



BT Group

A better BT for all of us

BT Group plc FY25



Forward looking statements caution

Certain information included in this announcement is forward looking and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward looking statements. Forward looking statements cover all matters which are not historical facts and include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations. Forward looking statements can be identified by the use of forward looking terminology, including terms such as 'believes', 'estimates', 'anticipates', 'expects', 'forecasts', 'intends', 'plans', 'projects', 'goal', 'target', 'aim', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology. Forward looking statements in this announcement are not guarantees of future performance. All forward looking statements in this announcement are based upon information known to the Company on the date of this announcement.

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Who we are and what we sell to our customers

openreach



BT Group

	openreach	Consumer	Business	BT Group
Revenue	£6.2bn	£9.7bn	£7.8bn	£20.3bn
UK Service Revenue	£6.2bn	£7.9bn	£4.8bn	£15.6bn
EBITDA	£4.0bn	£2.6bn	£1.5bn	£8.2bn
Customers	Communication Providers	UK consumers	UK SMB ¹ , Corporates, Public Sector, Comms. Providers, MNCs ²	
Products	Fibre and copper broadband, voice, Ethernet	Mobile, voice lines, broadband, TV, TNT Sport	Broadband, networking, voice, mobile, IT services, Ethernet Secure multi-cloud access, security and vertical solutions	

Revenue and EBITDA adjusted for specific items.

¹ Small medium business, ² Multinational customers

A better BT for all of us

Why we're here

We connect for good

Who we'll become

The **UK's most trusted connector** of people, business and society

How we'll succeed

Build

the best, most trusted
digital networks

Connect

customers so they thrive,
as we grow, in a digital world

Accelerate

our modernisation to restore
leadership in everything we do

Delivering for all

Most satisfied and loyal
customers

Most engaged and
empowered **colleagues**

Positively impacting
the **country**

Generating superior
returns for our **owners**

Our financial commitments FY26-30

**UK service revenue
growth from FY27**

**EBITDA growth
ahead of revenue**

**NFCF CAGR ~20%
to £3bn**

Strong delivery against our strategy

Record FTTP build | 4.3m premises passed, footprint now 18.1m

Record FTTP take-up | 1.8m customers connected, base now 6.5m

Best mobile network | 11th year in a row with RootMetrics

Improved customer service | NPS up 4.7pts to 29.5pts

Transformation benefits ahead of plan | £913m cost savings achieved

Sharpened focus | Sale of assets in Ireland and Italy

Growth in both EBITDA and NCF | NCF up £0.3bn to £1.6bn

Increased full year dividend | up 2% to 8.16 pence per share

Guidance confirmed | NCF £2bn in FY27 and £3bn in FY30



How we'll succeed

Build

Connect

Accelerate

Build the best, most trusted digital networks

- 1** The best **FTTP** everywhere in the UK
- 2** The best, most resilient **mobile** network
- 3** The only seamless, **connectivity**, using all our assets
- 4** Leadership in network **innovation** for the country

Connect customers so they thrive, as we grow, in a digital world

- 5** The most loved and trusted **brands**
- 6** The best **connectivity** products for life and work
- 7** The most effortless, personalised **experiences**
- 8** The best **partners** for solutions beyond connectivity

Accelerate our modernisation to restore leadership in everything we do

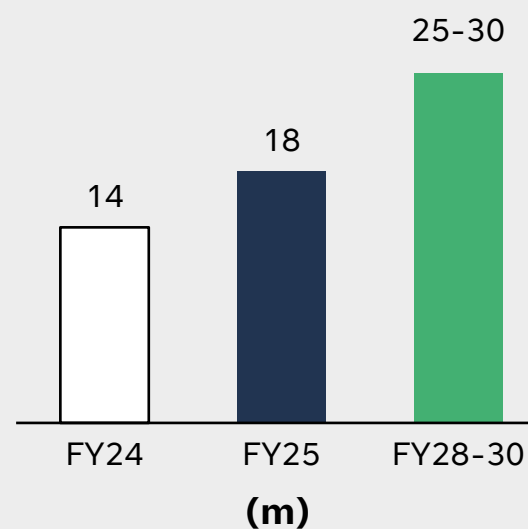
- 9** One team with a customer-first, delivery **culture**
- 10** A radically simpler **portfolio, products** and **platforms**
- 11** **IT**, enabled by **data** and **AI** as a real competitive advantage
- 12** Trusted leader for digital **inclusion, resilience** and **sustainability**

