

Performance Indicators - Q2 2007/8

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Keeping us ahead of the game

Q2 2007/8

BT Group Results - P&L	2007/8 Q2 Actual BT Group	2006/7 Q2 Actual BT Group	Better / (worse) %	2007/8 Q1 Actual BT Group	2006/7 Q1 Actual Restated	Better / (worse) %	2006/07 Q4 Actual BT Group	2006/07 Q3 Actual BT Group	2006/07 FY Actual BT Group
£m unless stated									
Revenue									
BT Global Services	2,280	2,157	5.7	2,256	2,155	4.7	2,503	2,291	9,106
BT Retail	2,136	2,077	2.8	2,059	2,068	(0.4)	2,138	2,131	8,414
BT Wholesale	1,812	1,885	(3.9)	1,866	1,847	1.0	1,930	1,922	7,584
Openreach	1,304	1,279	2.0	1,310	1,259	4.1	1,325	1,314	5,177
Other	5	4	25.0	7	6	16.7	5	2	17
Eliminations	(2,442)	(2,461)	0.8	(2,465)	(2,471)	0.2	(2,609)	(2,534)	(10,075)
Group Revenue	5,095	4,941	3.1	5,033	4,864	3.5	5,292	5,126	20,223
Leaver costs	43	33	-	8	24	-	63	27	147
EBITDA Before leavers									
BT Global Services	240	229	4.8	239	228	4.8	325	238	1,020
BT Retail	257	235	9.4	198	182	8.8	228	224	869
BT Wholesale	466	484	(3.7)	486	478	1.7	496	503	1,961
Openreach	468	460	1.7	471	472	(0.2)	487	469	1,888
Other	17	10	70.0	31	26	19.2	1	5	42
Group EBITDA Before leavers	1,448	1,418	2.1	1,425	1,386	2.8	1,537	1,439	5,780
Group EBITDA post leavers	1,405	1,385	1.4	1,417	1,362	4.0	1,474	1,412	5,633
Depreciation & amortisation of intangibles									
BT Global Services	175	157	(11.5)	164	148	(10.8)	190	180	675
BT Retail	40	39	(2.6)	42	40	(5.0)	49	43	171
BT Wholesale	250	291	14.1	285	285	0.0	329	293	1,198
Openreach	170	178	4.5	181	175	(3.4)	177	177	707
Other	58	38	(52.6)	37	55	32.7	28	48	169
Group Depreciation	693	703	1.4	709	703	(0.9)	773	741	2,920
Op Profit Inc. leaver costs									
BT Global Services	53	67	(20.9)	71	63	12.7	111	52	293
BT Retail	212	189	12.2	156	140	11.4	169	176	674
BT Wholesale	200	178	12.4	198	192	3.1	150	204	724
Openreach	290	282	(2.8)	290	295	1.7	309	291	1,177
Other	(43)	(34)	(26.5)	(7)	(31)	77.4	(38)	(52)	(155)
Underlying Group Op Profit	712	682	4.4	708	659	7.4	701	671	2,713
Net Finance Costs	(92)	(55)	(67.3)	(55)	(46)	(19.6)	(70)	(62)	(233)
Share of post tax profits/losses of associates and joint ventures	(3)	5	(160.0)	(3)	2	(250.0)	1	7	15
Underlying PBT	617	632	(2.4)	650	615	5.7	632	616	2,495
Specific Items : Net gains (losses)	(182)	(3)	-	(50)	-	-	(31)	23	(11)
Reported PBT	435	629	(30.8)	600	615	(2.4)	601	639	2,484
Tax - Underlying	(153)	(155)	1.3	(161)	(151)	(6.6)	(155)	(150)	(611)
Tax on specific items	57	1	-	169	-	-	9	969	979
Tax rate	24.8%	24.5%	-	24.8%	24.6%	-	24.5%	24.4%	24.5%
Net Income	339	475	(28.6)	608	464	31.0	455	1,458	2,852
<i>Memo: Minority Interest</i>				1	-	-	1	-	2
EPS before specific items	5.7	5.7	0.0	5.9	5.6	5.4	5.8	5.6	22.7
EPS after specific items	4.2	5.7	(26.3)	7.4	5.6	32.1	5.5	17.6	34.4
Proposed Dividend (p)	5.40	5.10	5.9	-	-	-	10.00	-	15.10
Average Number of Shares in Issue	8,108	8,308	-	8,216	8,314	-	8,265	8,284	8,293
Capital Expenditure	799	812	1.6	903	715	(26.3)	905	815	3,247
Net Debt	9,618	8,079	(19.0)	8,631	7,727	(11.7)	7,914	8,796	7,914

