

BT Group consensus - 19 Feb 2021

INCOME STATEMENT £m unless otherwise stated	Q4 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
<b>Revenue</b>																				
Consumer	2,394	2,394				9,890	9,888				9,995	9,998				10,104	10,107			
Enterprise	1,398	1,403				5,484	5,489				5,275	5,308				5,071	5,101			
Global	922	925				3,743	3,748				3,544	3,578				3,499	3,542			
Openreach	1,331	1,331				5,229	5,227				5,402	5,411				5,531	5,555			
Other						23	25				18	22				18	22			
Eliminations	(745)	(746)				(2,980)	(2,981)				(3,001)	(2,987)				(3,026)	(2,995)			
<b>Total Group Revenue<sup>1</sup></b>	<b>5,307</b>	<b>5,303</b>	<b>5,456</b>	<b>5,168</b>	<b>16</b>	<b>21,391</b>	<b>21,387</b>	<b>21,540</b>	<b>21,252</b>	<b>16</b>	<b>21,233</b>	<b>21,219</b>	<b>21,702</b>	<b>20,648</b>	<b>16</b>	<b>21,199</b>	<b>21,281</b>	<b>22,010</b>	<b>19,950</b>	<b>16</b>
YoY	(5.8)%	(5.8)%	(3.1)%	(8.2)%		(6.3)%	(6.3)%	(5.6)%	(6.9)%		(0.7)%	(0.6)%	1.5%	(3.6)%		(0.2)%	(0.1)%	1.4%	(3.4)%	
<b>EBITDA</b>																				
Consumer	536	531				2,146	2,141				2,240	2,258				2,362	2,383			
Enterprise	430	428				1,698	1,696				1,619	1,616				1,566	1,567			
Global	146	149				586	589				566	569				574	578			
Openreach	743	744				2,954	2,955				3,095	3,082				3,218	3,219			
Other	(14)	(15)				60	60				42	44				42	44			
<b>Total</b>	<b>1,841</b>	<b>1,836</b>	<b>1,886</b>	<b>1,791</b>	<b>16</b>	<b>7,444</b>	<b>7,439</b>	<b>7,489</b>	<b>7,394</b>	<b>16</b>	<b>7,562</b>	<b>7,589</b>	<b>7,737</b>	<b>7,250</b>	<b>16</b>	<b>7,762</b>	<b>7,824</b>	<b>7,964</b>	<b>6,994</b>	<b>16</b>
YoY	(8.3)%	(8.5)%	(6.0)%	(10.8)%		(5.9)%	(5.9)%	(5.3)%	(6.5)%		1.6%	2.0%	3.5%	(2.4)%		2.6%	3.2%	4.1%	(3.5)%	
Margin	34.7%	34.6%	35.7%	33.4%		34.8%	34.8%	35.1%	34.5%		35.6%	35.6%	36.6%	35.1%		36.6%	36.6%	38.0%	35.1%	
Adjusted profit before tax	532	525	678	357	16	2,297	2,295	2,448	2,127	16	2,385	2,379	2,584	2,235	16	2,524	2,540	3,034	2,006	16
Reported profit before tax	274	246	473	4	16	1,857	1,837	2,050	1,595	16	2,002	2,001	2,235	1,773	16	2,158	2,161	2,452	1,581	16
Profit after tax	214	198	385	16	16	1,490	1,474	1,661	1,292	16	1,613	1,607	1,809	1,454	16	1,737	1,724	2,132	1,312	16
<b>INCOME STATEMENT</b> £m unless otherwise stated																				
<b>Total Group revenue<sup>1</sup></b>						<b>21,391</b>	<b>21,387</b>				<b>21,233</b>	<b>21,219</b>				<b>21,199</b>	<b>21,281</b>			
Operating costs before D&A and specific items						(13,947)	(13,957)				(13,621)	(13,622)				(13,437)	(13,455)			
<b>Total Group EBITDA<sup>1</sup></b>						<b>7,444</b>	<b>7,439</b>				<b>7,612</b>	<b>7,597</b>				<b>7,762</b>	<b>7,824</b>			
Depreciation and amortisation <sup>1</sup>						(4,361)	(4,350)				(4,390)	(4,374)				(4,426)	(4,404)			
Of which lease depreciation						(671)	(680)				(658)	(670)				(658)	(670)			
