

## **Performance Indicators - Q1 2006/7**

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BT Group Results	2005/06 Q1 Restated BT Group	Better / (worse) vs Pr Year %	2006/07 Q1 Actual BT Group	2005/06 Q2 Restated BT Group	2005/06 Q3 Actual Restated	2005/06 Q4 Restated BT Group	2005/06 Full Year Restated BT Group
<b>Revenue</b>							
BT Retail	2,120	(2.5)	2,068	2,136	2,116	2,135	8,507
BT Wholesale	1,814	1.8	1,847	1,813	1,848	1,868	7,343
BT Global Services	2,067	4.3	2,155	2,102	2,197	2,406	8,772
Openreach	1,294	(2.7)	1,259	1,271	1,278	1,299	5,142
Other	6	(16.7)	5	4	3	5	18
Eliminations	(2,570)	3.9	(2,470)	(2,559)	(2,560)	(2,579)	(10,268)
<b>Group Revenue</b>	<b>4,731</b>	<b>2.8</b>	<b>4,864</b>	<b>4,767</b>	<b>4,882</b>	<b>5,134</b>	<b>19,514</b>
<b>Leaver costs</b>	<b>6</b>	<b>-</b>	<b>24</b>	<b>37</b>	<b>23</b>	<b>67</b>	<b>133</b>
<b>EBITDA Inc. leaver costs</b>							
BT Retail	155	16.1	180	189	175	197	716
BT Wholesale	468	1.9	477	464	481	448	1,861
BT Global Services	219	(3.7)	211	198	223	286	926
Openreach	507	(7.3)	470	482	487	507	1,983
Other	8	200.0	24	15	15	(7)	31
<b>Group EBITDA</b>	<b>1,357</b>	<b>0.4</b>	<b>1,362</b>	<b>1,348</b>	<b>1,381</b>	<b>1,431</b>	<b>5,517</b>
<b>Depreciation &amp; amortisation of intangibles</b>							
BT Retail	34	(17.6)	40	39	36	38	147
BT Wholesale	271	(5.2)	285	274	271	286	1,102
BT Global Services	152	2.6	148	158	160	168	638
Openreach	186	5.9	175	188	196	230	800
Other	66	16.7	55	33	47	51	197
<b>Group Depreciation</b>	<b>709</b>	<b>0.8</b>	<b>703</b>	<b>692</b>	<b>710</b>	<b>773</b>	<b>2,884</b>
<b>Op Profit Inc. leaver costs</b>							
BT Retail	121	15.7	140	150	139	159	569
BT Wholesale	197	(2.5)	192	190	210	162	759
BT Global Services	67	6.0	63	40	63	118	288
Openreach	321	8.1	295	294	291	277	1,183
Other	(58)	46.6	(31)	(18)	(32)	(58)	(166)
<b>Underlying Group Op Profit</b>	<b>648</b>	<b>1.7</b>	<b>659</b>	<b>656</b>	<b>671</b>	<b>658</b>	<b>2,633</b>
Net Finance Costs	(142)	67.6	(46)	(100)	(129)	(101)	(472)
Share of post tax profits/losses of associates and joint ventures	5	60.0	2	3	3	5	16
<b>Underlying PBT</b>	<b>511</b>	<b>20.4</b>	<b>615</b>	<b>559</b>	<b>545</b>	<b>562</b>	<b>2,177</b>
Specific Items : Net gains (losses)	(12)	-	0	(70)	0	(55)	(137)
<b>Reported PBT</b>	<b>499</b>	<b>23.2</b>	<b>615</b>	<b>489</b>	<b>545</b>	<b>507</b>	<b>2,040</b>
Tax - Underlying	(129)	(17.1)	(151)	(139)	(134)	(131)	(533)
Tax on specific items	4	-	0	21	0	16	41
Tax rate	25.2%	-	24.6%	24.9%	24.6%	23.3%	24.5%
<b>Net Income</b>	<b>374</b>	<b>24.1</b>	<b>464</b>	<b>371</b>	<b>411</b>	<b>392</b>	<b>1,548</b>
<i>Memo: Minority Interest</i>						1	1
<b>EPS before specific items</b>	<b>4.5</b>	<b>24.4</b>	<b>5.6</b>	<b>5.0</b>	<b>4.9</b>	<b>5.1</b>	<b>19.5</b>
<b>EPS after specific items</b>	<b>4.4</b>	<b>27.3</b>	<b>5.6</b>	<b>4.4</b>	<b>4.9</b>	<b>4.7</b>	<b>18.4</b>
<b>Proposed Dividend</b>	-	-	-	<b>4.30</b>		<b>7.60</b>	<b>11.90</b>
<b>Average Number of Shares in Issue</b>	<b>8,471</b>	-	<b>8,314</b>	<b>8,456</b>	<b>8,407</b>	<b>8,354</b>	<b>8,422</b>
<b>Capital Expenditure</b>	<b>716</b>	<b>0.1</b>	<b>715</b>	<b>694</b>	<b>759</b>	<b>973</b>	<b>3,142</b>
<b>Net Debt</b>	<b>8,121</b>	<b>4.9</b>	<b>7,727</b>	<b>8,133</b>	<b>8,113</b>	<b>7,534</b>	<b>7,534</b>

