



Pro forma restated historical financial information for BT Group

For the years ended 31 March 2018 and 31 March 2017. Published 25 June 2018.

Sheet 1 [Basis of preparation](#)

From 1 April 2018 we have adopted IFRS 15 on a modified retrospective basis. This means that we have recognised the cumulative impact of adopting IFRS 15 on 1 April 2018 without restating the comparative for periods ended 31 March 2018 and 31 March 2017.

We've prepared pro forma restated results for the years ended 31 March 2018 and 31 March 2017. **The financial statements do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 and have not been audited or reviewed by the independent auditors.**

While BT believes the information contained in this document to be reliable, BT does not warrant the accuracy, completeness or validity of the information, figures or calculations that follow and shall not be liable in any way for loss or damage arising out of the use of the information, or any errors or omissions in its content.

Sheet 2 [Pro forma results](#)

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1. Basis of preparation

Background

BT Group has published revised historical financial information to reflect the impact of IFRS 15 had the group adopted the fully retrospective method from 1 April 2016. At the same time, we have also shown the impact on previously issued financial information as a result of bringing together our BT Consumer and EE customer-facing units from 1 April 2018.

None of the changes have any impact on the previously reported normalised free cash flow at a group level, or capital expenditures.

We have published on our website (www.btplc.com) restated historical financial information to reflect these changes.

On the next page we've provided:

- (i) previously issued financial information; and
- (ii) pro forma information as described above reflecting the impact of IFRS 15 had the fully retrospective method been applied from 1 April 2016 and the new organisational structure as a result of bringing together our BT Consumer and EE customer facing units from 1 April 2018.

Disclaimer

The pro forma results are unaudited and have not been subject to the same level of review which our financial results are usually subject to. The pro forma results are presented to investors and analysts as an indication of trend only. BT is currently finalising the impact of IFRS 15 on the opening balance at 1 April 2018. This will be finalised shortly and is expected to be reported to the market as part of our half year results.

Unaudited

2016/17 Pro forma historical financial information

£m unless otherwise stated	Previously reported under IAS 18					IFRS 15 impact					Pro forma results under IFRS 15				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue¹															
BT Consumer	1,175	1,251	1,262	1,246	4,934	(3)	17	7	0	21	1,172	1,268	1,269	1,246	4,955
EE	1,243	1,277	1,311	1,259	5,090	15	25	46	(12)	74	1,258	1,302	1,357	1,247	5,164
Consumer ²	2,418	2,528	2,573	2,505	10,024	12	42	53	(12)	95	2,430	2,570	2,626	2,493	10,119
Business and Public Sector	1,169	1,177	1,190	1,222	4,758	(4)	1	5	(2)	0	1,165	1,178	1,195	1,220	4,758
Wholesale and Ventures	518	522	528	541	2,109	2	0	(3)	(2)	(3)	520	522	525	539	2,106
Global Services	1,250	1,409	1,398	1,422	5,479	0	0	1	0	1	1,250	1,409	1,399	1,422	5,480
Openreach	1,252	1,273	1,284	1,289	5,098	(16)	(41)	(26)	(31)	(114)	1,236	1,232	1,258	1,258	4,984
Other	3	1	2	4	10	0	0	2	(2)	0	3	1	4	2	10
Eliminations	(835)	(857)	(849)	(855)	(3,396)	9	19	8	10	46	(826)	(838)	(841)	(845)	(3,350)
Total	5,775	6,053	6,126	6,128	24,082	3	21	40	(39)	25	5,778	6,074	6,166	6,089	24,107
EBITDA¹															
BT Consumer	239	252	260	261	1,012	2	23	10	5	40	241	275	270	266	1,052
EE	281	282	277	316	1,156	26	32	56	(25)	89	307	314	333	291	1,245
Consumer ²	520	534	537	577	2,168	28	55	66	(20)	129	548	589	603	557	2,297
Business and Public Sector	357	387	393	391	1,528	(3)	1	6	10	14	354	388	399	401	1,542
Wholesale and Ventures	199	204	211	220	834	5	6	(2)	(6)	3	204	210	209	214	837
Global Services	119	132	40	204	495	2	0	(1)	(2)	(1)	121	132	39	202	494
Openreach	632	630	676	695	2,633	2	(6)	1	(11)	(14)	634	624	677	684	2,619
Other	(9)	1	13	(18)	(13)	2	1	2	2	7	(7)	2	15	(16)	(6)
Total	1,818	1,888	1,870	2,069	7,645	36	57	72	(27)	138	1,854	1,945	1,942	2,042	7,783
Normalised free cash flow¹															
BT Consumer	298	90	162	159	709	(1)	1	(1)	0	(1)	297	91	161	159	708
EE	187	135	141	107	570	0	0	0	0	0	187	135	141	107	570
Consumer ²	485	225	303	266	1,279	(1)	1	(1)	0	(1)	484	226	302	266	1,278
Business and Public Sector	252	306	302	433	1,293	0	1	(2)	2	1	252	307	300	435	1,294
Wholesale and Ventures	134	155	151	147	587	4	5	(1)	(2)	6	138	160	150	145	593
Global Services	(283)	58	(115)	95	(245)	0	(1)	0	1	0	(283)	57	(115)	96	(245)
Openreach	235	456	362	296	1,349	(3)	(6)	4	(1)	(6)	232	450	366	295	1,343
Other	(375)	(306)	(397)	(403)	(1,481)	0	0	0	0	0	(375)	(306)	(397)	(403)	(1,481)
Total	448	894	606	834	2,782	0	0	0	0	0	448	894	606	834	2,782

