 2,315 | 1,746 | 10 | 2,036 | 2,125 | 2,385 | 1,601 | 9 |
| Tax - excluding tax on specific items | | | | | | (458) | (459) | | | | (465) | (464) | | | | (457) | (466) | | | |
| Tax rate before specific items | | | | | | 19.3% | 19.3% | | | | 19.1% | 18.9% | | | | 18.9% | 18.7% | | | |
| Tax on specific items | | | | | | 88 | 78 | | | | 64 | 68 | | | | 59 | 69 | | | |
| **Profit after tax** | | | | | | 1,468 | 1,475 | 1,631 | 1,195 | 10 | 1,630 | 1,604 | 1,854 | 1,368 | 10 | 1,638 | 1,715 | 1,932 | 1,329 | 9 |
| Adjusted basic earnings per share (pence) | | | | | | 19.4 | 19.5 | | | | 19.9 | 19.8 | | | | 19.6 | 19.2 | | | |
| Reported basic earnings per share (pence) | | | | | | 14.8 | 14.9 | | | | 16.5 | 16.2 | | | | 16.5 | 16.1 | | | |
| Dividend per share (pence) | | | | | | 0.00 | 0.00 | 0.00 | 0.00 | 10 | 7.43 | 7.70 | 7.70 | 5.00 | 10 | 7.49 | 7.70 | 8.09 | 5.10 | 9 |
| Average number of shares in issue (m) | | | | | | 9,884 | 9,883 | | | | 9,886 | 9,885 | | | | 9,887 | 9,885 | | | |

| CASH FLOW & NET DEBT £m unless otherwise stated | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash capital expenditure | (995) | (1,000) | (920) | (1,104) | 5 | (4,166) | (4,147) | (4,062) | (4,311) | 10 | (4,359) | (4,361) | (4,217) | (4,494) | 10 | (4,437) | (4,407) | (4,298) | (4,582) | 9 |
| Normalised free cash flow | 215 | 312 | 437 | (200) | 4 | 1,477 | 1,511 | 1,709 | 1,125 | 10 | 1,460 | 1,441 | 1,638 | 1,292 | 10 | 1,378 | 1,399 | 1,690 | 936 | 9 |
| Net (debt)/cash (reported) | (18,175) | (18,218) | (18,049) | (18,259) | 3 | (18,468) | (18,402) | (18,091) | (19,132) | 10 | (18,441) | (18,361) | (17,732) | (19,181) | 10 | (18,963) | (18,803) | (17,950) | (19,758) | 9 |
| Lease liabilities | (6,563) | (6,591) | (6,411) | (6,688) | 3 | (6,629) | (6,622) | (6,560) | (6,755) | 10 | (6,652) | (6,622) | (6,560) | (6,882) | 10 | (6,675) | (6,622) | (6,560) | (7,043) | 9 |
| Net financial (debt)/cash (excluding lease liabilities) | (11,612) | (11,571) | (11,458) | (11,807) | 3 | (11,839) | (11,766) | (11,531) | (12,510) | 10 | (11,789) | (11,683) | (11,172) | (12,559) | 10 | (12,288) | (12,243) | (11,390) | (13,136) | 9 |

| CASH FLOW & NET DEBT £m unless otherwise stated | | | | | | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EBITDA [1]** | | | | | | 7,495 | 7,478 | 7,589 | 7,377 | 10 | 7,604 | 7,636 | 7,712 | 7,392 | 10 | 7,583 | 7,671 | 7,896 | 7,042 | 9 |
| Interest | | | | | | (667) | (684) | | | | (665) | (685) | | | | (657) | (712) | | | |
| Tax (excluding cash tax benefit of pension deficit payments) | | | | | | (430) | (425) | | | | (423) | (414) | | | | (430) | (449) | | | |
| Lease payments | | | | | | (684) | (690) | | | | (685) | (690) | | | | (679) | (680) | | | |
| Change in working capital | | | | | | (93) | (63) | | | | (33) | (25) | | | | (19) | 0 | | | |
| Change in other | | | | | | 22 | 0 | | | | 21 | 0 | | | | 17 | 0 | | | |
| **Cash available for investment and distribution** | | | | | | 5,643 | 5,675 | | | | 5,819 | 5,829 | | | | 5,815 | 5,806 | | | |
| Cash capital expenditure | | | | | | (4,166) | (4,147) | (4,062) | (4,311) | 10 | (4,359) | (4,361) | (4,217) | (4,494) | 10 | (4,437) | (4,407) | (4,298) | (4,582) | 9 |
| **Normalised free cash flow** | | | | | | 1,477 | 1,511 | 1,709 | 1,125 | 10 | 1,460 | 1,441 | 1,638 | 1,292 | 10 | 1,378 | 1,399 | 1,690 | 936 | 9 |
| Payments for the acquisition of spectrum | | | | | | (787) | (725) | | | | (11) | 0 | | | | (3) | 0 | | | |
| Net cash flow from specific items | | | | | | (424) | (400) | | | | (305) | (275) | | | | (262) | (250) | | | |
| **Reported free cash flow** | | | | | | 266 | 366 | | | | 1,144 | 1,137 | | | | 1,113 | 1,149 | | | |
| Equity dividends paid | | | | | | 0 | 0 | | | | (246) | (228) | | | | (733) | (761) | | | |
| Repurchase of ordinary share capital | | | | | | (39) | (25) | | | | (46) | (49) | | | | (47) | (38) | | | |
| **Residual free cash flow** | | | | | | 227 | 343 | | | | 852 | 867 | | | | 333 | 367 | | | |
| Cash tax benefit of pension payments | | | | | | 179 | 180 | | | | 194 | 190 | | | | 196 | 201 | | | |
| Gross pension deficit payment | | | | | | (915) | (900) | | | | (1,012) | (979) | | | | (1,028) | (1,057) | | | |
| **Free cash flow post pension deficit payments** | | | | | | (509) | (419) | | | | 34 | 3 | | | | (499) | (518) | | | |
| Other | | | | | | 17 | 0 | | | | 16 | 0 | | | | 0 | 0 | | | |
| Net change in lease liabilities | | | | | | (7) | 0 | | | | (23) | 0 | | | | (23) | 0 | | | |
| **Change in net debt** | | | | | | (499) | (433) | | | | 27 | 3 | | | | (522) | (515) | | | |
| **Net (debt)/cash (reported)** | | | | | | (18,468) | (18,402) | (18,091) | (19,132) | 10 | (18,441) | (18,361) | (17,732) | (19,181) | 10 | (18,963) | (18,803) | (17,950) | (19,758) | 9 |
| Lease liabilities | | | | | | (6,629) | (6,622) | (6,560) | (6,755) | 10 | (6,652) | (6,622) | (6,560) | (6,882) | 10 | (6,675) | (6,622) | (6,560) | (7,043) | 9 |
| **Net financial (debt)/cash (excluding lease liabilities)** | | | | | | (11,839) | (11,766) | (11,531) | (12,510) | 10 | (11,789) | (11,683) | (11,172) | (12,559) | 10 | (12,288) | (12,243) | (11,390) | (13,136) | 9 |
| **MEMO: IAS 19 pension deficit (£bn, net of tax)** | | | | | | - | - | | | | - | - | | | | - | - | | | |

[1] Adjusted, i.e. before specific items