EXTERNAL REVENUE BY SEGMENT	2004/5					2005/6					2006/7
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m
Consumer	1,416	1,410	1,400	1,373	<b>5,599</b>	1,324	1,336	1,324	1,312	<b>5,296</b>	1,252
Major Corporate	1,391	1,412	1,440	1,693	<b>5,936</b>	1,597	1,629	1,732	1,922	<b>6,880</b>	1,699
Business	617	624	600	601	<b>2,442</b>	586	583	568	587	<b>2,324</b>	588
Wholesale / Global Carrier	1,088	1,102	1,090	1,147	<b>4,427</b>	1,218	1,215	1,255	1,308	<b>4,996</b>	1,319
Other	7	6	6	6	<b>25</b>	6	4	3	5	<b>18</b>	6
<b>Total</b>	<b>4,519</b>	<b>4,554</b>	<b>4,536</b>	<b>4,820</b>	<b>18,429</b>	<b>4,731</b>	<b>4,767</b>	<b>4,882</b>	<b>5,134</b>	<b>19,514</b>	<b>4,864</b>

#### Headline Year-on-Year Growth

EXTERNAL REVENUE BY SEGMENT	2005/6					2006/7
	Q1	Q2	Q3	Q4	Total	Q1
Consumer	(6.5%)	(5.2%)	(5.4%)	(4.4%)	<b>(5.4%)</b>	(5.4%)
Major Corporate	14.8%	15.4%	20.3%	13.5%	<b>15.9%</b>	6.4%
Business	(5.0%)	(6.6%)	(5.3%)	(2.3%)	<b>(4.8%)</b>	0.3%
Wholesale / Global Carrier	11.9%	10.3%	15.1%	14.0%	<b>12.9%</b>	8.3%
Other	n/m	n/m	n/m	n/m	<b>n/m</b>	n/m
<b>Total</b>	<b>4.7%</b>	<b>4.7%</b>	<b>7.6%</b>	<b>6.5%</b>	<b>5.9%</b>	<b>2.8%</b>

#### Underlying Year-on-Year Growth - excluding impact of mobile termination and revenues from Infonet and Albacom (for 2005/6)

EXTERNAL REVENUE BY SEGMENT	2005/6					2006/7
	Q1	Q2	Q3	Q4	Total	Q1
Consumer	(4.9%)	(4.5%)	(5.4%)	(4.4%)	<b>(4.8%)</b>	(5.4%)
Major Corporate	4.2%	5.6%	8.9%	8.9%	<b>7.0%</b>	6.4%
Business	(2.8%)	(4.8%)	(5.3%)	(2.3%)	<b>(3.8%)</b>	0.3%
Wholesale / Global Carrier	16.8%	11.6%	11.6%	13.6%	<b>13.4%</b>	8.3%
Other	n/m	n/m	n/m	n/m	<b>n/m</b>	n/m
<b>Total</b>	<b>3.4%</b>	<b>2.5%</b>	<b>3.2%</b>	<b>4.7%</b>	<b>3.4%</b>	<b>2.8%</b>