EXTERNAL REVENUE BY SEGMENT	2004/5					2005/6					2006/7					2007/8	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Major Corporate	1,391	1,412	1,440	1,693	5,936	1,597	1,629	1,732	1,922	6,880	1,699	1,703	1,833	2,009	7,244	1,785	1,830
Business	617	624	600	601	2,442	586	583	568	587	2,324	588	593	584	588	2,353	601	612
Consumer	1,416	1,410	1,400	1,373	5,599	1,324	1,336	1,324	1,312	5,296	1,252	1,257	1,310	1,305	5,124	1,231	1,289
Wholesale / Global Carrier	1,088	1,102	1,090	1,147	4,427	1,218	1,215	1,255	1,308	4,996	1,319	1,384	1,397	1,385	5,485	1,409	1,359
Other	7	6	6	6	25	6	4	3	5	18	6	4	2	5	17	7	5
Total	4,519	4,554	4,536	4,820	18,429	4,731	4,767	4,882	5,134	19,514	4,864	4,941	5,126	5,292	20,223	5,033	5,095

EXTERNAL REVENUE BY SEGMENT YEAR-ON-YEAR GROWTH	2005/6					2006/7					2007/8	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
Major Corporate	14.8%	15.4%	20.3%	13.5%	15.9%	6.4%	4.5%	5.8%	4.5%	5.3%	5.1%	7.5%
Business	(5.0%)	(6.6%)	(5.3%)	(2.3%)	(4.8%)	0.3%	1.7%	2.8%	0.2%	1.2%	2.2%	3.2%
Consumer	(6.5%)	(5.2%)	(5.4%)	(4.4%)	(5.4%)	(5.4%)	(5.9%)	(1.1%)	(0.5%)	(3.2%)	(1.7%)	2.5%
Wholesale / Global Carrier	11.9%	10.3%	15.1%	14.0%	12.9%	8.3%	13.9%	11.3%	5.9%	9.8%	6.8%	(1.8%)
Other	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m
Total Headline growth	4.7%	4.7%	7.6%	6.5%	5.9%	2.8%	3.7%	5.0%	3.1%	3.6%	3.5%	3.1%
Total excluding the impact of mobile termination and revenues from Infonet and Albacom	3.4%	2.5%	3.2%	4.7%	3.4%	2.8%	3.7%	5.0%	3.1%	3.6%	3.5%	3.1%

EXTERNAL REVENUE ANALYSIS - BT Group	2004/5					2005/6					2006/7					2007/8	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Networked IT Services	634	699	738	995	3,066	899	914	1,038	1,214	4,065	981	1,001	1,117	1,287	4,386	1,061	1,120
Broadband and LLU	186	199	253	292	930	314	350	374	421	1,459	454	486	520	556	2,016	540	543
Mobility	43	49	55	58	205	66	69	75	82	292	71	72	73	78	294	75	93
Other	73	86	89	101	349	106	106	120	134	466	135	177	170	196	678	139	158
Total New Wave	936	1,033	1,135	1,446	4,550	1,385	1,439	1,607	1,851	6,282	1,641	1,736	1,880	2,117	7,374	1,815	1,914
Exchange lines/ISDN - connection and rental	918	959	952	934	3,763	921	912	889	881	3,603	876	851	844	820	3,391	841	830
Calls	982	888	820	799	3,489	764	749	730	713	2,956	685	655	692	677	2,709	641	641
Private Circuits	326	325	325	316	1,292	314	302	322	302	1,240	309	317	291	275	1,192	312	310
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	657	650	619	599	2,525	630	634	636	655	2,555	661	689	704	688	2,742	702	653
Other	700	699	685	726	2,810	717	731	698	732	2,878	692	693	715	715	2,815	722	747
Total Traditional	3,583	3,521	3,401	3,374	13,879	3,346	3,328	3,275	3,283	13,232	3,223	3,205	3,246	3,175	12,849	3,218	3,181
Total Revenue	4,519	4,554	4,536	4,820	18,429	4,731	4,767	4,882	5,134	19,514	4,864	4,941	5,126	5,292	20,223	5,033	5,095