Openreach | Levers to sustainable growth and strong returns

Building FTTP at pace

Unrivalled national reach for our customers

Best-in-class build costs through scale

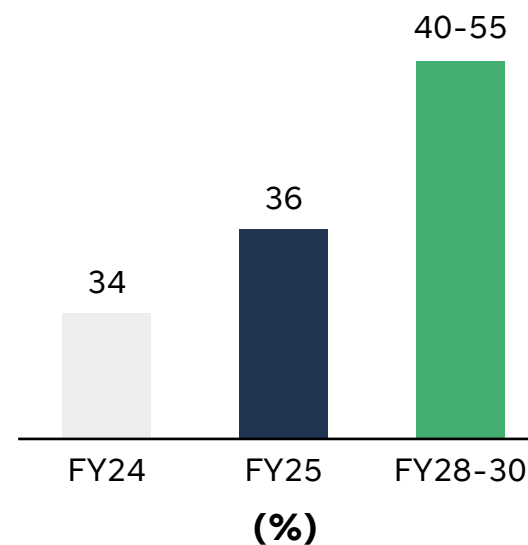


Accelerating FTTP take up

Protect our base to limit line losses

Grow ARPU through indexation and mix

Achieve best-in-class provision costs as uptake grows

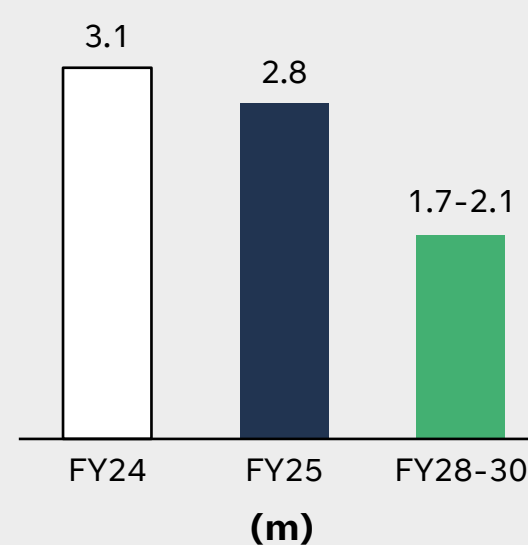


Reducing repair volumes

Move to FTTP which has structurally lower faults

Reduce run cost of all fixed networks

Increase Communications Providers' (CPs) end customer satisfaction

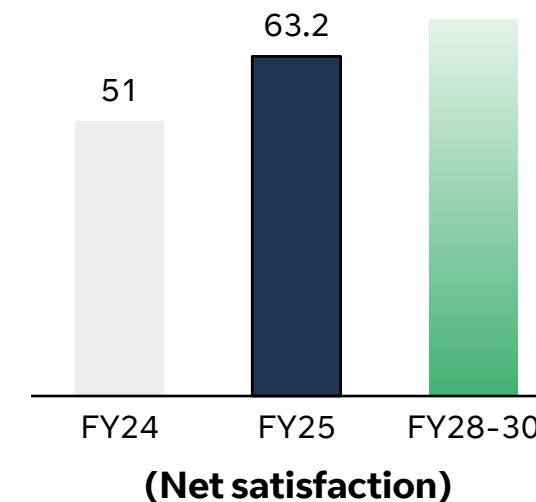


Excelling at customer service

Build on proven wholesale relationships

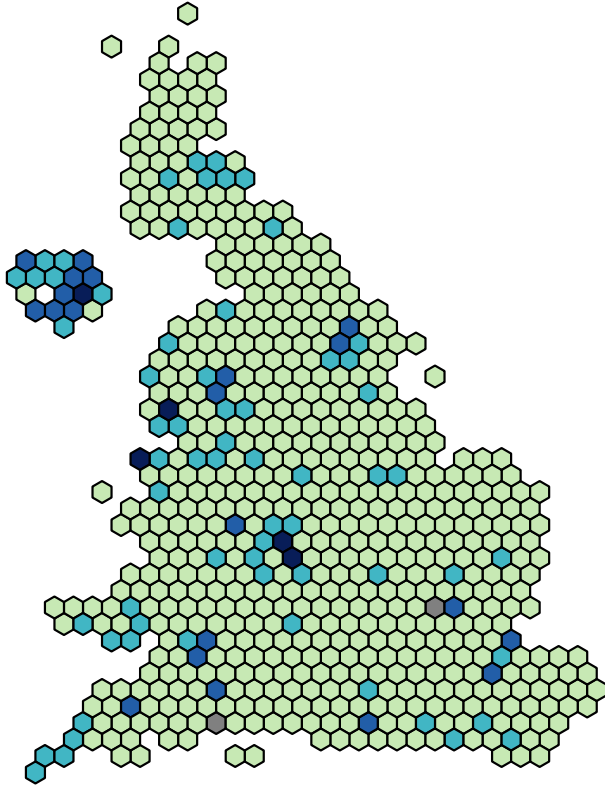
Help our CPs manage the migration from copper to fibre

Maintain ARPU premium through superior network quality



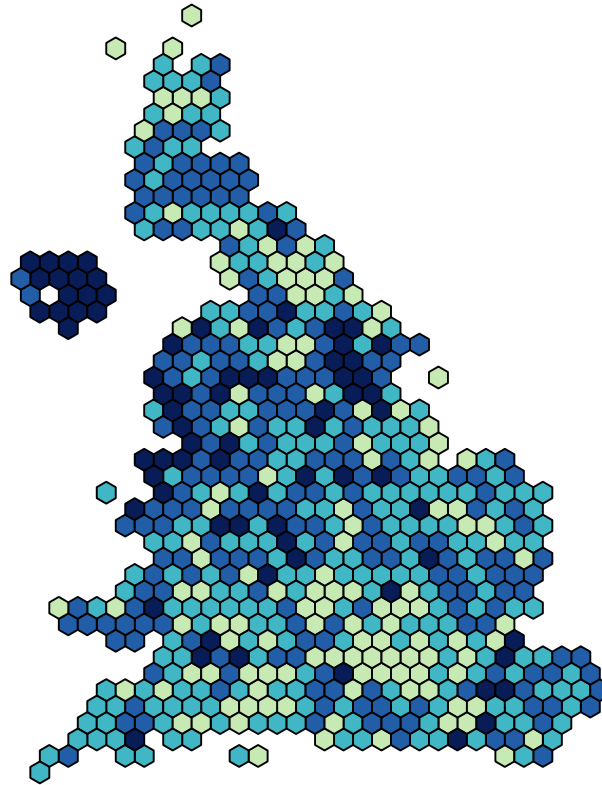
Openreach | Accelerating the build to 5 million premises in FY26