EXTERNAL REVENUE ANALYSIS - BT Group	2004/5					2005/6					2006/7
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Exchange lines/ISDN - connection and rental	918	959	952	934	<b>3,763</b>	921	912	889	881	<b>3,603</b>	876
Calls	982	888	820	799	<b>3,489</b>	764	749	730	713	<b>2,956</b>	685
Private Circuits	326	325	325	316	<b>1,292</b>	314	302	322	302	<b>1,240</b>	309
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	657	650	619	599	<b>2,525</b>	630	634	636	655	<b>2,555</b>	661
Other	700	699	685	726	<b>2,810</b>	717	731	698	732	<b>2,878</b>	692
<b>Total Traditional</b>	<b>3,583</b>	<b>3,521</b>	<b>3,401</b>	<b>3,374</b>	<b>13,879</b>	<b>3,346</b>	<b>3,328</b>	<b>3,275</b>	<b>3,283</b>	<b>13,232</b>	<b>3,223</b>
Networked IT Services	634	699	738	995	<b>3,066</b>	899	914	1,038	1,214	<b>4,065</b>	981
Broadband and LLU	186	199	253	292	<b>930</b>	314	350	374	421	<b>1,459</b>	454
Mobility	43	49	55	58	<b>205</b>	66	69	75	82	<b>292</b>	71
Other	73	86	89	101	<b>349</b>	106	106	120	134	<b>466</b>	135
<b>Total New Wave</b>	<b>936</b>	<b>1,033</b>	<b>1,135</b>	<b>1,446</b>	<b>4,550</b>	<b>1,385</b>	<b>1,439</b>	<b>1,607</b>	<b>1,851</b>	<b>6,282</b>	<b>1,641</b>
<b>Total Revenue (Incl. Infonet and Albacom)</b>	<b>4,519</b>	<b>4,554</b>	<b>4,536</b>	<b>4,820</b>	<b>18,429</b>	<b>4,731</b>	<b>4,767</b>	<b>4,882</b>	<b>5,134</b>	<b>19,514</b>	<b>4,864</b>
Memo: Infonet and Albacom in ext rev above - Traditional				31	<b>31</b>	41	42	39	40	<b>162</b>	
for 2004/5 and 2005/6				New Wave	<b>79</b>	<b>79</b>	158	147	164	164	<b>633</b>
					<b>110</b>	<b>110</b>	<b>199</b>	<b>189</b>	<b>203</b>	<b>204</b>	<b>795</b>

EXTERNAL REVENUE ANALYSIS - Retail	2004/5					2005/6					2006/7
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Exchange lines/ISDN - connection and rental	752	801	795	780	3,128	766	754	741	736	2,997	719
Calls	875	787	729	710	3,101	678	664	650	631	2,623	603
Private Circuits	43	47	48	35	173	41	41	41	35	158	34
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	-	-	-	-	-	-	-	-	-	-	-
Other	266	277	272	254	1,069	260	272	257	253	1,042	251
<b>Total Traditional</b>	<b>1,936</b>	<b>1,912</b>	<b>1,844</b>	<b>1,779</b>	<b>7,471</b>	<b>1,745</b>	<b>1,731</b>	<b>1,689</b>	<b>1,655</b>	<b>6,820</b>	<b>1,607</b>
Networked IT Services	56	73	72	83	284	75	73	83	102	333	83
Broadband and LLU	108	111	131	146	496	159	176	185	198	718	212
Mobility	17	23	30	32	102	27	30	31	27	115	26
Other	14	18	19	26	77	17	26	29	44	116	49
<b>Total New Wave</b>	<b>195</b>	<b>225</b>	<b>252</b>	<b>287</b>	<b>959</b>	<b>278</b>	<b>305</b>	<b>328</b>	<b>371</b>	<b>1,282</b>	<b>370</b>
<b>Total External Revenue</b>	<b>2,131</b>	<b>2,137</b>	<b>2,096</b>	<b>2,066</b>	<b>8,430</b>	<b>2,023</b>	<b>2,036</b>	<b>2,017</b>	<b>2,026</b>	<b>8,102</b>	<b>1,977</b>
Memo: Internal Revenue	53	68	64	83	268	97	100	99	109	405	91
<b>Total Retail Reported Revenue</b>	<b>2,184</b>	<b>2,205</b>	<b>2,160</b>	<b>2,149</b>	<b>8,698</b>	<b>2,120</b>	<b>2,136</b>	<b>2,116</b>	<b>2,135</b>	<b>8,507</b>	<b>2,068</b>

