



Pro forma historical financial information for BT and EE group

For the years ended 31 March 2016 and 31 March 2015. Published 29 June 2016

Sheet 1 [Basis of preparation](#)

Sheet 2 [Revenue, EBITDA and capex](#)

From 1 April 2016, we reorganised our lines of business and made some changes to our internal trading model.

We've prepared pro forma historical financial information for the years ended 31 March 2016 and 31 March 2015 under this new organisational structure and as though EE had been part of the group from 1 April 2014.

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1. Basis of preparation

Background

BT Group has published revised historical financial information to reflect organisational changes that came into effect on 1 April 2016.

Previously, our six customer-facing lines of business were BT Global Services, BT Business, BT Consumer, EE, BT Wholesale and Openreach (EE Limited having been acquired by the group on 29 January 2016). As announced on 1 February 2016, with effect from 1 April 2016, we've reorganised the group and our customer-facing lines of business are now: Global Services, Business and Public Sector, Consumer, EE, Wholesale and Ventures, and Openreach.

Alongside these changes, EE's MVNO operations and a number of specialist ventures within the group (including Fleet, Redcare, Directories, Payphones, Tikit and Cables) have moved into Wholesale and Ventures.

At the same time, we've taken steps to simplify our internal trading model, including moving to a cost-recovery model for certain intra-group revenues. Neither the organisational or internal trading changes have any impact on the total group results.

We have published on our website (www.btplc.com) restated historical financial information to reflect these changes, showing EE consolidated as part of the group since the date we acquired it on 29 January 2016.

The basis of preparation of this pro forma information

In addition to the above restatements, we've provided in this document pro forma historical financial information by line of business under the new organisational structure, and prepared as though EE had been part of the group from 1 April 2014. The pro forma historical financial information shows EE's historical results adjusted to reflect BT's accounting policies. In the consolidated group total, we've eliminated historical transactions between BT and EE as though they had been intercompany transactions. We have not made any adjustments to reflect the allocation of the purchase price for EE. All deal and acquisition-related costs have been treated as specific items and therefore don't impact the pro forma.

On the next page we've provided:

- (i) previously issued pro forma financial information (which we published in February 2016 and have updated to include Q4); and
- (ii) pro forma information as described above, i.e., reflecting the new organisational structure and internal trading model changes and illustrating the line of business results including EE as part of BT Group throughout the period.

2015/16 Pro forma historical financial information

£m unless otherwise stated	Pro forma - previous organisational structure ¹					Adjustments					£m unless otherwise stated	Pro forma - new organisational structure ²				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY		Q1	Q2	Q3	Q4	FY
Revenue^{3,4}											Revenue^{3,4}					
BT Global Services	1,543	1,559	1,675	1,753	6,530	(332)	(333)	(352)	(359)	(1,376)	Global Services	1,211	1,226	1,323	1,394	5,154
BT Business	749	781	779	821	3,130	457	464	482	489	1,892	Business and Public Sector	1,206	1,245	1,261	1,310	5,022
BT Consumer	1,074	1,127	1,205	1,192	4,598	2	2	3	3	10	Consumer	1,076	1,129	1,208	1,195	4,608
EE	1,575	1,584	1,605	1,543	6,307	(304)	(307)	(319)	(315)	(1,245)	EE	1,271	1,277	1,286	1,228	5,062
BT Wholesale	530	520	527	509	2,086	27	31	26	37	121	Wholesale and Ventures	557	551	553	546	2,207
Openreach	1,249	1,267	1,294	1,290	5,100	0	0	0	0	0	Openreach	1,249	1,267	1,294	1,290	5,100
Other	16	19	21	17	73	(13)	(19)	(17)	(13)	(62)	Other	3	0	4	4	11
Eliminations	(1,020)	(1,022)	(1,044)	(1,016)	(4,102)	163	162	177	158	660	Eliminations	(857)	(860)	(867)	(858)	(3,442)
Total	5,716	5,835	6,062	6,109	23,722	0	0	0	0	0	Total	5,716	5,835	6,062	6,109	23,722
YoY % change	-1.6%	-0.5%	1.4%	1.2%	0.1%							-1.6%	-0.5%	1.4%	1.2%	0.1%
EBITDA^{3,4}											EBITDA^{3,4}					
BT Global Services	190	216	276	366	1,048	(90)	(96)	(108)	(130)	(424)	Global Services	100	120	168	236	624
BT Business	240	261	268	307	1,076	135	145	161	176	617	Business and Public Sector	375	406	429	483	1,693
BT Consumer	254	202	270	311	1,037	4	6	7	9	26	Consumer	258	208	277	320	1,063
EE	389	416	441	383	1,629	(135)	(132)	(142)	(134)	(543)	EE	254	284	299	249	1,086
BT Wholesale	140	127	135	140	542	90	82	85	84	341	Wholesale and Ventures	230	209	220	224	883
Openreach	639	648	677	700	2,664	2	1	2	1	6	Openreach	641	649	679	701	2,670
Other	(14)	(12)	(13)	(9)	(48)	(6)	(6)	(5)	(6)	(23)	Other	(20)	(18)	(18)	(15)	(71)
Total	1,838	1,858	2,054	2,198	7,948	0	0	0	0	0	Total	1,838	1,858	2,054	2,198	7,948
YoY % change	3.9%	3.8%	1.9%	1.4%	2.7%							3.8%	3.9%	1.9%	1.4%	2.7%
Capex^{4,5}											Capex^{4,5}					
BT Global Services	86	107	103	119	415	(5)	(10)	(7)	(10)	(32)	Global Services	81	97	96	109	383
BT Business	35	37	35	31	138	5	14	17	20	56	Business and Public Sector	40	51	52	51	194
BT Consumer	52	56	46	52	206	2	2	2	2	8	Consumer	54	58	48	54	214
EE	119	151	176	156	602	(20)	(24)	(28)	(24)	(96)	EE	99	127	148	132	506
BT Wholesale	44	46	41	46	177	19	16	14	11	60	Wholesale and Ventures	63	62	55	57	237
Openreach	402	348	321	376	1,447	0	0	0	0	0	Openreach	402	348	321	376	1,447
Other	39	35	41	41	156	(1)	2	2	1	4	Other	38	37	43	42	160
Total	777	780	763	821	3,141	0	0	0	0	0	Total	777	780	763	821	3,141
YoY % change	21.2%	17.6%	-2.5%	4.5%	9.3%							21.2%	17.6%	-2.6%	4.5%	9.3%