Footprint January 2021



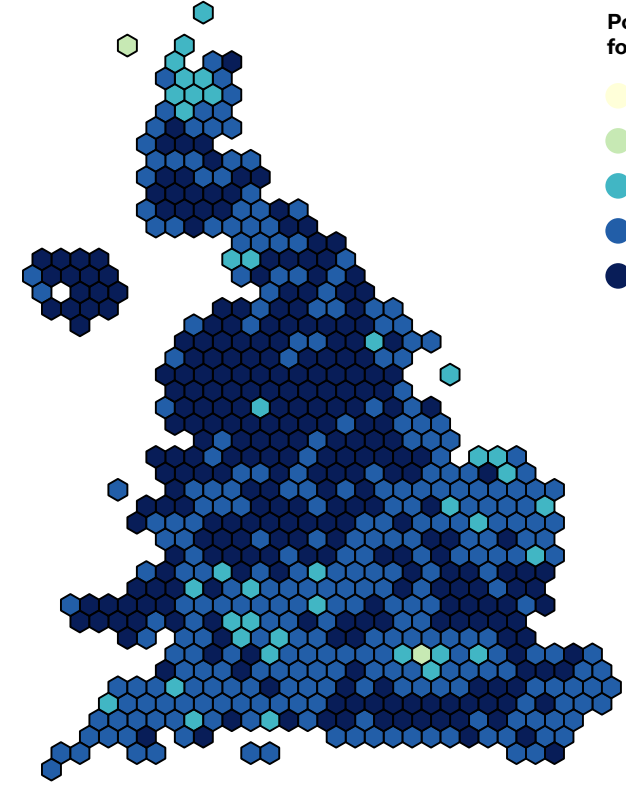
0.8m FTTP premises passed

Footprint March 2025



18.1m FTTP premises passed

Footprint December 2026



25m FTTP premises passed

Population weighted footprint

- None
- Up to 25%
- 25% - 50%
- 50% - 75%
- 75% - 100%

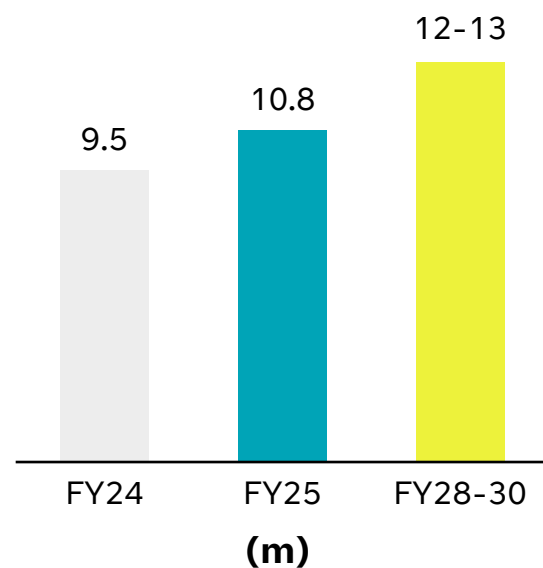
Consumer | Levers to sustainable growth

Growing the 5G base

Continue UK mobile network leadership

Grow ARPU via propositions and mix

Increase mobile penetration per household



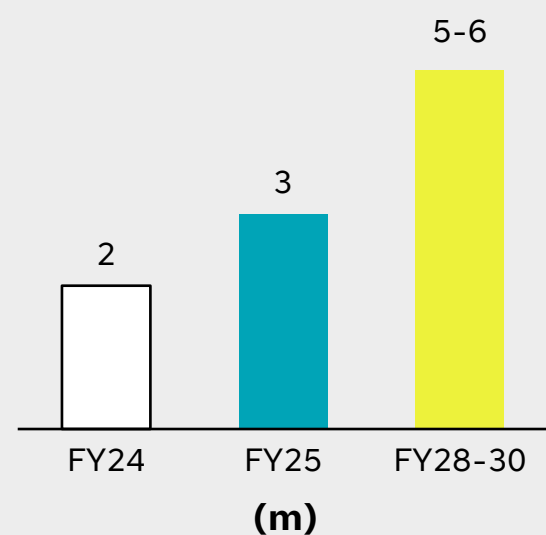
Building the FTTP base

Grow share in new FTTP footprint

Migrate base to FTTP to reduce churn

Offer the best in-home WiFi experience

Compete with all three brands

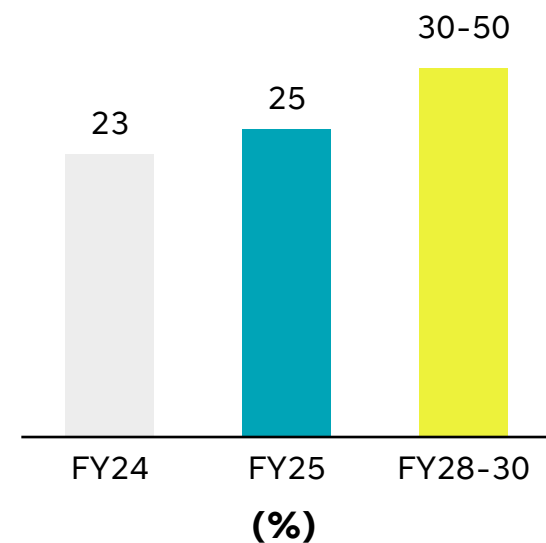


Growing converged households

Leverage the UK's largest mobile and broadband customer base

Strengthen our converged propositions