Shading = not restated for proforma Openreach

EXTERNAL REVENUE ANALYSIS - Wholesale	2004/5					2005/6					2006/7
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m
Exchange lines/ISDN - connection and rental	-	-	-	-	-	-	-	-	-	-	-
Calls	-	-	-	-	-	-	-	-	-	-	-
Private Circuits	154	155	155	167	631	161	150	169	158	638	158
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	657	650	619	599	2,525	587	587	575	582	2,332	574
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total Traditional</b>	<b>811</b>	<b>805</b>	<b>774</b>	<b>766</b>	<b>3,156</b>	<b>748</b>	<b>737</b>	<b>744</b>	<b>740</b>	<b>2,970</b>	<b>732</b>
Networked IT Services	-	-	-	-	-	-	-	-	-	-	-
Broadband and LLU	71	79	110	132	392	130	147	152	159	588	179
Mobility	-	-	-	-	-	-	-	-	-	-	-
Other	59	68	70	75	272	89	80	91	90	350	86
<b>Total New Wave</b>	<b>130</b>	<b>147</b>	<b>180</b>	<b>207</b>	<b>664</b>	<b>219</b>	<b>227</b>	<b>243</b>	<b>249</b>	<b>938</b>	<b>265</b>
<b>Total External Revenue</b>	<b>941</b>	<b>952</b>	<b>954</b>	<b>973</b>	<b>3,820</b>	<b>967</b>	<b>964</b>	<b>987</b>	<b>989</b>	<b>3,908</b>	<b>997</b>
Memo: Internal Revenue	1,332	1,311	1,318	1,314	5,275	847	849	861	879	3,435	850
<b>Total Wholesale Reported Revenue</b>	<b>2,273</b>	<b>2,263</b>	<b>2,272</b>	<b>2,287</b>	<b>9,095</b>	<b>1,814</b>	<b>1,813</b>	<b>1,848</b>	<b>1,868</b>	<b>7,343</b>	<b>1,847</b>

Shading = not restated for proforma Openreach

EXTERNAL REVENUE ANALYSIS - Global Services	2004/5					2005/6					2006/7
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Exchange lines/ISDN - connection and rental	166	158	157	154	635	155	158	148	145	606	157
Calls	107	101	91	89	388	86	85	80	82	333	82
Private Circuits	129	123	122	114	488	112	111	112	109	444	117
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	-	-	-	-	-	-	-	-	-	-	-
Other	427	416	407	466	1,716	451	455	438	474	1,818	441
<b>Total Traditional</b>	<b>829</b>	<b>798</b>	<b>777</b>	<b>823</b>	<b>3,227</b>	<b>804</b>	<b>809</b>	<b>778</b>	<b>810</b>	<b>3,201</b>	<b>797</b>
Networked IT Services	578	626	666	912	2,782	824	841	955	1,112	3,732	898
Broadband and LLU	7	9	12	14	42	14	14	15	15	58	14
Mobility	26	26	25	26	103	39	39	44	55	177	45
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total New Wave</b>	<b>611</b>	<b>661</b>	<b>703</b>	<b>952</b>	<b>2,927</b>	<b>877</b>	<b>894</b>	<b>1,014</b>	<b>1,182</b>	<b>3,967</b>	<b>957</b>
<b>Total Revenue (Incl. Infonet and Albacom)</b>	<b>1,440</b>	<b>1,459</b>	<b>1,480</b>	<b>1,775</b>	<b>6,154</b>	<b>1,681</b>	<b>1,703</b>	<b>1,792</b>	<b>1,992</b>	<b>7,168</b>	<b>1,754</b>
Memo: Internal Revenue	287	332	330	385	1,334	386	399	405	414	1,604	401
<b>Total Global Services Reported Revenue</b>	<b>1,727</b>	<b>1,791</b>	<b>1,810</b>	<b>2,160</b>	<b>7,488</b>	<b>2,067</b>	<b>2,102</b>	<b>2,197</b>	<b>2,406</b>	<b>8,772</b>	<b>2,155</b>
Memo: Infonet and Albacom in Ext rev above - Traditional				31	31	41	42	39	40	162	
for 2004/5 and 2005/6				79	79	158	147	164	164	633	
				110	110	199	189	203	204	795	

Shading = not restated for proforma Openreach

SOLUTIONS AND C&SI SALES ORDER VALUE	2004/5				2005/6				2006/7
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Total order intake</b>	1,276	852	1,235	3,798	2,359	752	1,194	1,086	1,041
<b>Rolling 12 months order intake</b>	6,240	6,531	5,688	7,161	8,244	8,144	8,103	5,391	4,073

