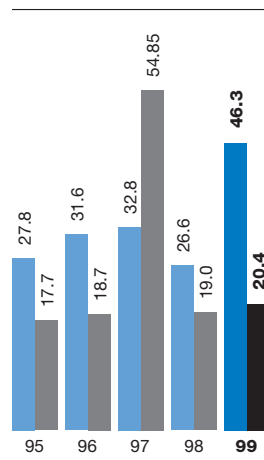


Financial highlights

Earnings and dividends per share (pence)

YEARS ENDED 31 MARCH

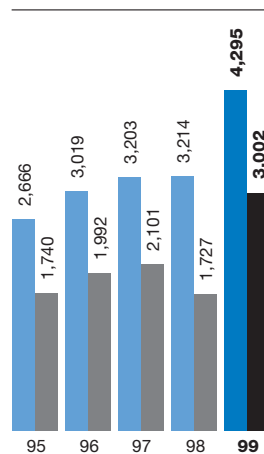


■ Earnings per share
■ Dividends per share

The 1997 dividends included a special dividend of 35 pence per share.

Profit before and after tax (£m)

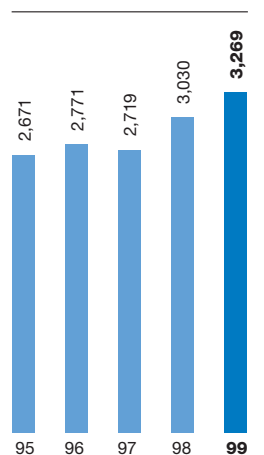
YEARS ENDED 31 MARCH



■ Profit before tax
■ Profit after tax

Capital expenditure (£m)

YEARS ENDED 31 MARCH



YEARS ENDED 31 MARCH	1999	1998	1997
Total turnover			
– ongoing activities	£18,223m	£16,039m	£15,021m
Exceptional operating income (costs)	£(69)m	£238m	–
Total operating profit	£3,474m	£3,461m	£3,429m
Profit on sale of fixed asset investments	£1,107m	–	–
Profit before taxation	£4,295m	£3,214m	£3,203m
Windfall tax charge	–	£510m	–
Profit after taxation	£3,002m	£1,727m	£2,101m
Basic earnings per share	46.3p	26.6p	32.8p
Basic earnings per share before exceptional items	34.7p	31.7p	32.8p
Dividends per share – ordinary	20.4p	19.0p	19.85p
– special	–	–	35.00p
Net cash flow from operating activities	£6,035m	£6,071m	£6,185m
Capital expenditure	£3,269m	£3,030m	£2,719m
Investment in associates and joint ventures	£1,326m	£1,380m	£148m

- Global venture with AT&T announced
- £1.3 billion invested in strategic alliances and joint ventures in Europe and Asia Pacific
- 12 per cent growth in demand for BT's products and services, driven by rapidly-expanding Internet traffic and mobile usage
- BT Cellnet's customer connections up by 1.4 million to 4.5 million
- 7.4 per cent increase in dividends per share
- Net gain of £1,133 million on sale of MCI shares