EXTERNAL REVENUE ANALYSIS - Year-on-year growth	2005/6					2006/7					2007/8	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Networked IT Services	17.8%	10.7%	19.2%	15.2%	15.7%	9.1%	9.5%	7.6%	6.0%	7.9%	8.2%	11.9%
Broadband and LLU	68.8%	76.1%	47.8%	44.2%	56.9%	44.6%	38.9%	39.0%	32.1%	38.2%	18.9%	11.7%
Mobility	39.5%	29.6%	25.5%	34.5%	32.0%	7.6%	4.3%	(2.7%)	(4.9%)	0.7%	5.6%	29.2%
Other	45.2%	23.3%	34.8%	32.7%	33.5%	27.4%	67.0%	41.7%	46.3%	45.5%	3.0%	(10.7%)
Total New Wave	31.1%	25.2%	27.1%	23.5%	26.4%	18.5%	20.6%	17.0%	14.4%	17.4%	10.6%	10.3%
Exchange lines/ISDN - connection and rental	0.3%	(4.9%)	(6.6%)	(5.7%)	(4.3%)	(4.9%)	(6.7%)	(5.1%)	(6.9%)	(5.9%)	(4.0%)	(2.5%)
Calls	(17.5%)	(12.3%)	(11.0%)	(10.8%)	(13.1%)	(10.3%)	(12.6%)	(5.2%)	(5.0%)	(8.4%)	(6.4%)	(2.1%)
Private Circuits	(3.7%)	(7.1%)	(0.9%)	(4.4%)	(4.0%)	(1.6%)	5.0%	(9.6%)	(8.9%)	(3.9%)	1.0%	(2.2%)
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	10.2%	6.3%	2.7%	9.3%	7.2%	4.9%	8.7%	10.7%	5.0%	7.3%	6.2%	(5.2%)
Other	(3.4%)	(1.4%)	(3.8%)	(0.6%)	(2.3%)	(3.5%)	(5.2%)	2.4%	(2.3%)	(2.2%)	4.3%	7.8%
Total Traditional	(3.9%)	(4.2%)	(4.9%)	(3.0%)	(4.0%)	(3.7%)	(3.7%)	(0.9%)	(3.3%)	(2.9%)	(0.2%)	(0.7%)
Total Revenue	3.4%	2.5%	3.2%	4.7%	3.4%	2.8%	3.7%	5.0%	3.1%	3.6%	3.5%	3.1%

Year on year growth rate excludes the impact of mobile termination rate cuts and the acquisition of Infonet and Albacom

EXTERNAL REVENUE ANALYSIS - Global Services	2004/5					2005/6					2006/7					2007/8	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Networked IT Services	578	626	666	912	2,782	824	841	955	1,112	3,732	898	923	1,026	1,201	4,048	973	1,023
Broadband	7	9	12	14	42	14	14	15	15	58	14	15	17	20	66	17	18
Mobility	26	26	25	26	103	39	39	44	55	177	45	46	49	52	192	48	65
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total New Wave	611	661	703	952	2,927	877	894	1,014	1,182	3,967	957	984	1,092	1,273	4,306	1,038	1,106
Exchange lines/ISDN - connection and rental	166	158	157	154	635	155	158	148	145	606	157	152	152	145	606	155	146
Calls	107	101	91	89	388	86	85	80	82	333	82	74	72	66	294	70	66
Private Circuits	129	123	122	114	488	112	111	112	109	444	117	114	108	110	449	120	108
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (a)	427	416	407	466	1,716	451	455	438	474	1,818	441	439	461	471	1,812	470	494
Total Traditional	829	798	777	823	3,227	804	809	778	810	3,201	797	779	793	792	3,161	815	814
Total Revenue	1,440	1,459	1,480	1,775	6,154	1,681	1,703	1,792	1,992	7,168	1,754	1,763	1,885	2,065	7,467	1,853	1,920
Memo: Internal Revenue	287	332	330	385	1,334	386	399	405	414	1,604	401	394	406	438	1,639	403	360
Total Global Services Reported Revenue(b)	1,727	1,791	1,810	2,160	7,488	2,067	2,102	2,197	2,406	8,772	2,155	2,157	2,291	2,503	9,106	2,256	2,280