EXTERNAL REVENUE ANALYSIS - Openreach	2004/5					2005/6					2006/7	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Exchange lines/ISDN - connection and rental	-	-	-	-	-	-	-	-	-	-	-	-
Calls	-	-	-	-	-	-	-	-	-	-	-	-
Private Circuits	-	-	-	-	-	-	-	-	-	-	-	-
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	-	-	-	-	-	42	47	61	73	223	-	81
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Traditional</b>						<b>42</b>	<b>47</b>	<b>61</b>	<b>73</b>	<b>223</b>		<b>81</b>
Networked IT Services	-	-	-	-	-	-	-	-	-	-	-	-
Broadband and LLU	-	-	-	-	-	11	13	22	49	95	-	49
Mobility	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total New Wave</b>						<b>11</b>	<b>13</b>	<b>22</b>	<b>49</b>	<b>95</b>		<b>49</b>
<b>Total Revenue</b>						<b>53</b>	<b>60</b>	<b>83</b>	<b>122</b>	<b>318</b>		<b>130</b>
Memo: Internal Revenue						1,241	1,211	1,195	1,177	4,824		1,129
<b>Total Openreach Reported Revenue</b>						<b>1,294</b>	<b>1,271</b>	<b>1,278</b>	<b>1,299</b>	<b>5,142</b>		<b>1,259</b>

Shading = not restated for proforma Openreach



Summary Cost Analysis	2004/5					2005/6					2006/7
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m
Staff costs before leaver costs	1,070	1,065	1,098	1,155	<b>4,388</b>	1,156	1,210	1,226	1,241	<b>4,833</b>	1,256
Leaver costs	102	8	12	44	<b>166</b>	6	37	23	67	<b>133</b>	24
Staff costs (including leaver costs)	1,172	1,073	1,110	1,199	<b>4,554</b>	1,162	1,247	1,249	1,308	<b>4,966</b>	1,280
Other operating costs	1,285	1,371	1,370	1,502	<b>5,528</b>	1,436	1,444	1,520	1,713	<b>6,113</b>	1,519
Own work capitalised	(172)	(206)	(169)	(175)	<b>(722)</b>	(191)	(208)	(246)	(255)	<b>(900)</b>	(253)
<b>Sub total</b>	<b>2,285</b>	<b>2,238</b>	<b>2,311</b>	<b>2,526</b>	<b>9,360</b>	<b>2,407</b>	<b>2,483</b>	<b>2,523</b>	<b>2,766</b>	<b>10,179</b>	<b>2,546</b>
POLO's	988	964	880	893	<b>3,725</b>	1,009	989	1,032	1,015	<b>4,045</b>	1,006
Depreciation and amortisation	700	704	695	745	<b>2,844</b>	706	690	707	770	<b>2,873</b>	700
Amortisation of acquired intangibles	-	-	-	-	-	3	2	3	3	<b>11</b>	3
<b>Total costs*</b>	<b>3,973</b>	<b>3,906</b>	<b>3,886</b>	<b>4,164</b>	<b>15,929</b>	<b>4,125</b>	<b>4,164</b>	<b>4,265</b>	<b>4,554</b>	<b>17,108</b>	<b>4,255</b>

\* Under IFRS basis and before specific items

Capex by Line of Business	2004/5					2005/6					2006/7
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m
<b>BT Retail</b>	<b>31</b>	<b>41</b>	<b>44</b>	<b>54</b>	<b>170</b>	<b>35</b>	<b>33</b>	<b>32</b>	<b>53</b>	<b>153</b>	<b>40</b>
<b>Openreach</b>						<b>257</b>	<b>247</b>	<b>270</b>	<b>265</b>	<b>1,039</b>	<b>271</b>
Access	269	274	268	225	<b>1,036</b>	20	20	19	22	<b>81</b>	16
Switch	30	25	31	14	<b>100</b>	10	8	9	5	<b>32</b>	2
Transmission	45	50	73	62	<b>230</b>	32	39	35	33	<b>139</b>	20
Products/Systems Support	133	199	142	141	<b>615</b>	168	130	158	266	<b>722</b>	162
<b>BT Wholesale</b>	<b>477</b>	<b>548</b>	<b>514</b>	<b>442</b>	<b>1,981</b>	<b>230</b>	<b>197</b>	<b>221</b>	<b>326</b>	<b>974</b>	<b>200</b>
Solutions and C&SI	47	61	66	86	<b>260</b>	51	49	55	61	<b>216</b>	53
UK Networks	37	35	24	25	<b>121</b>	27	32	23	33	<b>115</b>	24
Other	60	65	51	48	<b>224</b>	64	90	91	126	<b>371</b>	72
<b>BT Global Services</b>	<b>144</b>	<b>161</b>	<b>141</b>	<b>159</b>	<b>605</b>	<b>142</b>	<b>171</b>	<b>169</b>	<b>220</b>	<b>702</b>	<b>149</b>
Others (includes Fleet and Property)	42	53	71	89	<b>255</b>	52	46	67	109	<b>274</b>	55
<b>Total</b>	<b>694</b>	<b>803</b>	<b>770</b>	<b>744</b>	<b>3,011</b>	<b>716</b>	<b>694</b>	<b>759</b>	<b>973</b>	<b>3,142</b>	<b>715</b>
Shading = not restated for proforma Openreach											

