

Additional information for shareholders

Analysis of shareholdings	Ordinary shares of 25p each			
	Number of shareholders	Percentage of total	Number of shares held (millions)	Percentage of total
Size of shareholding AT 31 MARCH 1997				
1 – 399	999,480	44.8	220	3.5
400 – 799	650,578	29.1	351	5.5
800 – 1,599	396,146	17.8	433	6.8
1,600 – 9,999	178,972	8.0	469	7.4
10,000 – 99,999	3,833	0.2	98	1.5
100,000 – 999,999	1,661	0.1	576	9.1
1,000,000 – 4,999,999	537	0.0	1,129	17.8
5,000,000 and above (a)(b)(c)	174	0.0	3,079	48.4
Total	2,231,381^(d)	100.0	6,355	100.0^(d)

(a) Under the BT Long Term Remuneration Plan and the BT Performance Share Plan 6.2 million shares were held in trust in respect of contingent awards of shares which have been granted to 755 participants in the two plans.

(b) Under the BT Employee Share Ownership Scheme 23.2 million shares were held in trust on behalf of 145,967 participants who were beneficially entitled to the shares.

(c) Approximately 114 million shares were represented by American Depositary Receipts and a further 15 million shares were held by a nominee of the Tokyo Stock Exchange on behalf of investors. Analysis by size of holding is not available for these holdings.

(d) 22.5% of the shares were in 2,171,510 individual holdings, of which 192,813 were joint holdings, and 77.5% of the shares were in 59,872 institutional holdings.

Listings

BT has a listing on the Stock Exchanges in London, New York and Tokyo.

BT shares are traded on the New York Stock Exchange in the form of American Depositary Shares (ADSs). Each ADS represents ten ordinary shares. Trading on the New York Stock Exchange is under the symbol "BTY".

In Japan, BT shares are traded on the Tokyo Stock Exchange under the code "9484".

CREST: London Stock Exchange settlement system

The company's ordinary shares began settling in CREST, the new computerised system for settling sales and purchases of shares, on 17 March 1997. CREST is a voluntary system which enables shareholders, if they wish, to hold and transfer their shareholdings electronically rather than by paper. Shareholders who wish to retain their certificates are able to do so.

Personal equity plans

Halifax Investment Services Limited (HISL) offer both a BT single company and a corporate personal equity plan. HISL is approved by the Inland Revenue as a plan manager and is regulated by the Investment Management Regulatory Organisation Limited. HISL is a member of the Halifax Group. For information, please contact Halifax Investment Services Limited, Trinity Road, Halifax HX1 2RG, or call **Freefone 0800 371 769**. This information is approved for the purposes of Section 57 of the Financial Services Act 1986 by Halifax Investment Services Limited.

Results announcements

Expected announcements of results:

1st quarter	31 July 1997
2nd quarter and half year	13 November 1997
3rd quarter and nine months	February 1998
4th quarter and full year	May 1998
1998 annual report and accounts published	June 1998

Dividends

The proposed 1997 final dividend, together with a special dividend of 35 pence per share (net), will be paid on 22 September to shareholders on the register on 15 August 1997. In the event that the merger with MCI is completed before 15 August 1997, alternative arrangements for the final and special dividends will be made.

The expected dividend payment dates in 1998 are:

1998 interim dividend payable	February 1998
1998 final dividend payable	September 1998

Form 20-F

The company will file an annual report on Form 20-F with the Securities and Exchange Commission in the USA, by 30 September 1997.

Regulatory financial statements

The company will publish historical cost Financial Statements for the Businesses and Activities and Current Cost Financial Statements for the year ended 31 March 1997, as required by Oftel, by 31 July 1997 and 30 September 1997, respectively.

Copies of the Form 20-F, the Financial Statements for the Business and Activities, the Current Cost Financial Statements and details of quarterly results announcements, when available, may be obtained on request from the BT Shareholder Helpline provided by the company's Registrar, see page 71 for details.

The Registrar

Lloyds Bank Registrars (450)
The Causeway
Worthing, West Sussex
BN99 6DA, England

BT Shareholder Helpline

Tel **Lo-call 0345 41 41 41**
Fax (01903) 833062
From overseas:
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When you use one of BT's **Lo-call 0345** numbers from anywhere in the UK, you pay only the price of a local call. Different rates apply to calls from non-BT networks.

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Share Handling Agent in Japan

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Koto-Ku, Tokyo 137-81
(Corporate Agency Department)

Tel (03) 5683 5111

Osaka Office:

6-3 Fushimi-machi 3-Chome
Chuo-Ku, Osaka 541
(Corporate Agency Department)

Tel (06) 222 3111

Shareholder enquiries

Lloyds Bank Registrars maintain BT's share register and the separate BT Employee Share Ownership Scheme register. They also provide a BT Shareholder Helpline service.

Shareholders should contact the Registrar (details above) if they have any enquiries about their shareholding.

General enquiries

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This report is available via the BT home page at <http://www.bt.com>