# BT Group consensus - 24 Jan 2020

| | Q3 2019/20 | | | | | Full year 2019/20 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **INCOME STATEMENT** £m unless otherwise stated | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
| **Revenue** | | | | | | | | | | |
| Consumer | 2,700 | 2,698 | | | | 10,454 | 10,464 | | | |
| Enterprise | 1,518 | 1,520 | | | | 6,102 | 6,102 | | | |
| Global | 1,138 | 1,142 | | | | 4,473 | 4,482 | | | |
| Openreach | 1,271 | 1,275 | | | | 5,096 | 5,102 | | | |
| Other | 1 | 2 | | | | 3 | 3 | | | |
| Eliminations | (798) | (798) | | | | (3,163) | (3,161) | | | |
| **Total Group Revenue** [1] | 5,830 | 5,825 | 5,882 | 5,763 | 17 | 22,965 | 22,986 | 23,067 | 22,850 | 18 |
| YoY | (2.6)% | (2.6)% | (1.7)% | (3.7)% | 17 | (2.1)% | (2.0)% | (1.7)% | (2.6)% | 18 |
| **EBITDA** [1] | | | | | | | | | | |
| Consumer | 606 | 607 | | | | 2,415 | 2,415 | | | |
| Enterprise | 498 | 497 | | | | 1,969 | 1,967 | | | |
| Global | 171 | 175 | | | | 647 | 646 | | | |
| Openreach | 721 | 721 | | | | 2,866 | 2,870 | | | |
| Other | (1) | 0 | | | | 38 | 40 | | | |
| **Total** | 1,995 | 1,998 | 2,019 | 1,976 | 17 | 7,935 | 7,936 | 7,967 | 7,888 | 18 |
| YoY | (3.3)% | (3.1)% | (2.1)% | (4.2)% | 17 | (2.4)% | (2.3)% | (2.0)% | (2.9)% | 18 |
| Margin | 34.2% | 34.2% | 34.7% | 33.7% | 17 | 34.6% | 34.5% | 34.8% | 34.3% | 18 |
| Adjusted profit before tax | 735 | 733 | 764 | 712 | 8 | 2,923 | 2,945 | 3,118 | 2,578 | 18 |
| Reported profit before tax | 565 | 589 | 617 | 477 | 5 | 2,495 | 2,524 | 3,178 | 2,148 | 18 |
| Profit after tax | 454 | 460 | 525 | 382 | 8 | 1,988 | 2,032 | 2,555 | 1,638 | 18 |
| **INCOME STATEMENT** £m unless otherwise stated | | | | | | Mean | Median | High | Low | Estimates |
| **Total Group revenue** [1] | | | | | | 22,965 | 22,986 | | | |
| Operating costs before D&A and specific items | | | | | | (15,030) | (15,051) | | | |
| **Total Group EBITDA** [1] | | | | | | 7,935 | 7,936 | | | |
| Depreciation and amortisation [1] | | | | | | (4,248) | (4,241) | | | |
| Of which lease depreciation | | | | | | (633) | (650) | | | |
| **Adjusted operating profit** | | | | | | 3,687 | 3,696 | | | |
| Net finance expense [1] | | | | | | (765) | (768) | | | |
| Of which lease interest | | | | | | (140) | (138) | | | |
| Share of post tax profits/losses of associates & joint ventures [1] | | | | | | 1 | 2 | | | |
| **Adjusted profit before tax** | | | | | | 2,923 | 2,945 | 3,118 | 2,578 | 18 |
| Total specific items | | | | | | (428) | (407) | | | |
| Of which impact operating profit | | | | | | (277) | (260) | | | |
| Of which net interest on pensions | | | | | | (151) | (145) | | | |
| **Reported profit before tax** | | | | | | 2,495 | 2,524 | 3,178 | 2,148 | 18 |
| Tax - excluding tax on specific items | | | | | | (583) | (582) | | | |
| Tax rate before specific items | | | | | | 19.9% | 20.0% | | | |
| Tax on specific items | | | | | | 76 | 81 | | | |
| **Profit after tax** | | | | | | 1,988 | 2,032 | 2,555 | 1,638 | 18 |
| Adjusted basic earnings per share (pence) | | | | | | 23.8 | 23.9 | | | |
| Reported basic earnings per share (pence) | | | | | | 20.4 | 20.5 | | | |