Total Fixed Network Calls													
Quarterly Minutes (billions)	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06
Internet Related and Other Non Geo	13.94	13.06	12.51	<b>12.45</b>	10.93	10.13	9.33	<b>8.68</b>	7.51	6.86	6.20	<b>5.87</b>	5.00
Fixed to Mobile	2.37	2.37	2.29	<b>2.26</b>	2.21	2.20	2.13	<b>2.08</b>	2.13	2.08	2.02	<b>1.99</b>	1.99
<b>Total Non Geographic Calls</b>	<b>16.31</b>	<b>15.43</b>	<b>14.79</b>	<b>14.70</b>	<b>13.13</b>	<b>12.33</b>	<b>11.46</b>	<b>10.76</b>	<b>9.64</b>	<b>8.94</b>	<b>8.22</b>	<b>7.86</b>	<b>6.99</b>
Local	12.04	11.67	11.89	<b>11.78</b>	10.61	10.34	10.42	<b>10.15</b>	9.53	9.02	9.15	<b>9.01</b>	8.20
National	6.14	6.09	6.07	<b>6.09</b>	5.53	5.51	5.46	<b>5.33</b>	5.09	4.90	4.87	<b>4.87</b>	4.47
International	0.56	0.55	0.56	<b>0.55</b>	0.52	0.52	0.52	<b>0.50</b>	0.49	0.48	0.47	<b>0.47</b>	0.45
<b>Total Geographic</b>	<b>18.74</b>	<b>18.31</b>	<b>18.51</b>	<b>18.43</b>	<b>16.66</b>	<b>16.37</b>	<b>16.40</b>	<b>15.98</b>	<b>15.11</b>	<b>14.40</b>	<b>14.49</b>	<b>14.35</b>	<b>13.12</b>
<b>Total Retail</b>	<b>35.04</b>	<b>33.74</b>	<b>33.30</b>	<b>33.13</b>	<b>29.79</b>	<b>28.70</b>	<b>27.86</b>	<b>26.74</b>	<b>24.75</b>	<b>23.34</b>	<b>22.71</b>	<b>22.21</b>	<b>20.11</b>
Freephone and FRIACO	23.20	22.10	22.23	<b>23.64</b>	20.88	18.55	16.71	<b>15.84</b>	12.83	9.90	8.38	<b>7.16</b>	5.96
<b>BT Group Originating Calls*</b>	<b>58.24</b>	<b>55.84</b>	<b>55.54</b>	<b>56.77</b>	<b>50.67</b>	<b>47.25</b>	<b>44.57</b>	<b>42.58</b>	<b>37.58</b>	<b>33.24</b>	<b>31.09</b>	<b>29.37</b>	<b>26.07</b>
* Excluding Payphones and Directories (c0.3bn mins/qtr)													
Total Fixed Network Calls													
Quarterly Year on Year Minutes Change	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06
Internet Related and Other Non Geo	(11)%	(12)%	(16)%	<b>(16)%</b>	(22)%	(22)%	(25)%	<b>(30)%</b>	(31)%	(32)%	(34)%	<b>(32)%</b>	(33)%
Fixed to Mobile	5%	1%	(2)%	<b>(2)%</b>	(7)%	(7)%	(7)%	<b>(8)%</b>	(4)%	(6)%	(5)%	<b>(4)%</b>	(7)%
<b>Total Non Geographic Calls</b>	<b>(9)%</b>	<b>(10)%</b>	<b>(14)%</b>	<b>(14)%</b>	<b>(19)%</b>	<b>(20)%</b>	<b>(23)%</b>	<b>(27)%</b>	<b>(27)%</b>	<b>(27)%</b>	<b>(28)%</b>	<b>(27)%</b>	<b>(28)%</b>
Local	(7)%	(8)%	(10)%	<b>(8)%</b>	(12)%	(11)%	(12)%	<b>(14)%</b>	(10)%	(13)%	(12)%	<b>(11)%</b>	(14)%
National	(7)%	(8)%	(9)%	<b>(7)%</b>	(10)%	(10)%	(10)%	<b>(12)%</b>	(8)%	(11)%	(11)%	<b>(9)%</b>	(12)%
International	(3)%	(3)%	(3)%	<b>(4)%</b>	(7)%	(6)%	(7)%	<b>(9)%</b>	(6)%	(7)%	(9)%	<b>(8)%</b>	(8)%
<b>Total Geographic</b>	<b>(7)%</b>	<b>(8)%</b>	<b>(9)%</b>	<b>(7)%</b>	<b>(11)%</b>	<b>(11)%</b>	<b>(11)%</b>	<b>(13)%</b>	<b>(9)%</b>	<b>(12)%</b>	<b>(12)%</b>	<b>(10)%</b>	<b>(13)%</b>
<b>Total Retail</b>	<b>(8)%</b>	<b>(9)%</b>	<b>(11)%</b>	<b>(11)%</b>	<b>(15)%</b>	<b>(15)%</b>	<b>(16)%</b>	<b>(19)%</b>	<b>(17)%</b>	<b>(19)%</b>	<b>(18)%</b>	<b>(17)%</b>	<b>(19)%</b>
Freephone and FRIACO	29%	18%	7%	<b>3%</b>	(10)%	(16)%	(25)%	<b>(33)%</b>	(39)%	(47)%	(50)%	<b>(55)%</b>	(54)%
<b>BT Group Originating Calls*</b>	<b>4%</b>	<b>0%</b>	<b>(5)%</b>	<b>(5)%</b>	<b>(13)%</b>	<b>(15)%</b>	<b>(20)%</b>	<b>(25)%</b>	<b>(26)%</b>	<b>(30)%</b>	<b>(30)%</b>	<b>(31)%</b>	<b>(31)%</b>