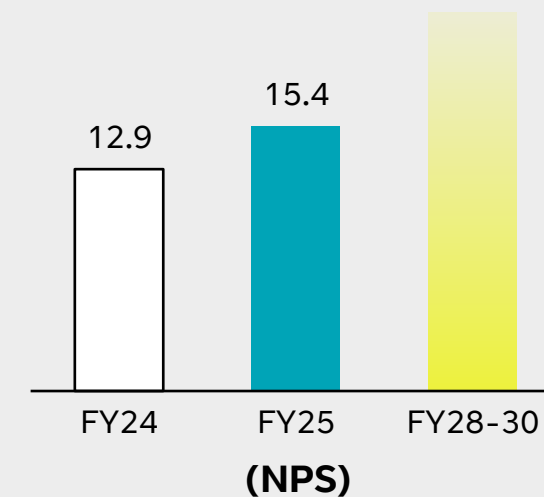
Increase customer lifetime value



Excelling at customer experience

Expand digital capabilities and tools

Address customer issues to reduce cost and churn



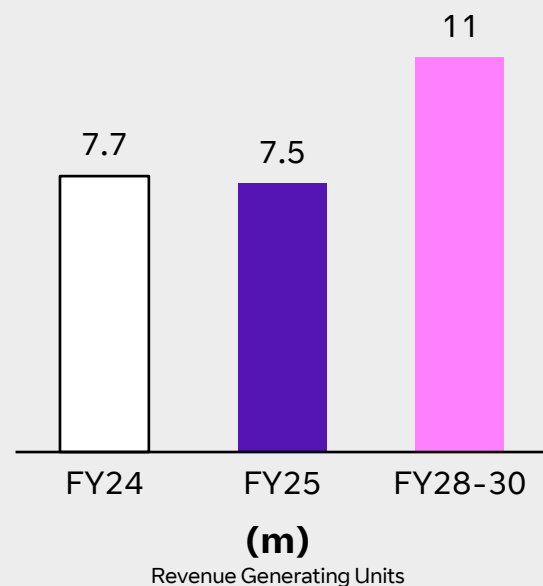
Business | Levers to growth and transformation

Growing UK customer base

Maintain position in SMB and Corporate and Public Sector

Grow in industries with low shares

Create opportunities to cross sell our products

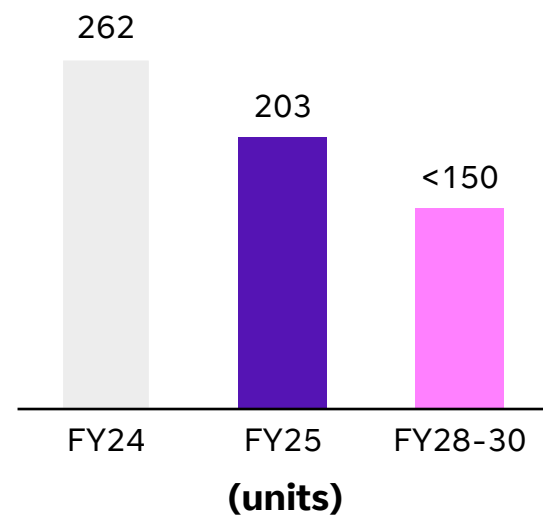


Simplifying the portfolio

Offer the latest secure, reliable modern products

Make products simple for customers and colleagues

Reduce cost of complexity in sales and service

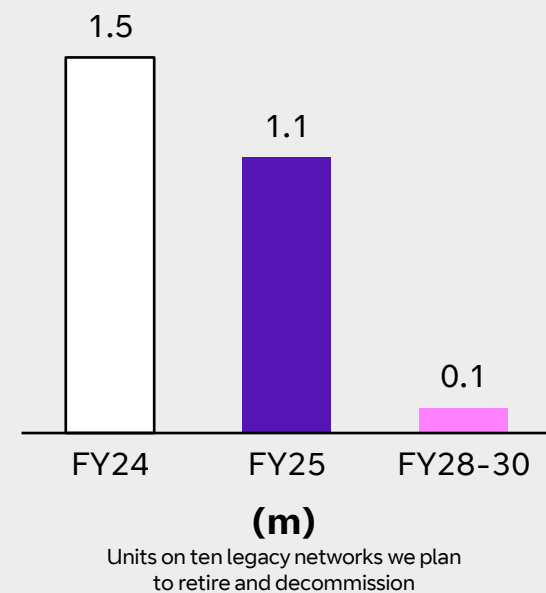


Migrating off legacy

Put every customer on the latest products

Reduce run costs in legacy IT systems

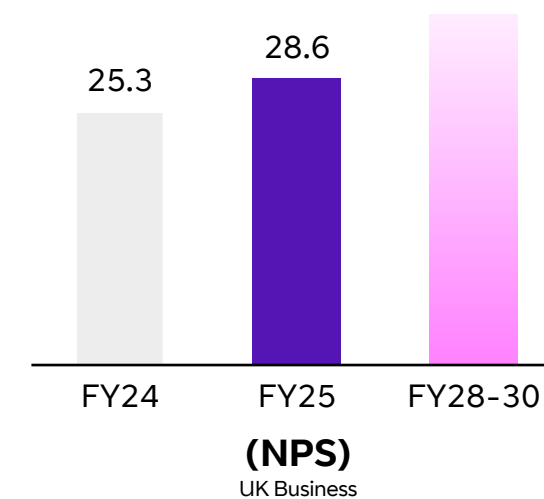
Enable shut-down of networks and buildings