Shading = not restated for proforma Openreach
(a) and (b) - See Memo info on following page

Non-UK New Customers	2006/7				2006/7	
	Q1	Q2	Q3	Q4	Q1	Q2
	223	200	228	207	102	128

Global Services ORDER VALUE	2004/5				2005/6				2006/7				2006/7	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Networked IT Services order intake	1,276	852	1,235	3,798	2,359	752	1,194	1,086	1,041	702	1,516	1,950	918	875
Other Order Intake	571	477	926	491	466	706	1,203	1,232	739	915	986	1,450	776	748
Total Global Services order intake	1,847	1,329	2,161	4,289	2,825	1,458	2,397	2,318	1,780	1,617	2,502	3,400	1,694	1,623

ROLLING 12 MONTHS Global Services ORDER VALUE	2005/6				2006/7				2006/7	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Networked IT Services order intake	8,244	8,144	8,103	5,391	4,073	4,023	4,345	5,209	5,086	5,259
Other Order Intake	2,360	2,589	2,866	3,607	3,880	4,089	3,872	4,090	4,127	3,960
Total Global Services Rolling 12 month order intake	10,604	10,733	10,969	8,998	7,953	8,112	8,217	9,299	9,213	9,219

Memo information - Global Services		2005/6					2006/7					2007/8	
		Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m
(a) Other Traditional	UK	72	53	59	56	240	59	54	54	58	225	54	46
	Non-UK	379	402	379	418	1,578	382	385	407	413	1,587	416	448
	Total	451	455	438	474	1,818	441	439	461	471	1,812	470	494
(b) Reclassified total revenue	New wave (as reported)	877	894	1,014	1,182	3,967	957	984	1,092	1,273	4,306	1,038	1,106
	Non-UK (Included in Other)	379	402	379	418	1,578	382	385	407	413	1,587	416	448
	Internal	260	264	275	291	1,090	300	292	297	369	1,258	348	268
	GS New Wave	1,516	1,560	1,668	1,891	6,635	1,639	1,661	1,796	2,055	7,151	1,802	1,822
	Traditional (as reported excluding Other)	353	354	340	336	1,383	356	340	332	321	1,349	345	320
	UK Traditional (Included in Other)	72	53	59	56	240	59	54	54	58	225	54	46
	Internal	126	135	130	123	514	101	102	109	69	381	55	92
	GS Traditional	551	542	529	515	2,137	516	496	495	448	1,955	454	458
	Total GS Reported Revenue	2,067	2,102	2,197	2,406	8,772	2,155	2,157	2,291	2,503	9,106	2,256	2,280

Year on Year Change		2006/7					2007/8	
		Q1	Q2	Q3	Q4	FY 06/07	Q1	Q2
	GS New Wave	8.1%	6.5%	7.7%	8.7%	7.8%	9.9%	9.7%
	GS Traditional	(6.4%)	(8.5%)	(6.4%)	(13.0%)	(8.5%)	(12.0%)	(7.7%)
	GS Total	4.3%	2.6%	4.3%	4.0%	3.8%	4.7%	5.7%

EXTERNAL REVENUE ANALYSIS - Retail	2004/5					2005/6					2006/7					2007/8	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Networked IT Services	56	73	72	83	284	75	73	83	102	333	83	78	91	86	338	88	97
Broadband	108	111	131	146	496	159	176	185	198	718	212	219	225	245	901	253	270
Mobility	17	23	30	32	102	27	30	31	27	115	26	26	24	26	102	27	28
Other	14	18	19	26	77	17	26	29	44	116	49	90	84	98	321	61	92
Total New Wave	195	225	252	287	959	278	305	328	371	1,282	370	413	424	455	1,662	429	487
Exchange lines/ISDN - connection and rental	752	801	795	780	3,128	766	754	741	736	2,997	719	699	692	675	2,785	686	684
Calls	875	787	729	710	3,101	678	664	650	631	2,623	603	581	620	611	2,415	571	575
Private Circuits	43	47	48	35	173	41	41	41	35	158	34	35	33	30	132	32	31
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	266	277	272	254	1,069	260	272	257	253	1,042	251	254	254	244	1,003	245	248
Total Traditional	1,936	1,912	1,844	1,779	7,471	1,745	1,731	1,689	1,655	6,820	1,607	1,569	1,599	1,560	6,335	1,534	1,538
Total External Revenue	2,131	2,137	2,096	2,066	8,430	2,023	2,036	2,017	2,026	8,102	1,977	1,982	2,023	2,015	7,997	1,963	2,025
Memo: Internal Revenue	53	68	64	83	268	97	100	99	109	405	91	95	108	123	417	96	111
Total Retail Reported Revenue	2,184	2,205	2,160	2,149	8,698	2,120	2,136	2,116	2,135	8,507	2,068	2,077	2,131	2,138	8,414	2,059	2,136