| Dividend per share (pence) | | | | | | 15.10 | 15.40 | 15.42 | 10.00 | 18 |
| Average number of shares in issue (m) | | | | | | 9,910 | 9,904 | | | |
| **CASH FLOW & NET DEBT** £m unless otherwise stated | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
| Cash capital expenditure | (935) | (928) | (871) | (1,031) | 10 | (3,902) | (3,889) | (3,751) | (4,072) | 18 |
| Normalised free cash flow | 586 | 566 | 711 | 449 | 9 | 1,970 | 1,981 | 2,096 | 1,856 | 18 |
| Net (debt)/cash (reported) | (17,927) | (18,008) | (17,656) | (18,067) | 6 | (18,158) | (17,998) | (17,513) | (19,274) | 18 |
| Lease liabilities | (6,007) | (6,112) | (5,355) | (6,186) | 6 | (6,090) | (6,112) | (5,370) | (6,259) | 16 |
| Net financial (debt)/cash (excluding lease liabilities) | (11,921) | (11,879) | (11,544) | (12,408) | 6 | (11,989) | (11,761) | (11,400) | (13,197) | 16 |
| **CASH FLOW & NET DEBT** £m unless otherwise stated | Mean | Median | | | | Mean | Median | High | Low | Estimates |
| **EBITDA** [1] | | | | | | 7,935 | 7,936 | 7,967 | 7,888 | 18 |
| Interest | | | | | | (622) | (622) | | | |
| Tax (excluding cash tax benefit of pension deficit payments) | | | | | | (758) | (761) | | | |
| Lease payments | | | | | | (719) | (733) | | | |
| Change in working capital | | | | | | (63) | (46) | | | |
| Change in other | | | | | | 99 | 83 | | | |
| **Cash available for investment and distribution** | | | | | | 5,872 | 5,852 | | | |
| Cash capital expenditure | | | | | | (3,902) | (3,889) | (3,751) | (4,072) | 18 |
| **Normalised free cash flow** | | | | | | 1,970 | 1,981 | 2,096 | 1,856 | 18 |
| Payments for the acquisition of spectrum | | | | | | (379) | (250) | | | |
| Net cash flow from specific items | | | | | | (246) | (243) | | | |
| **Reported free cash flow** | | | | | | 1,345 | 1,396 | | | |
| Equity dividends paid | | | | | | (1,517) | (1,522) | | | |
| Repurchase of ordinary share capital | | | | | | (88) | (86) | | | |
| **Residual free cash flow** | | | | | | (260) | (197) | | | |
| Cash tax benefit of pension payments | | | | | | 362 | 315 | | | |
| Gross pension deficit payment | | | | | | (1,258) | (1,261) | | | |
| **Free cash flow post pension deficit payments** | | | | | | (1,156) | (960) | | | |
| Other | | | | | | 100 | 18 | | | |
| Net change in lease liabilities | | | | | | 68 | 48 | | | |
| **Change in net debt** | | | | | | (988) | (896) | | | |
| **Net (debt)/cash (reported)** | | | | | | (18,158) | (17,998) | (17,513) | (19,274) | 18 |
| Lease liabilities | | | | | | (6,090) | (6,112) | (5,370) | (6,259) | 16 |
| **Net financial (debt)/cash (excluding lease liabilities)** | | | | | | (11,989) | (11,761) | (11,400) | (13,197) | 16 |
| **MEMO: IAS 19 pension deficit (£bn, net of tax)** | | | | | | (5.0) | (5.0) | | | |

| | Full year 2020/21 | | | | | Full year 2021/22 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **INCOME STATEMENT** £m unless otherwise stated | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
| **Revenue** | | | | | | | | | | |
| Consumer | 10,417 | 10,457 | | | | 10,457 | 10,522 | | | |
| Enterprise | 5,944 | 5,944 | | | | 5,812 | 5,773 | | | |