¹ reflects an estimate of what BT results would have been, had EE always been a part of the group, but before the organisational and internal trading model changes which came into effect on 1 April 2016

² reflects an estimate of what BT results would have been, had EE always been a part of the group, and adjusts for the organisational and internal trading model changes which came into effect on 1 April 2016

³ before specific items

⁴ EE's results (as reported or as provided by management, where not previously published), adjusted for BT's accounting policies

⁵ before purchases of telecommunications licences

2014/15 Pro forma historical financial information

£m unless otherwise stated	Pro forma - previous organisational structure ¹					Adjustments					£m unless otherwise stated	Pro forma - new organisational structure ²				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY		Q1	Q2	Q3	Q4	FY
Revenue^{3,4}											Revenue^{3,4}					
BT Global Services	1,647	1,649	1,694	1,789	6,779	(380)	(363)	(354)	(398)	(1,495)	Global Services	1,267	1,286	1,340	1,391	5,284
BT Business	762	789	789	805	3,145	496	467	474	506	1,943	Business and Public Sector	1,258	1,256	1,263	1,311	5,088
BT Consumer	1,046	1,056	1,083	1,100	4,285	2	1	3	2	8	Consumer	1,048	1,057	1,086	1,102	4,293
EE	1,562	1,588	1,621	1,541	6,312	(274)	(281)	(294)	(287)	(1,136)	EE	1,288	1,307	1,327	1,254	5,176
BT Wholesale	525	529	532	571	2,157	27	33	34	34	128	Wholesale and Ventures	552	562	566	605	2,285
Openreach	1,245	1,245	1,255	1,266	5,011	0	0	0	0	0	Openreach	1,245	1,245	1,255	1,266	5,011
Other	19	16	20	18	73	(14)	(13)	(15)	(16)	(58)	Other	5	3	5	2	15
Eliminations	(995)	(1,010)	(1,017)	(1,052)	(4,074)	143	156	152	159	610	Eliminations	(852)	(854)	(865)	(893)	(3,464)
Total	5,811	5,862	5,977	6,038	23,688	0	0	0	0	0	Total	5,811	5,862	5,977	6,038	23,688
EBITDA^{3,4}											EBITDA^{3,4}					
BT Global Services	213	226	261	347	1,047	(131)	(111)	(111)	(129)	(482)	Global Services	82	115	150	218	565
BT Business	240	258	266	277	1,041	165	138	142	160	605	Business and Public Sector	405	396	408	437	1,646
BT Consumer	238	225	251	317	1,031	4	3	4	4	15	Consumer	242	228	255	321	1,046
EE	335	339	449	348	1,471	(102)	(110)	(117)	(117)	(446)	EE	233	229	332	231	1,025
BT Wholesale	126	125	136	174	561	67	83	91	88	329	Wholesale and Ventures	193	208	227	262	890
Openreach	624	627	651	698	2,600	3	2	3	2	10	Openreach	627	629	654	700	2,610
Other	(6)	(11)	2	6	(9)	(6)	(5)	(12)	(8)	(31)	Other	(12)	(16)	(10)	(2)	(40)
Total	1,770	1,789	2,016	2,167	7,742	0	0	0	0	0	Total	1,770	1,789	2,016	2,167	7,742
Capex^{4,5}											Capex^{4,5}					
BT Global Services	106	116	121	125	468	(9)	(18)	(15)	(12)	(54)	Global Services	97	98	106	113	414
BT Business	24	32	42	89	187	17	23	13	(36)	17	Business and Public Sector	41	55	55	53	204
BT Consumer	39	52	47	69	207	1	2	1	1	5	Consumer	40	54	48	70	212
EE	125	130	184	108	547	(19)	(19)	(27)	(17)	(82)	EE	106	111	157	91	465
BT Wholesale	53	53	49	55	210	10	12	28	64	114	Wholesale and Ventures	63	65	77	119	324
Openreach	258	246	300	278	1,082	0	0	0	0	0	Openreach	258	246	300	278	1,082
Other	36	34	40	62	172	0	0	0	0	0	Other	36	34	40	62	172
Total	641	663	783	786	2,873	0	0	0	0	0	Total	641	663	783	786	2,873

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