Shading = not restated for proforma Openreach

EXTERNAL REVENUE ANALYSIS - Wholesale	2004/5					2005/6					2006/7					2007/8	
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m
Networked IT Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Broadband	71	79	110	132	392	130	147	152	159	588	179	181	192	188	740	167	151
Mobility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	59	68	70	75	272	89	80	91	90	350	86	87	86	98	357	78	66
Total New Wave	130	147	180	207	664	219	227	243	249	938	265	268	278	286	1,097	245	217
Exchange lines/ISDN - connection and rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Private Circuits	154	155	155	167	631	161	150	169	158	638	158	168	150	135	611	160	171
Transit, conveyance, interconnect circuits, WLR and other wholesale (incl. FRIACO)	657	650	619	599	2,525	588	587	575	582	2,332	574	594	599	582	2,349	594	549
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Traditional	811	805	774	766	3,156	749	737	744	740	2,970	732	762	749	717	2,960	754	720
Total External Revenue	941	952	954	973	3,820	968	964	987	989	3,908	997	1,030	1,027	1,003	4,057	999	937
Memo: Internal Revenue	1,332	1,311	1,318	1,314	5,275	847	849	861	879	3,435	850	855	895	927	3,527	867	875
Total Wholesale Reported Revenue	2,273	2,263	2,272	2,287	9,095	1,815	1,813	1,848	1,868	7,344	1,847	1,885	1,922	1,930	7,584	1,866	1,812

Shading = not restated for proforma Openreach

EXTERNAL REVENUE ANALYSIS - Openreach	2005/6					2006/7					2007/8	
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m
Networked IT Services	-	-	-	-	-	-	-	-	-	-	-	-
LLU	11	13	22	49	95	49	71	86	103	309	103	104
Mobility	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total New Wave	11	13	22	49	95	49	71	86	103	309	103	104
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	91	103	101	376	108	104
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Traditional	42	47	61	73	223	81	91	103	101	376	108	104
Total Revenue	53	60	83	122	318	130	162	189	204	685	211	208
Memo: Internal Revenue	1,241	1,211	1,195	1,177	4,824	1,129	1,117	1,125	1,121	4,492	1,099	1,096
Total Openreach Reported Revenue	1,294	1,271	1,278	1,299	5,142	1,259	1,279	1,314	1,325	5,177	1,310	1,304

Openreach only restated for 2005/6

Summary Cost Analysis	2004/5					2005/6					2006/7					2007/8	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Staff costs before leaver costs	1,070	1,065	1,098	1,155	4,388	1,156	1,210	1,226	1,241	4,833	1,256	1,274	1,282	1,264	5,076	1,299	1,297
Leaver costs	102	8	12	44	166	6	37	23	67	133	24	33	27	63	147	8	43
Staff costs (including leaver costs)	1,172	1,073	1,110	1,199	4,554	1,162	1,247	1,249	1,308	4,966	1,280	1,307	1,309	1,327	5,223	1,307	1,340
Other operating costs [^]	1,285	1,371	1,370	1,502	5,528	1,406	1,395	1,453	1,633	5,887	1,437	1,442	1,593	1,687	6,159	1,501	1,561
Own work capitalised [^]	(172)	(206)	(169)	(175)	(722)	(161)	(159)	(179)	(175)	(674)	(171)	(175)	(186)	(186)	(718)	(187)	(192)
Sub total	2,285	2,238	2,311	2,526	9,360	2,407	2,483	2,523	2,766	10,179	2,546	2,574	2,716	2,828	10,664	2,621	2,709
POLO's	988	964	880	893	3,725	1,009	989	1,032	1,015	4,045	1,006	1,034	1,051	1,071	4,162	1,062	1,054
Depreciation and amortisation	700	704	695	745	2,844	706	690	707	770	2,873	700	700	737	770	2,907	706	681
Amortisation of acquired intangibles	-	-	-	-	-	3	2	3	3	11	3	3	4	3	13	3	12
Total costs*	3,973	3,906	3,886	4,164	15,929	4,125	4,164	4,265	4,554	17,108	4,255	4,311	4,508	4,672	17,746	4,392	4,456
[^] 2005/6 restated to exclude external software development related activity from both Other Operating Costs and Own Work Capitalised * Under IFRS basis and before specific items Shading = not restated																	