Excelling at customer experience

Improve satisfaction and remove reasons to churn

Lower provision and service cost with digital tools and channels



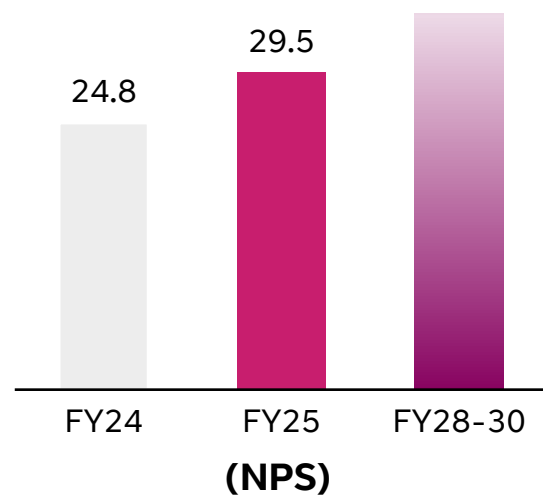
Group | Accelerating our transformation

Excelling at customer service

Reduce fault rates and service issues

Equip our agents with new tools and platforms

Increase share of interactions on digital channels

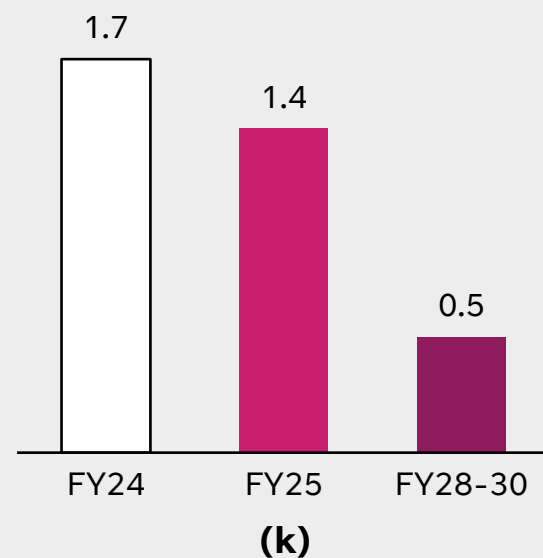


Closing business applications

Standardise our product and IT platform estate

Migrate to new products and platforms

Close legacy IT

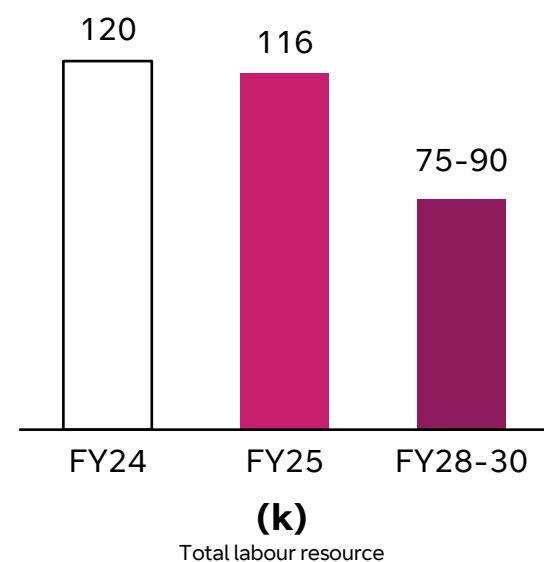


Reducing workforce

Complete the FTTP build

Automate processes and deploy AI

Simplify our organisation



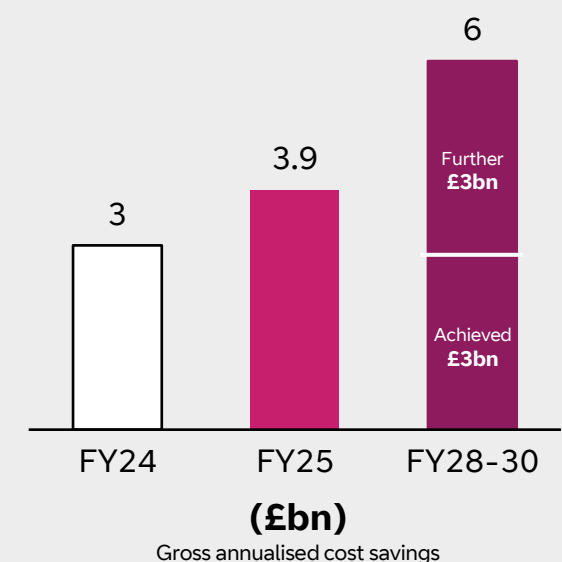
Delivering cost benefits

Shut-down legacy IT, networks and buildings

Drive digital channel share in sales and service

Move to modern, standardised, scalable products

Rightsize organisation after FTTP build



Group | Optimise the business portfolio and capital allocation

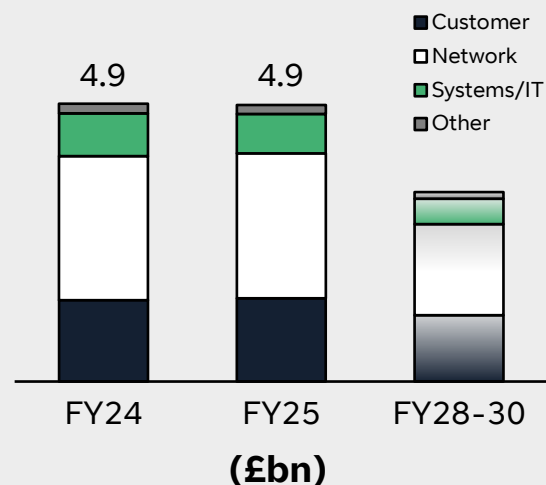
Invest for growth in value

Build next generation digital networks at low cost with high utilisation

Transform IT estate

Optimise or divest non-core operations

Capex

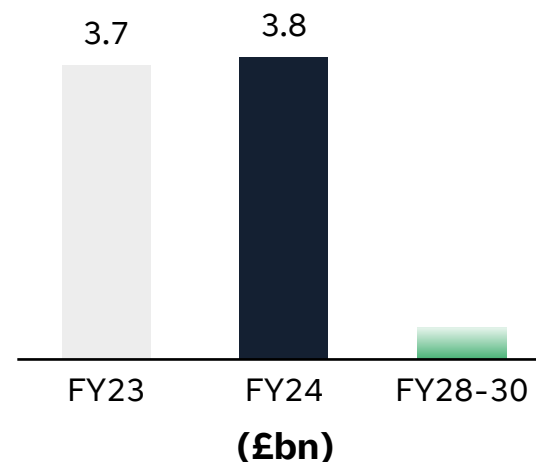


Support the pension fund

Enduring settlement in place since 2020

On track to be fully funded by 2030

Pension deficit



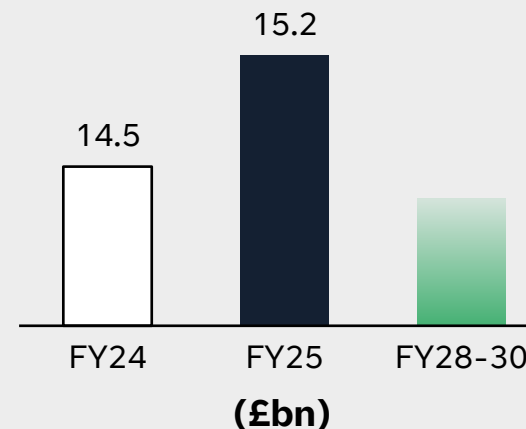