| Global | 4,347 | 4,387 | | | | 4,303 | 4,345 | | | |
| Openreach | 5,211 | 5,210 | | | | 5,340 | 5,331 | | | |
| Other | 4 | 3 | | | | 3 | 3 | | | |
| Eliminations | (3,156) | (3,166) | | | | (3,158) | (3,160) | | | |
| **Total Group Revenue** [1] | 22,767 | 22,824 | 23,201 | 22,249 | 18 | 22,757 | 22,843 | 23,806 | 21,582 | 17 |
| YoY | (0.9)% | (0.7)% | 0.7% | (2.6)% | 18 | 0.0% | 0.1% | 2.6% | (3.0)% | 17 |
| **EBITDA** [1] | | | | | | | | | | |
| Consumer | 2,404 | 2,441 | | | | 2,432 | 2,488 | | | |
| Enterprise | 1,921 | 1,926 | | | | 1,851 | 1,852 | | | |
| Global | 650 | 656 | | | | 658 | 670 | | | |
| Openreach | 2,957 | 2,978 | | | | 3,062 | 3,039 | | | |
| Other | 20 | 17 | | | | 18 | 15 | | | |
| **Total** | 7,952 | 7,962 | 8,130 | 7,738 | 18 | 8,021 | 8,054 | 8,423 | 7,465 | 17 |
| YoY | 0.2% | 0.3% | 2.4% | (2.4)% | 18 | 0.9% | 1.0% | 3.6% | (3.5)% | 17 |
| Margin | 34.9% | 34.9% | 35.2% | 34.6% | 18 | 35.3% | 35.2% | 36.1% | 34.5% | 17 |
| Adjusted profit before tax | 2,962 | 2,981 | 3,157 | 2,759 | 18 | 2,995 | 3,041 | 3,363 | 2,521 | 17 |
| Reported profit before tax | 2,618 | 2,636 | 2,857 | 2,251 | 18 | 2,709 | 2,780 | 3,118 | 2,010 | 17 |
| Profit after tax | 2,109 | 2,132 | 2,298 | 1,812 | 18 | 2,188 | 2,218 | 2,562 | 1,668 | 17 |
| **INCOME STATEMENT** £m unless otherwise stated | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
| **Total Group revenue** [1] | 22,767 | 22,824 | | | | 22,757 | 22,843 | | | |
| Operating costs before D&A and specific items | (14,815) | (14,840) | | | | (14,736) | (14,792) | | | |
| **Total Group EBITDA** [1] | 7,952 | 7,962 | | | | 8,021 | 8,054 | | | |
| Depreciation and amortisation [1] | (4,216) | (4,222) | | | | (4,243) | (4,266) | | | |
| Of which lease depreciation | (625) | (644) | | | | (624) | (644) | | | |
| **Adjusted operating profit** | 3,736 | 3,745 | | | | 3,778 | 3,798 | | | |
| Net finance expense [1] | (775) | (775) | | | | (784) | (783) | | | |
| Of which lease interest | (136) | (138) | | | | (135) | (138) | | | |
| Share of post tax profits/losses of associates & joint ventures [1] | 1 | 0 | | | | 1 | 0 | | | |
| **Adjusted profit before tax** | 2,962 | 2,981 | 3,157 | 2,759 | 18 | 2,995 | 3,041 | 3,363 | 2,521 | 17 |
| Total specific items | (344) | (343) | | | | (286) | (250) | | | |
| Of which impact operating profit | (193) | (200) | | | | (139) | (100) | | | |
| Of which net interest on pensions | (151) | (145) | | | | (147) | (142) | | | |
| **Reported profit before tax** | 2,618 | 2,636 | 2,857 | 2,251 | 18 | 2,709 | 2,780 | 3,118 | 2,010 | 17 |
| Tax - excluding tax on specific items | (567) | (569) | | | | (568) | (584) | | | |
| Tax rate before specific items | 19.1% | 19.0% | | | | 18.9% | 19.0% | | | |
| Tax on specific items | 58 | 63 | | | | 47 | 46 | | | |
| **Profit after tax** | 2,109 | 2,132 | 2,298 | 1,812 | 18 | 2,188 | 2,218 | 2,562 | 1,668 | 17 |
| Adjusted basic earnings per share (pence) | 24.3 | 24.2 | | | | 24.7 | 24.7 | | | |
| Reported basic earnings per share (pence) | 21.5 | 21.5 | | | | 22.3 | 22.4 | | | |
| Dividend per share (pence) | 11.23 | 10.31 | 15.55 | 7.50 | 18 | 11.38 | 10.50 | 15.71 | 7.50 | 17 |
