FY26 Additional Investor Relations Data

Debt maturities

Net financial debt (excluding leases) was £15.8bn at 31 March 2026

Cash and current investments of £1.8bn at 31 March 2026

Undrawn revolving credit facility of £2.1bn matures in January 2031

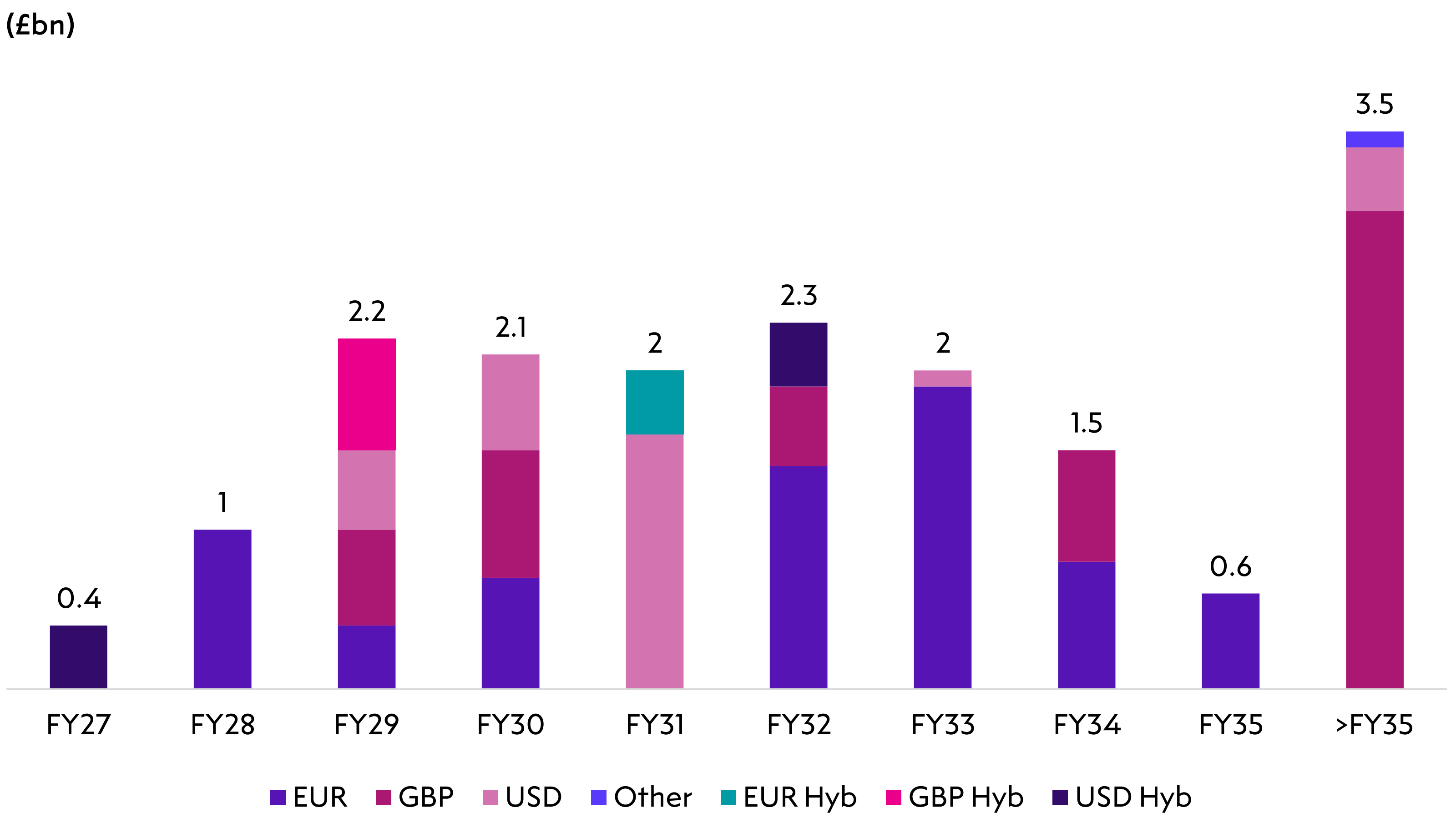
Smooth, long-dated term debt maturity profile. Weighted average debt maturity of ~7yrs

Minimum 70% of debt maintained at fixed rate.

Weighted average cost of debt 5.2%
Board committed to medium-term credit rating target of BBB+, with a minimum rating of BBB.

- Moody's: Baa2, stable outlook
- S&P: BBB, stable outlook
- Fitch: BBB, stable outlook

Term debt maturity profile as at 31 March 2026



Working capital programmes FY25 & FY26

Extract from 'Group KPI's – Cash flow & net debt' tab in H2 2026 KPIs:

	FY25 £m	FY26 £m	Average £m
Total Group EBITDA	8,209	8,230	8,219
Cash interest (includes notional cash interest on leases)	(824)	(932)	(878)
Cash tax (ex cash tax benefit of pension deficit payments)	35	(69)	(17)
Lease payments	(739)	(708)	(724)
Cash capital expenditure	(4,937)	(5,156)	(5,047)
Total	**1,744**	**1,365**	**1,555**
Change in working capital and other	(146)	143	(2)
Of which change in underlying working capital[1]	(214)	(333)	(274)
Of which net working capital programmes	68	476	272
Normalised Free Cash Flow	**1,598**	**1,508**	**1,553**

Net working capital programmes from pg 33 of FY26 results release :

Total net working capital programmes with balancing items:	**68**	**476**	**272**
Copper forward sales	-	99	50
Change in cash capital expenditure[2]	32	(219)	(94)
Handset programmes	169	108	139
Effect of shift from 24-month to 36-month contracts[3]	(101)	(118)	(110)
Bills of exchange	(101)	269	84
Change in underlying working capital[1]	(214)	(333)	(274)

Working capital is a small net inflow in year of £143m, including utilisation of working capital programmes of £476m as follows:

- **Copper forward sales** are used to lock in pricing, realise value in a redundant asset and fund the accelerated fibre build in FY26 as guided

- **Handset programmes** are utilised to neutralise the working capital drag from the transition to longer handset repayment terms (24 months to 36 months)

- **Bills of Exchange (BoE)** are primarily used to equalise payment terms between major handset suppliers to neutralise the working capital impact of handset mix. BoE is a highly flexible facility enabling a secondary use to manage variable working capital receipts. In FY26 we used BoE in both ways: primary to fund handset inventory balance; secondary to balance early receivable inflow and faster inventory drawdown than forecast, in FY25. We will continue to utilise BoE in both ways on a go forward basis to neutralise working capital flows.

[1] KPIs – outflow of £333m FY26 driven by lower trade payables, partly as cost base reduces, higher inventory and contract-related timing impacts in Consumer
[2] KPIs - movement in cash capital expenditure year-on-year
[3] Illustrative only - figures shown for cash impact of 36-month contracts versus 24-month; internal estimates versus the counterfactual