Funding valuation deficit as at 30 June 2023 and roll forward valuation as at 30 June 2024

Maintain strong balance sheet

Target BBB+ through the cycle credit rating

Optimise cost of debt through changing market conditions

Net financial debt



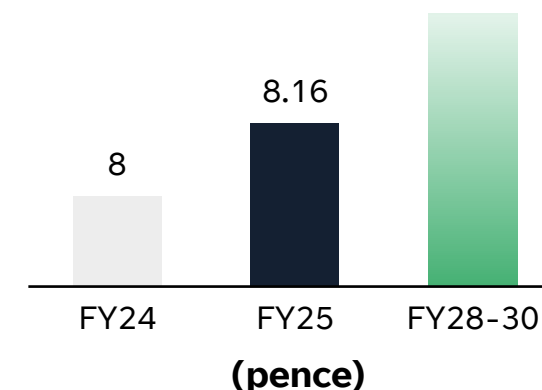
Net financial debt excluding leases

Returns to shareholders

Progressive dividends

Capital appreciation

Dividend per share



Outlook | Path to substantially normalised higher free cash flow

	FY26	End of Decade
Total Revenue	~£20bn	Sustained growth from FY27
UK Service Revenue	£15.3bn-15.6bn	Sustained growth from FY27
Adjusted EBITDA ¹	£8.2bn-8.3bn	Consistent and predictable growth ahead of revenue enhanced by cost transformation
Reported capex ²	~£5.0bn	Reduces by >£1bn post FY26 level
Normalised free cash flow ³	~£1.5bn	~£2.0bn in FY27 ~£3.0bn by end of decade
Dividend	Progressive	Progressive

1. Before specific items; 2. Excluding spectrum payments; 3. After net interest paid and payment of lease liabilities, before pension deficit payments (including the cash tax benefit of pension deficit payments) and specific items.

Annex

Openreach | Record FTTP build and take-up; EBITDA growth ahead of revenue

FTTP footprint now reaches
54% of UK premises

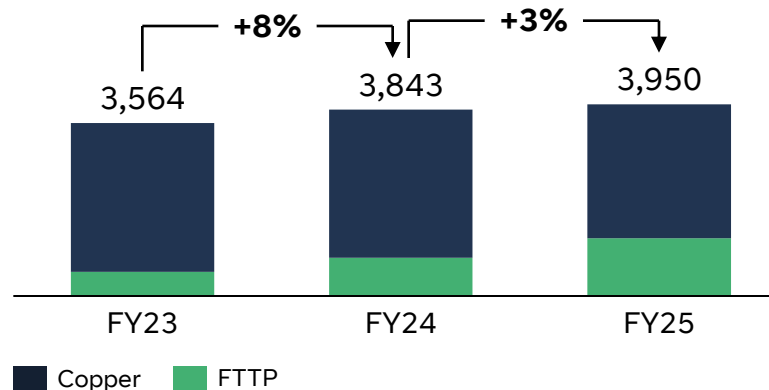
FTTP take-up remains
market-leading at **36%**

FTTP unit cost remains at lower
end of **£250-£350 range**

Excellent service levels: Ofcom
QoS standards - 30/30 Copper 5/5
Ethernet; 'Excellent' Trustpilot rating