Fixed to Fixed Voice Market Share *			
	FY 04	FY 05	FY 06
Residential	<b>70%</b>	<b>64%</b>	<b>58%</b>
Business	<b>44%</b>	<b>42%</b>	<b>41%</b>
* BT annual estimates: Local, national, international and non-geographic voice minut			

Exchange Lines ('000)													
Product Group Summary	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06
<b>Retail</b>													
Business Voice	5,539	5,483	5,395	<b>5,324</b>	5,260	5,148	5,043	<b>4,976</b>	4,895	4,789	4,735	<b>4,645</b>	4,558
Business ISDN	3,519	3,528	3,524	<b>3,500</b>	3,476	3,452	3,413	<b>3,382</b>	3,311	3,254	3,207	<b>3,152</b>	3,100
Business Broadband	158	184	218	<b>247</b>	272	297	343	<b>366</b>	390	416	448	<b>481</b>	507
Major Corporate Broadband	20	26	33	<b>40</b>	47	55	65	<b>75</b>	83	90	99	<b>103</b>	106
<b>Total Business</b>	<b>9,236</b>	<b>9,221</b>	<b>9,170</b>	<b>9,111</b>	<b>9,055</b>	<b>8,952</b>	<b>8,864</b>	<b>8,799</b>	<b>8,679</b>	<b>8,549</b>	<b>8,489</b>	<b>8,381</b>	8,271
Residential Voice	19,716	19,679	19,683	<b>19,649</b>	19,554	19,497	19,467	<b>19,405</b>	19,086	18,701	18,360	<b>17,863</b>	17,219
Residential ISDN	280	264	243	<b>221</b>	198	170	140	<b>115</b>	93	74	61	<b>49</b>	41
Residential Broadband	378	455	578	<b>680</b>	783	931	1,101	<b>1,339</b>	1,508	1,661	1,863	<b>2,084</b>	2,213
<b>Total Residential</b>	<b>20,374</b>	<b>20,398</b>	<b>20,504</b>	<b>20,550</b>	<b>20,535</b>	<b>20,598</b>	<b>20,708</b>	<b>20,859</b>	<b>20,687</b>	<b>20,436</b>	<b>20,284</b>	<b>19,996</b>	19,473
Total Voice	25,255	25,162	25,078	<b>24,973</b>	24,814	24,645	24,510	<b>24,381</b>	23,981	23,490	23,095	<b>22,508</b>	21,777
Total ISDN	3,799	3,792	3,767	<b>3,721</b>	3,674	3,622	3,553	<b>3,497</b>	3,404	3,328	3,268	<b>3,201</b>	3,141
Total Broadband (incl. Major Corporates)	556	665	829	<b>967</b>	1,102	1,283	1,509	<b>1,780</b>	1,981	2,167	2,410	<b>2,668</b>	2,826
<b>Total Retail Lines</b>	<b>29,610</b>	<b>29,619</b>	<b>29,674</b>	<b>29,661</b>	<b>29,590</b>	<b>29,550</b>	<b>29,572</b>	<b>29,658</b>	<b>29,366</b>	<b>28,985</b>	<b>28,773</b>	<b>28,377</b>	27,744
<b>BT Wholesale</b>													
<b>BT Wholesale Broadband Connections</b>	<b>1,058</b>	<b>1,339</b>	<b>1,753</b>	<b>2,215</b>	<b>2,687</b>	<b>3,294</b>	<b>4,182</b>	<b>5,023</b>	<b>5,713</b>	<b>6,348</b>	<b>7,078</b>	<b>7,760</b>	<b>8,071</b>
<b>Broadband numbers adjusted from Dec-04. This is due to all data now being sourced from equivalent BT Wholesale systems and also from the inclusion of BT own use and test lines</b>													