<b>Adjusted operating profit</b>						<b>3,083</b>	<b>3,089</b>				<b>3,172</b>	<b>3,197</b>				<b>3,336</b>	<b>3,376</b>			
Net finance expense						(789)	(789)				(789)	(803)				(814)	(807)			
Of which lease interest						(148)	(142)				(150)	(141)				(149)	(140)			
Share of post tax profits/losses of associates & joint ventures <sup>1</sup>						2	1				2	1				2	1			
<b>Adjusted profit before tax</b>						<b>2,297</b>	<b>2,295</b>	<b>2,444</b>	<b>2,127</b>	<b>16</b>	<b>2,385</b>	<b>2,379</b>	<b>2,584</b>	<b>2,235</b>	<b>16</b>	<b>2,524</b>	<b>2,540</b>	<b>3,034</b>	<b>2,006</b>	<b>16</b>
Total specific items						(440)	(438)				(383)	(387)				(364)	(369)			
Of which impact operating profit						(336)	(358)				(270)	(278)				(254)	(250)			
Of which net interest on pensions						(104)	(98)				(113)	(112)				(112)	(108)			
<b>Reported profit before tax</b>						<b>1,857</b>	<b>1,837</b>	<b>2,050</b>	<b>1,595</b>	<b>16</b>	<b>2,002</b>	<b>2,001</b>	<b>2,235</b>	<b>1,773</b>	<b>16</b>	<b>2,158</b>	<b>2,161</b>	<b>2,452</b>	<b>1,581</b>	<b>16</b>
Tax - excluding tax on specific items						(451)	(451)				(458)	(464)				(486)	(499)			
Tax rate before specific items						19.6%	19.5%				19.2%	19.3%				19.2%	19.4%			
Tax on specific items						84	89				69	71				65	68			
<b>Profit after tax</b>						<b>1,490</b>	<b>1,474</b>	<b>1,661</b>	<b>1,292</b>	<b>16</b>	<b>1,613</b>	<b>1,607</b>	<b>1,809</b>	<b>1,454</b>	<b>16</b>	<b>1,737</b>	<b>1,724</b>	<b>2,132</b>	<b>1,312</b>	<b>16</b>
Adjusted basic earnings per share (pence)						18.7	18.6				19.5	19.4				20.6	20.6			
Reported basic earnings per share (pence)						15.1	14.9				16.3	16.3				17.6	17.5			
Dividend per share (pence)						0.00	0.00	0.00	0.00	16	6.99	7.70	7.70	0.00	16	7.01	7.70	7.85	0.00	16
Average number of shares in issue (m)						9,896	9,889				9,891	9,885				9,886	9,885			
<b>CASH FLOW &amp; NET DEBT</b> £m unless otherwise stated																				
Cash capital expenditure	(1,012)	(1,008)	(890)	(1,092)	16	(4,214)	(4,210)	(4,092)	(4,294)	16	(4,386)	(4,398)	(4,284)	(4,469)	16	(4,562)	(4,574)	(4,464)	(4,644)	16
Normalised free cash flow	520	511	602	399	16	1,355	1,341	1,432	1,229	16	1,268	1,275	1,364	1,096	16	1,239	1,265	1,401	667	16
Net (debt)/cash (reported)	(18,157)	(18,142)	(17,011)	(19,315)	16	(18,157)	(18,142)	(17,011)	(19,315)	16	(18,340)	(18,240)	(17,611)	(20,100)	16	(18,871)	(18,747)	(18,004)	(21,469)	16
Lease liabilities	(6,376)	(6,294)	(6,256)	(6,622)	14	(6,376)	(6,294)	(6,256)	(6,622)	14	(6,379)	(6,294)	(6,230)	(6,622)	14	(6,382)	(6,294)	(6,204)	(6,622)	14
Net financial (debt)/cash (excluding lease liabilities)	(11,697)	(11,783)	(10,717)	(12,183)	14	(11,697)	(11,783)	(10,717)	(12,183)	14	(11,877)	(11,824)	(11,317)	(12,272)	14	(12,405)	(12,390)	(11,382)	(12,860)	14
<b>CASH FLOW &amp; NET DEBT</b> £m unless otherwise stated																				
