

BT Pre Q4 2014/15 Consensus

£m unless stated	2014/15 Q4 Consensus				2014/15 Full Year Consensus				2015/16 Full Year Consensus				2016/17 Full Year Consensus				2017/18 Full Year Consensus			
	Mean	Median	High	Low	Mean	Median	High	Low	Mean	Median	High	Low	Mean	Median	High	Low	Mean	Median	High	Low
Revenue ¹																				
BT Global Services	1,841	1,844			6,831	6,834			6,775	6,759			6,828	6,910			6,894	6,958		
BT Business	806	806			3,146	3,146			3,140	3,144			3,153	3,162			3,197	3,197		
BT Consumer	1,118	1,119			4,303	4,304			4,547	4,550			4,773	4,766			4,951	4,947		
BT Wholesale	536	535			2,122	2,121			2,066	2,064			2,039	2,033			2,032	2,015		
Openreach	1,263	1,264			5,008	5,008			5,049	5,050			5,098	5,100			5,133	5,174		
Other	23	20			78	75			72	80			58	70			63	70		
Eliminations	(902)	(899)			(3,591)	(3,588)			(3,586)	(3,593)			(3,603)	(3,600)			(3,628)	(3,610)		
Total	4,685	4,677	4,759	4,625	17,897	17,888	17,971	17,837	18,063	18,042	18,270	17,913	18,346	18,347	18,709	18,108	18,642	18,663	19,150	18,232
Change in U/L ex transit (%)					(0.2)				1.0				1.6				1.5			
EBITDA ¹																				
BT Global Services	344	346			1,044	1,046			1,085	1,095			1,141	1,134			1,188	1,157		
BT Business	275	273			1,039	1,037			1,048	1,048			1,067	1,069			1,095	1,101		
BT Consumer	313	314			1,027	1,028			969	983			1,018	1,020			1,114	1,115		
BT Wholesale	142	143			529	530			524	525			516	520			519	529		
Openreach	694	692			2,596	2,594			2,636	2,637			2,665	2,670			2,687	2,709		
Other	1	0			(14)	(15)			(3)	(15)			(16)	(16)			(18)	(17)		
Total	1,769	1,770	1,794	1,717	6,221	6,222	6,246	6,169	6,259	6,268	6,411	6,093	6,391	6,429	6,630	6,001	6,585	6,581	6,907	6,395
Depreciation and amortisation	(629)	(631)			(2,517)	(2,519)			(2,505)	(2,479)			(2,438)	(2,440)			(2,408)	(2,420)		
Operating profit ¹	1,140	1,145			3,704	3,709			3,754	3,804			3,953	3,956			4,177	4,175		
Net finance expense	(142)	(141)			(564)	(563)			(513)	(520)			(459)	(476)			(389)	(400)		
Share of post tax profits/losses of associates & joint ventures	(1)	0			(1)	0			(1)	0			(1)	0			0	0		
Profit before tax ¹	997	1,000	1,017	949	3,139	3,142	3,159	3,091	3,240	3,292	3,450	2,693	3,493	3,525	3,755	2,959	3,788	3,753	4,092	3,598
Specific items	(79)	(79)			(200)	(200)			(74)	(55)			(67)	(50)			(68)	(50)		
Net interest on pensions	(72)	(72)			(290)	(290)			(246)	(279)			(245)	(268)			(266)	(280)		
Total specific items: net gains (losses)	(151)	(151)			(490)	(490)			(320)	(335)			(312)	(315)			(334)	(340)		
Reported profit before tax ¹	846	857			2,649	2,660			2,920	2,942			3,181	3,239			3,454	3,485		
Tax - excluding specific items	(201)	(201)			(627)	(627)			(649)	(656)			(705)	(705)			(763)	(755)		
Tax on specific items	24	30			92	98			59	67			60	62			64	68		
Tax rate	20.2%	20.2%			20.0%	20.0%			20.0%	20.0%			20.2%	20.0%			20.1%	20.0%		
Memo: Minorities	0	0			0	0			0	0			0	0			0	0		
Net income	669	674			2,114	2,119			2,330	2,360			2,536	2,605			2,755	2,794		
EPS ¹ (p)	9.7	9.8			31.1	31.2			31.3	31.8			33.9	34.4			36.8	37.0		
Reported EPS (p)	8.2	8.3			26.2	26.4			28.2	28.7			30.9	31.5			33.6	33.7		
Dividend per share (p)	8.5	8.5			12.4	12.4			14.1	14.1			15.6	15.6			17.1	17.1		
Average number of shares in issue (m)	8,192	8,166			8,074	8,049			8,273	8,232			8,219	8,206			8,209	8,220		
Group free cash flow																				
EBITDA ¹	1,769	1,770			6,221	6,222			6,259	6,268			6,391	6,429			6,585	6,581		
Capital expenditure	(674)	(669)			(2,293)	(2,288)			(2,325)	(2,321)			(2,349)	(2,341)			(2,337)	(2,352)		
Interest	(101)	(100)			(576)	(575)			(509)	(519)			(456)	(466)			(385)	(400)		
Tax (excluding cash tax benefit of pension deficit payment)	(95)	(86)			(434)	(425)			(623)	(630)			(672)	(668)			(734)	(723)		
Change in working capital	310	299			(303)	(315)			(140)	(130)			(59)	(57)			(47)	(43)		
Other	(86)	(82)			71	75			39	30			26	25			27	20		
Normalised free cash flow ²	1,123	1,121			2,686	2,684			2,701	2,720			2,881	2,914			3,109	3,059		
Cash tax benefit of pension deficit payments	59	53			112	106			201	200			103	115			116	135		
Free cash flow ¹	1,182	1,175			2,798	2,791			2,902	2,914			2,984	3,007			3,225	3,197		
Specific items	(61)	(50)			(212)	(201)			(125)	(100)			(108)	(85)			(93)	(70)		
Reported free cash flow	1,121	1,117			2,586	2,582			2,777	2,774			2,876	2,941			3,132	3,136		
Gross pension deficit payment	(834)	(850)			(834)	(850)			(894)	(900)			(250)	(250)			(639)	(688)		
Free cash flow (post pension deficit payments)	287	255			1,752	1,720			1,883	1,920			2,626	2,691			2,493	2,448		
Net debt	6,082	6,274			6,082	6,274			5,791	5,631			4,199	4,474			3,093	3,585		

¹ before specific items

² before specific items, pension deficit payments and the cash tax benefit of pension deficit payments