<b>BT Together Packages ('000)</b>													
	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>	<b>Jun-06</b>
<b>Total</b>	<b>8,873</b>	<b>8,934</b>	<b>8,956</b>	<b>8,859</b>	<b>8,991</b>	<b>17,617</b>	<b>17,599</b>	<b>17,560</b>	<b>17,268</b>	<b>16,914</b>	<b>16,609</b>	<b>16,158</b>	<b>15,563</b>
Option 1	5,100	5,255	5,379	5,419	5,609	14,270	14,314	14,326	14,119	13,836	13,600	13,192	12,630
Option 2	1,087	1,173	1,220	1,218	1,250	1,269	1,290	1,317	1,344	1,387	1,409	1,442	1,478
Option 3	82	210	274	324	433	515	556	582	582	575	573	586	598
BTT Local	2,604	2,296	2,083	1,898	1,699	1,563	1,439	1,335	1,223	1,116	1,027	938	857
<b>BT Mobility Connections ('000)</b>													
	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>	<b>Jun-06</b>
<b>Total</b>	<b>57</b>	<b>70</b>	<b>106</b>	<b>145</b>	<b>215</b>	<b>305</b>	<b>341</b>	<b>372</b>	<b>370</b>	<b>350</b>	<b>334</b>	<b>341</b>	<b>337</b>
Business	51	59	82	104	127	144	162	185	196	204	209	214	219
Consumer	6	11	24	41	88	161	179	187	174	146	125	127	118

<b>Average Revenue per Consumer Household *</b>													
	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>	<b>Jun-06</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Annual revenue	272	270	268	<b>266</b>	265	261	258	<b>254</b>	252	251	250	<b>251</b>	253
Contracted**	56%	57%	57%	<b>58%</b>	59%	60%	62%	<b>64%</b>	65%	66%	67%	<b>67%</b>	68%
Non-contracted	44%	43%	43%	<b>42%</b>	41%	40%	38%	<b>36%</b>	35%	34%	33%	33%	32%
* Rolling 12 month consumer revenue, less mobile polos, divided by average number of primary lines													
** Includes line rental, broadband, select services and packages.													

<b>CPS Volumes ('000)</b>													
	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>	<b>Jun-06</b>
Number of users*	1,622	2,120	2,725	<b>3,299</b>	3,723	4,169	4,571	<b>4,909</b>	5,291	5,554	5,779	6,067	6,335
Net adds in quarter	578	498	605	<b>574</b>	424	446	402	<b>338</b>	382	263	225	288	268
* CPS numbers include those customers who have migrated from Indirect Access													
<b>External WLR ('000)</b>													
	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>	<b>Jun-06</b>
Analogue lines / ISDN Channels	121	180	291	<b>377</b>	491	630	825	1,026	1,450	1,882	2,333	2,874	3,557
<b>External LLU Volumes ('000)</b>													
	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>	<b>Jun-06</b>
Full and Shared loops	6	8	8	<b>11</b>	14	20	28	<b>41</b>	72	122	192	356	580