<b>EBITDA<sup>1</sup></b>						<b>7,444</b>	<b>7,439</b>	<b>7,489</b>	<b>7,394</b>	<b>16</b>	<b>7,562</b>	<b>7,589</b>	<b>7,737</b>	<b>7,250</b>	<b>16</b>	<b>7,762</b>	<b>7,824</b>	<b>7,964</b>	<b>6,994</b>	<b>16</b>
Interest						(743)	(753)				(728)	(737)				(753)	(759)			
Tax (excluding cash tax benefit of pension deficit payments)						(402)	(397)				(439)	(442)				(463)	(472)			
Lease payments						(705)	(700)				(716)	(703)				(719)	(703)			
Change in working capital and other						(25)	(19)				(25)	0				(26)	(2)			
<b>Cash available for investment and distribution</b>						<b>5,569</b>	<b>5,584</b>				<b>5,454</b>	<b>5,449</b>				<b>5,801</b>	<b>5,838</b>			
Cash capital expenditure	(4,214)	(4,210)	(4,092)	(4,294)	16	(4,214)	(4,210)	(4,092)	(4,294)	16	(4,386)	(4,398)	(4,284)	(4,469)	16	(4,562)	(4,574)	(4,464)	(4,644)	16
<b>Normalised free cash flow</b>						<b>1,355</b>	<b>1,341</b>	<b>1,432</b>	<b>1,229</b>	<b>16</b>	<b>1,268</b>	<b>1,275</b>	<b>1,364</b>	<b>1,096</b>	<b>16</b>	<b>1,239</b>	<b>1,265</b>	<b>1,401</b>	<b>667</b>	<b>16</b>
Payments for the acquisition of spectrum						(676)	(700)				(149)	0				(8)	0			
Net cash flow from specific items						(412)	(420)				(291)	(250)				(277)	(250)			
<b>Reported free cash flow</b>						<b>267</b>	<b>179</b>				<b>828</b>	<b>870</b>				<b>954</b>	<b>999</b>			
Equity dividends paid						(1)	(2)				(217)	(228)				(689)	(761)			
Repurchase of ordinary share capital						(26)	(3)				(35)	(29)				(36)	(32)			
<b>Residual free cash flow</b>						<b>240</b>	<b>174</b>				<b>576</b>	<b>678</b>				<b>229</b>	<b>221</b>			
Cash tax benefit of pension payments						189	180				195	180				195	181			
Gross pension deficit payment						(936)	(900)				(985)	(900)				(988)	(907)			
<b>Free cash flow post pension deficit payments</b>						<b>(507)</b>	<b>(531)</b>				<b>(214)</b>	<b>(99)</b>				<b>(564)</b>	<b>(519)</b>			
Other						179	153				34	0				36	0			
Net change in lease liabilities						(144)	(1)				(3)	0				(3)	0			
<b>Change in net debt</b>						<b>(184)</b>	<b>(173)</b>				<b>(183)</b>	<b>(60)</b>				<b>(531)</b>	<b>(57)</b>			
Net (debt)/cash (reported)						(18,157)	(18,142)	(17,011)	(19,315)	16	(18,340)	(18,240)	(17,611)	(20,100)	16	(18,871)	(18,747)	(18,004)	(21,469)	16
Lease liabilities						(6,376)	(6,294)	(6,256)	(6,622)	14	(6,379)	(6,294)	(6,230)	(6,622)	14	(6,382)	(6,294)	(6,204)	(6,622)	14
Net financial (debt)/cash (excluding lease liabilities)						(11,697)	(11,783)	(10,717)	(12,183)	14	(11,877)	(11,824)	(11,317)	(12,272)	14	(12,405)	(12,390)	(11,382)	(12,860)	14
<b>MEMO: IAS 19 pension deficit (£bn, net of tax)</b>						-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>MEMO: June 2020 Pension funding deficit (£bn, gross)</b>						(9.7)	(9.8)	(7.5)	(11.6)	13										