| Average number of shares in issue (m) | 9,903 | 9,906 | | | | 9,911 | 9,908 | | | |
| **CASH FLOW & NET DEBT** £m unless otherwise stated | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
| Cash capital expenditure | (4,000) | (3,976) | (3,850) | (4,323) | 18 | (4,075) | (4,044) | (3,850) | (4,308) | 17 |
| Normalised free cash flow | 2,051 | 2,056 | 2,522 | 1,585 | 18 | 2,038 | 2,054 | 2,760 | 1,684 | 17 |
| Net (debt)/cash (reported) | (18,836) | (18,959) | (17,967) | (19,728) | 18 | (18,837) | (18,925) | (17,797) | (19,838) | 17 |
| Lease liabilities | (6,089) | (6,112) | (5,428) | (6,259) | 16 | (6,091) | (6,112) | (5,482) | (6,259) | 16 |
| Net financial (debt)/cash (excluding lease liabilities) | (12,694) | (12,808) | (11,855) | (13,616) | 16 | (12,749) | (12,868) | (11,538) | (13,579) | 16 |
| **CASH FLOW & NET DEBT** £m unless otherwise stated | Mean | Median | High | Low | Estimates | Mean | Median | High | Low | Estimates |
| **EBITDA** [1] | 7,952 | 7,962 | 8,130 | 7,738 | 18 | 8,021 | 8,054 | 8,423 | 7,465 | 17 |
| Interest | (636) | (629) | | | | (646) | (644) | | | |
| Tax (excluding cash tax benefit of pension deficit payments) | (535) | (533) | | | | (539) | (548) | | | |
| Lease payments | (716) | (734) | | | | (716) | (734) | | | |
| Change in working capital | (23) | 0 | | | | (16) | 0 | | | |
| Change in other | 9 | 0 | | | | 9 | 0 | | | |
| **Cash available for investment and distribution** | 6,051 | 6,067 | | | | 6,113 | 6,123 | | | |
| Cash capital expenditure | (4,000) | (3,976) | (3,850) | (4,323) | 18 | (4,075) | (4,044) | (3,850) | (4,308) | 17 |
| **Normalised free cash flow** | 2,051 | 2,056 | 2,522 | 1,585 | 18 | 2,038 | 2,054 | 2,760 | 1,684 | 17 |
| Payments for the acquisition of spectrum | (368) | (348) | | | | (3) | 0 | | | |
| Net cash flow from specific items | (224) | (200) | | | | (178) | (150) | | | |
| **Reported free cash flow** | 1,459 | 1,538 | | | | 1,857 | 1,819 | | | |
| Equity dividends paid | (1,376) | (1,380) | | | | (1,120) | (1,031) | | | |
| Repurchase of ordinary share capital | (50) | (30) | | | | (41) | (10) | | | |
| **Residual free cash flow** | 33 | 135 | | | | 696 | 617 | | | |
| Cash tax benefit of pension payments | 189 | 180 | | | | 172 | 171 | | | |
| Gross pension deficit payment | (900) | (900) | | | | (912) | (900) | | | |
| **Free cash flow post pension deficit payments** | (678) | (554) | | | | (44) | (135) | | | |
| Other | 1 | 0 | | | | 4 | 0 | | | |
| Net change in lease liabilities | 1 | 0 | | | | (2) | 0 | | | |
| **Change in net debt** | (676) | (561) | | | | (42) | (93) | | | |
| **Net (debt)/cash (reported)** | (18,836) | (18,959) | (17,967) | (19,728) | 18 | (18,837) | (18,925) | (17,797) | (19,838) | 17 |
| Lease liabilities | (6,089) | (6,112) | (5,428) | (6,259) | 16 | (6,091) | (6,112) | (5,482) | (6,259) | 16 |
| **Net financial (debt)/cash (excluding lease liabilities)** | (12,694) | (12,808) | (11,855) | (13,616) | 16 | (12,749) | (12,868) | (11,538) | (13,579) | 16 |
| **MEMO: IAS 19 pension deficit (£bn, net of tax)** | (4.3) | (4.2) | | | | (3.8) | (3.9) | | | |

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