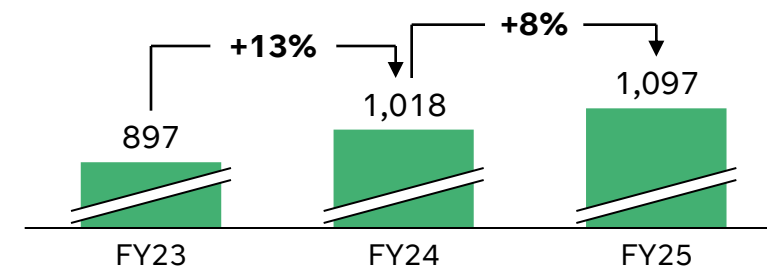
More than £700m BDUK funding won

**Broadband
Revenue (£m)**



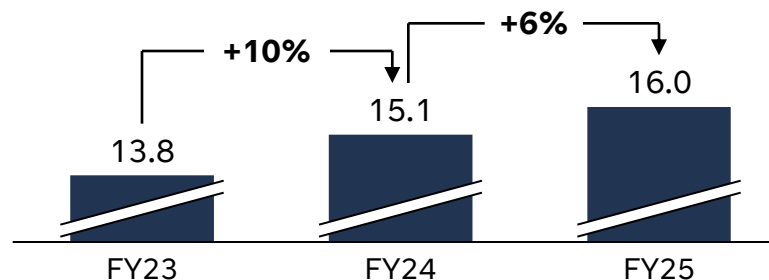
Base (k)		
21,417	20,962	20,099

**Ethernet
Revenue (£m)**

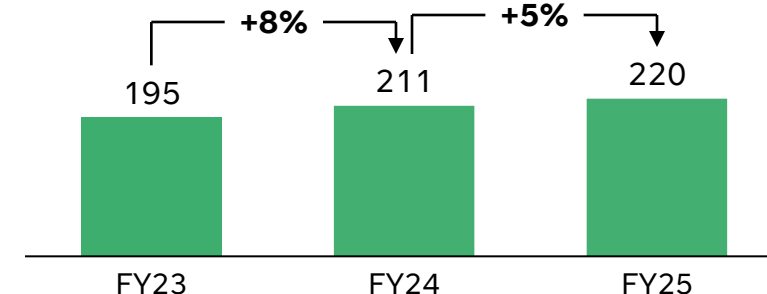


Base (k)		
394	410	419

ARPU (£)



ARPU (£)



Consumer | Trading well through pricing headwinds, with improving NPS and stabilised base

FTTP connections **up 32%**

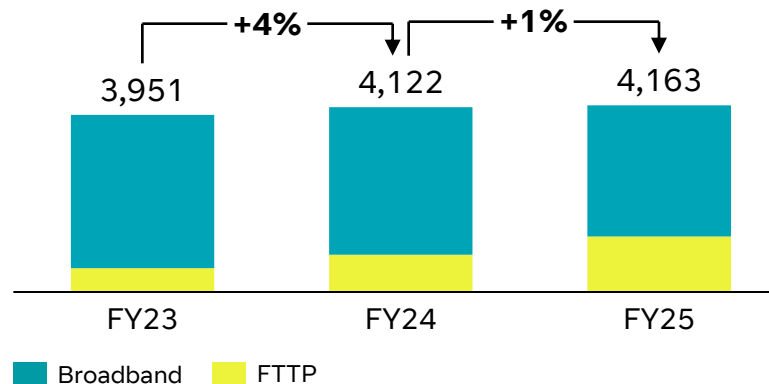
5G connections **up 10%**

Converged base **up 2pp to 25%**

RootMetrics Best Network for
the **11th year**

NPS improved in all three brands

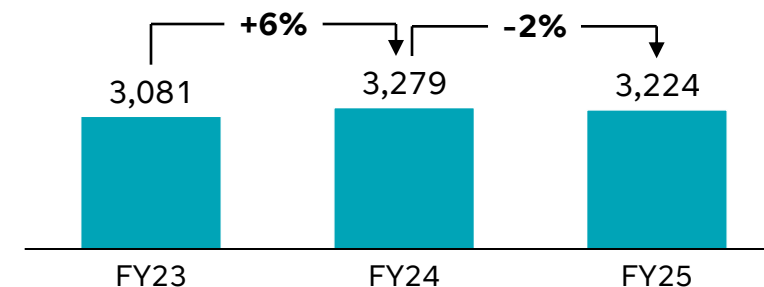
Broadband
Revenue (£m)



Base (k)

Fiscal Year	Base (k)
FY23	8,373
FY24	8,283
FY25	8,198

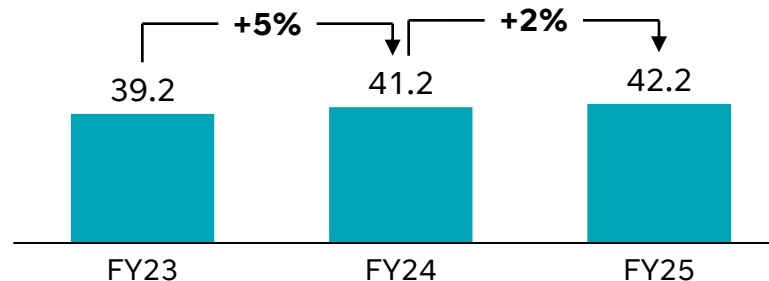
Postpaid Mobile
Revenue (£m)



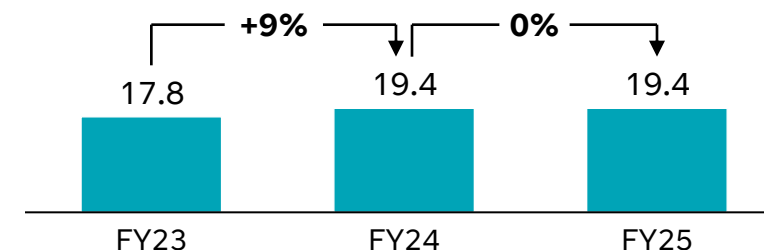
Base (k)

Fiscal Year	Base (k)
FY23	14,307
FY24	13,859
FY25	13,863

ARPU (£)



ARPU (£)



Business | Separation into UK and International will sharpen focus and transformation

UK relatively stable, with drag from legacy voice and portfolio businesses

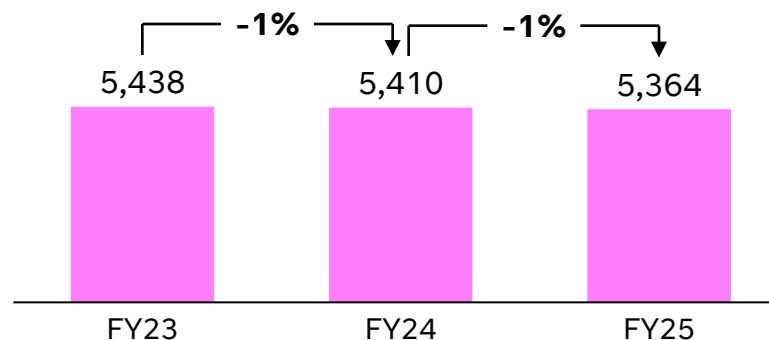
FTTP connections **up 39%** and 5G connections **up 49%**