FTE	2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2
	k	k	k	k	k	k
Headline FTE	103.1	103.0	103.4	104.4	106.4	105.6
FTE increase in the quarter due to acquisitions	0.2	-	0.1	1.1	0.9	0.2

Capital Expenditure	2004/5					2005/6					2006/7					2007/8	
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m
By Line of Business																	
BT Global Services	144	161	141	159	605	142	171	169	220	702	149	176	186	184	695	186	181
BT Retail	31	41	44	54	170	35	33	32	53	153	40	40	34	52	166	46	46
BT Wholesale	477	548	514	442	1,981	230	198	221	326	975	200	266	237	314	1,017	272	316
Openreach						257	246	270	265	1,038	271	279	297	261	1,108	277	268
Others (includes Fleet and Property)	42	53	71	89	255	52	46	67	109	274	55	51	61	94	261	122	(12)
Total	694	803	770	744	3,011	716	694	759	973	3,142	715	812	815	905	3,247	903	799
By Category																	
Transmission Equipment	357	392	401	338	1,488	373	347	356	353	1,429	297	297	303	312	1,209	289	279
Exchange Equipment	41	36	40	26	143	18	18	21	23	80	14	39	24	41	118	31	24
Other Network Equipment	141	155	159	193	648	162	148	134	283	727	160	229	214	251	854	260	306
Computers and Office Equipment	27	28	25	13	93	22	18	26	72	138	28	22	30	69	149	34	21
Software	97	147	94	106	444	99	137	174	182	592	180	202	219	206	807	257	153
Motor Vehicles and Other	21	30	35	45	131	31	14	29	34	108	14	13	8	14	49	15	10
Land and Buildings	10	15	16	23	64	11	12	19	26	68	22	10	17	12	61	17	6
Total	694	803	770	744	3,011	716	694	759	973	3,142	715	812	815	905	3,247	903	799
Shading = not restated for proforma Openreach																	

Total Fixed Network Calls	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Quarterly Minutes (billions)														
Internet Related and Other Non Geo	10.93	10.13	9.33	8.68	7.51	6.86	6.20	5.87	5.00	4.37	3.95	3.93	3.38	3.12
Fixed to Mobile	2.21	2.20	2.13	2.08	2.13	2.08	2.02	1.99	1.99	1.98	1.92	1.89	1.84	1.79
Total Non Geographic Calls	13.13	12.33	11.46	10.76	9.64	8.94	8.22	7.86	6.99	6.35	5.87	5.82	5.22	4.91
Local	10.61	10.34	10.42	10.15	9.53	9.02	9.15	9.01	8.20	7.93	8.10	8.07	7.41	7.10
National	5.53	5.51	5.46	5.33	5.09	4.90	4.87	4.87	4.47	4.42	4.45	4.45	4.15	4.07
International	0.52	0.52	0.52	0.50	0.49	0.48	0.47	0.47	0.45	0.45	0.46	0.47	0.46	0.46
Total Geographic	16.66	16.37	16.40	15.98	15.11	14.40	14.49	14.35	13.12	12.80	13.01	12.99	12.02	11.63
Total Retail	29.79	28.70	27.86	26.74	24.75	23.34	22.71	22.21	20.11	19.15	18.88	18.81	17.24	16.54
Freephone and FRIACO	20.88	18.55	16.71	15.84	12.83	9.90	8.38	7.16	5.96	4.75	5.22	4.03	3.42	3.20
BT Group Originating Calls*	50.67	47.25	44.57	42.58	37.58	33.24	31.09	29.37	26.07	23.90	24.10	22.84	20.65	19.74