Portfolio rationalisation continues with sale of assets in Ireland and Italy

UK NPS improved by 3.3pts to +28.6

UK Revenue (£m)

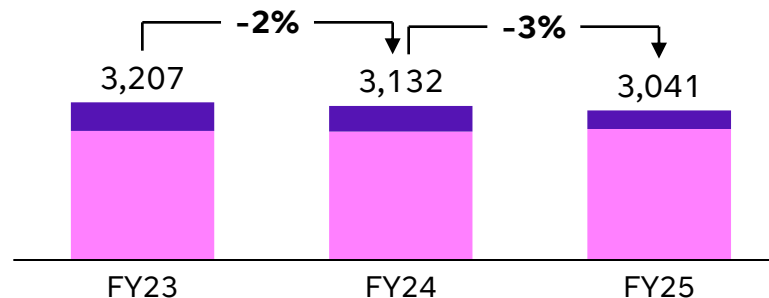
excluding Global and International Portfolio



UK Revenue Generating Units (k)

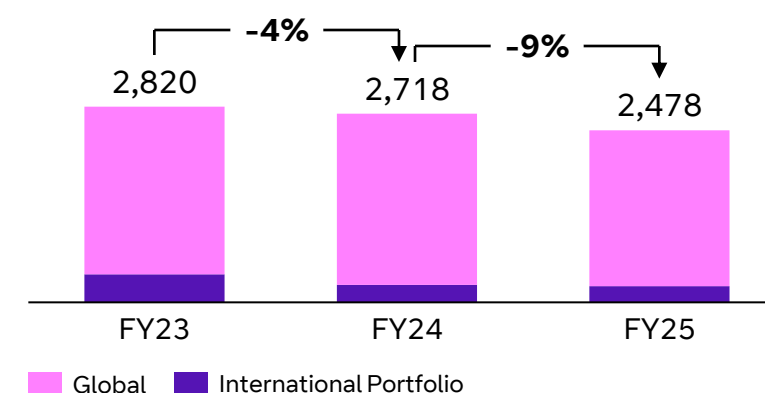
Fiscal Year	UK Revenue Generating Units (k)
FY23	7,815
FY24	7,666
FY25	7,545

UK Connectivity (£m)



Traditional Voice Other Products

International Revenue (£m)



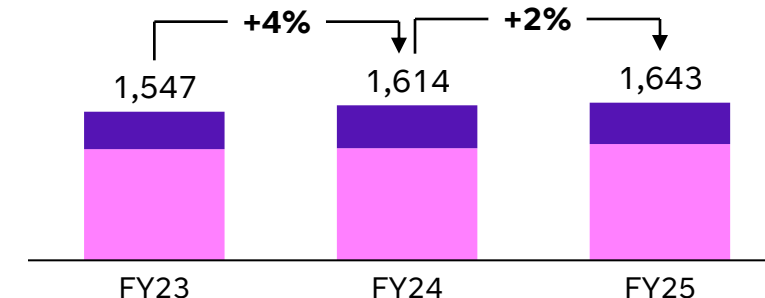
Global International Portfolio

Units on legacy networks (k)

Relates to ten networks planned for decommissioning

Fiscal Year	Units on legacy networks (k)
FY23	2,412
FY24	1,512
FY25	1,076

UK Managed Services (£m)



Security Managed Services

Strategic KPIs

Build

the best, most trusted digital networks

Connect

Customers so they thrive, as we grow, in a digital world

Accelerate

our modernisation to restore leadership in everything we do

	Actuals		Future BT Group
	FY24	FY25	FY28-FY30
Openreach FTTP premises passed	13.8m	18.1m	25m-30m
Openreach FTTP take up	34%	36%	40-55%
5G UK population coverage	75%	85%	>98%
Retail FTTP take-up	2.6m	3.4m	6.5m-8.5m
5G connections	11.4	13.2	13.0-14.5
Convergence households	23%	25%	30-50%
Group NPS	+24.8	+29.5	+30.0-35.0
Units on legacy networks	6.5m	4.2m	<500k
Total headcount	120k	116k	75k-90k
Number of Business products	262	203	150
Number of applications	1,729	1,400	500

Note: Retail FTTP and 5G are combined Consumer and Business connections; FY24 Group NPS revised to reflect FY25 baseline

Strategic KPIs Definitions

Build

the best, most trusted digital networks

Connect

Customers so they thrive, as we grow, in a digital world

Accelerate

our modernisation to restore leadership in everything we do

Metric	Definition
Openreach FTTP premises passed	Total Openreach premises passed
Openreach FTTP take up	% Openreach FTTP take up - Openreach connections as proportion of Openreach premises passed
5G UK population coverage	Population coverage of 5G network based on postcode
Retail FTTP take-up	Enterprise and Consumer customers on FTTP
5G connections	5G customers (SIM + Handset or SIMO)
Convergence households	% of total Consumer households (excl. solus voice) that have either EE or BT broadband and PAYM mobile
Group NPS	BT Group net promoter score
Units on legacy networks	Number of unique users or circuits run over legacy networks
Total headcount	Total number of full time equivalent employees plus implied (derived from cost) sub contractors
Number of Business products	Number of discrete products offered across the Business portfolio
Number of applications	Number of individual IT applications run across BT Group estate