* Excluding Payphones and Directories (c0.3bn mins/qtr)

Total Fixed Network Calls	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Quarterly Year on Year Minutes Change														
Internet Related and Other Non Geo	(22)%	(22)%	(25)%	(30)%	(31)%	(32)%	(34)%	(32)%	(33)%	(36)%	(36)%	(33)%	(32)%	(29)%
Fixed to Mobile	(7)%	(7)%	(7)%	(8)%	(4)%	(6)%	(5)%	(4)%	(7)%	(5)%	(5)%	(5)%	(8)%	(10)%
Total Non Geographic Calls	(19)%	(20)%	(23)%	(27)%	(27)%	(27)%	(28)%	(27)%	(28)%	(29)%	(29)%	(26)%	(25)%	(23)%
Local	(12)%	(11)%	(12)%	(14)%	(10)%	(13)%	(12)%	(11)%	(14)%	(12)%	(11)%	(10)%	(10)%	(11)%
National	(10)%	(10)%	(10)%	(12)%	(8)%	(11)%	(11)%	(9)%	(12)%	(10)%	(9)%	(9)%	(7)%	(8)%
International	(7)%	(6)%	(7)%	(9)%	(6)%	(7)%	(9)%	(8)%	(8)%	(6)%	(2)%	0%	3%	2%
Total Geographic	(11)%	(11)%	(11)%	(13)%	(9)%	(12)%	(12)%	(10)%	(13)%	(11)%	(10)%	(9)%	(8)%	(9)%
Total Retail	(15)%	(15)%	(16)%	(19)%	(17)%	(19)%	(18)%	(17)%	(19)%	(18)%	(17)%	(15)%	(14)%	(14)%
Freephone and FRIACO	(10)%	(16)%	(25)%	(33)%	(39)%	(47)%	(50)%	(55)%	(54)%	(52)%	(38)%	(44)%	(43)%	(33)%
BT Group Originating Calls*	(13)%	(15)%	(20)%	(25)%	(26)%	(30)%	(30)%	(31)%	(31)%	(28)%	(22)%	(22)%	(21)%	(17)%

CPS Volumes ('000)	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Number of users*	3,723	4,169	4,571	4,909	5,291	5,554	5,779	6,067	6,335	6,397	6,314	6,212	6,138	5,782
Net adds in quarter	424	446	402	338	382	263	225	288	268	62	(83)	(102)	(74)	(356)

* CPS numbers include those customers who have migrated from Indirect Access

Broadband ('000)	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Product Group Summary														
Retail														
Business Broadband (Incl. Major Corporates)	319	352	408	441	473	506	547	584	613	647	675	706	733	753
Residential Broadband	783	931	1,101	1,339	1,508	1,661	1,863	2,084	2,213	2,333	2,544	2,758	2,904	3,052
Plusnet and Brightview												195	196	269
Total Broadband	1,102	1,283	1,509	1,780	1,981	2,167	2,410	2,668	2,826	2,980	3,219	3,659	3,834	4,074
Broadband Net adds in quarter	135	181	226	271	201	186	243	258	158	154	239	245 ¹	175	178 ²
Retail Share of DSL + LLU Net Adds	28%	30%	25%	32%	28%	27%	30%	30%	30%	25%	34%	32% ¹	38%	37% ²
Retail Share of DSL + LLU Installed Base	41%	39%	36%	35%	34%	33%	33%	33%	33%	32%	32%	34%	34%	35%
BT Wholesale														
Total Wholesale Broadband	2,687	3,294	4,182	5,023	5,713	6,348	7,078	7,760	8,071	8,439	8,679	8,827	8,772	8,480
Net adds in quarter	472	607	888	841	690	635	730	682	311	368	240	148	(55)	(292)
BT Openreach														
External LLU Volumes ('000)														
Full and Shared loops	14	20	28	41	72	122	192	356	580	838	1,295	1,910	2,424	3,195
Net adds in quarter	3	6	8	13	31	50	70	164	224	258	457	615	514	771
BT Group														
Total DSL + LLU	2,701	3,314	4,210	5,064	5,785	6,470	7,270	8,116	8,651	9,277	9,974	10,737	11,195	11,674
Net adds in quarter	475	613	896	854	721	685	800	846	535	626	697	763	459	479

1 Net adds excludes the acquisition of Plusnet (195k customers)

2 Net adds excludes the acquisition of Brightview (63k customers)

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

Exchange Lines ('000)	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Product Group Summary														
BT Retail														
Business PSTN	5,260	5,148	5,043	4,976	4,895	4,789	4,735	4,645	4,558	4,473	4,390	4,330	4,271	4,190
Business ISDN	3,476	3,452	3,413	3,382	3,311	3,254	3,207	3,152	3,100	3,040	2,987	2,934	2,887	2,828
Total Business	8,736	8,600	8,456	8,358	8,206	8,043	7,942	7,797	7,658	7,513	7,377	7,264	7,158	7,018
Residential PSTN	19,554	19,497	19,467	19,405	19,086	18,701	18,360	17,863	17,219	16,836	16,729	16,634	16,485	16,247
Residential ISDN	198	170	140	115	93	74	61	49	41	35	24	2	1	1
Total Residential	19,752	19,667	19,607	19,520	19,179	18,775	18,421	17,912	17,260	16,871	16,753	16,636	16,486	16,248
Total PSTN	24,814	24,645	24,510	24,381	23,981	23,490	23,095	22,508	21,777	21,309	21,119	20,964	20,756	20,437
Total ISDN	3,674	3,622	3,553	3,497	3,404	3,328	3,268	3,201	3,141	3,075	3,011	2,936	2,888	2,829
Total Retail Lines	28,488	28,267	28,063	27,878	27,385	26,818	26,363	25,709	24,918	24,384	24,130	23,900	23,644	23,266
BT Openreach														
External WLR ('000)														
Analogue lines / ISDN Channels	491	630	825	1,026	1,450	1,882	2,333	2,874	3,557	4,003	4,193	4,227	4,285	4,366
Net adds in quarter	114	139	195	201	424	432	451	541	683	446	190	34	58	80
Total Exchange Lines	28,979	28,897	28,888	28,904	28,835	28,700	28,696	28,583	28,475	28,387	28,323	28,127	27,929	27,632

Average Revenue per Consumer Household *	2004/5				2005/6				2006/7				2007/8	
	Q1 £	Q2 £	Q3 £	Q4 £	Q1 £	Q2 £	Q3 £	Q4 £	Q1 £	Q2 £	Q3 £	Q4 £	Q1 £	Q2 £
Annual revenue	265	261	258	254	252	251	250	251	253	254	258	262	266	271
Contracted**	59%	60%	62%	64%	65%	66%	67%	67%	68%	69%	68%	68%	68%	68%
Non-contracted	41%	40%	38%	36%	35%	34%	33%	33%	32%	31%	32%	32%	32%	32%

* Rolling 12 month consumer revenue, less mobile polos, divided by average number of primary lines
** Includes line rental, broadband, select services and packages.

BT Together Packages ('000)	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total	8,991	17,617	17,599	17,560	17,268	16,914	16,609	16,158	15,563	15,229	15,165	15,109	14,950	14,801
Option 1	5,609	14,270	14,314	14,326	14,119	13,836	13,600	13,192	12,630	11,997	11,665	11,391	11,104	10,834
Option 2	1,250	1,269	1,290	1,317	1,344	1,387	1,409	1,442	1,478	1,785	2,025	2,257	2,382	2,467
Option 3	433	515	556	582	582	575	573	586	598	681	774	835	884	961
BTT Local	1,699	1,563	1,439	1,335	1,223	1,116	1,027	938	857	766	701	626	580	539

Active Customers ('000)	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total	15,408	15,128	14,878	14,712	14,398	14,144	13,970	13,685	13,382	13,272	13,309	13,209	13,044	12,821
Movement	(331)	(280)	(250)	(166)	(314)	(254)	(174)	(285)	(303)	(110)	37	(100)	(165)	(223)

BT Mobility Connections ('000)	2004/5				2005/6				2006/7				2007/8	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total	215	305	341	372	370	350	334	341	337	329	313	314	316	327
Business + Corporate	127	144	162	185	196	204	209	214	219	223	215	227	229	237
Consumer	88	161	179	187	174	146	125	127	118	106	98	87	87	91