¹ before specific items

² Consumer is the new customer-facing unit ('CFU') operating from 1 April 2018, which is the combination of the BT Consumer and EE CFUs.

Unaudited

2017/18 Pro forma historical financial information

£m unless otherwise stated	Previously reported under IAS 18					IFRS 15 impact					Pro forma results under IFRS 15				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue¹															
BT Consumer	1,255	1,261	1,261	1,289	5,066	(2)	(10)	(8)	(7)	(27)	1,253	1,251	1,253	1,282	5,039
EE	1,291	1,326	1,357	1,320	5,294	(4)	10	70	(30)	46	1,287	1,336	1,427	1,290	5,340
Consumer ²	2,546	2,587	2,618	2,609	10,360	(6)	0	62	(37)	19	2,540	2,587	2,680	2,572	10,379
Business and Public Sector	1,128	1,153	1,125	1,157	4,563	4	(10)	2	(10)	(14)	1,132	1,143	1,127	1,147	4,549
Wholesale and Ventures	492	505	506	506	2,009	5	5	3	7	20	497	510	509	513	2,029
Global Services	1,244	1,262	1,266	1,241	5,013	2	3	(1)	2	6	1,246	1,265	1,265	1,243	5,019
Openreach	1,267	1,281	1,286	1,289	5,123	(19)	(20)	53	(7)	7	1,248	1,261	1,339	1,282	5,130
Other	4	3	1	0	8	(2)	1	1	2	2	2	4	2	2	10
Eliminations	(832)	(840)	(823)	(835)	(3,330)	2	5	(34)	2	(25)	(830)	(835)	(857)	(833)	(3,355)
Total	5,849	5,951	5,979	5,967	23,746	(14)	(16)	86	(41)	15	5,835	5,935	6,065	5,926	23,761
EBITDA¹															
BT Consumer	233	245	250	295	1,023	(1)	(9)	(29)	2	(37)	232	236	221	297	986
EE	335	326	259	433	1,353	(11)	13	78	(50)	30	324	339	337	383	1,383
Consumer ²	568	571	509	728	2,376	(12)	4	49	(48)	(7)	556	575	558	680	2,369
Business and Public Sector	336	358	362	362	1,418	6	(4)	(7)	(13)	(18)	342	354	355	349	1,400
Wholesale and Ventures	174	187	189	204	754	0	3	(7)	5	1	174	190	182	209	755
Global Services	73	81	143	137	434	0	0	(2)	(2)	(4)	73	81	141	135	430
Openreach	614	624	641	641	2,520	7	5	81	11	104	621	629	722	652	2,624
Other	20	(10)	(18)	11	3	(1)	1	(4)	0	(4)	19	(9)	(22)	11	(1)
Total	1,785	1,811	1,826	2,083	7,505	0	9	110	(47)	72	1,785	1,820	1,936	2,036	7,577
Normalised free cash flow¹															
BT Consumer	255	23	114	243	635	(3)	(2)	(30)	0	(35)	252	21	84	243	600
EE	166	224	128	236	754	0	0	0	0	0	166	224	128	236	754
Consumer ²	421	247	242	479	1,389	(3)	(2)	(30)	0	(35)	418	245	212	479	1,354
Business and Public Sector	209	270	317	340	1,136	0	0	(2)	(1)	(3)	209	270	315	339	1,133
Wholesale and Ventures	100	120	138	151	509	(5)	(3)	(10)	(3)	(21)	95	117	128	148	488
Global Services	(178)	46	30	220	118	0	(1)	(1)	(1)	(3)	(178)	45	29	219	115
Openreach	303	184	332	229	1,048	8	6	43	5	62	311	190	375	234	1,110
Other	(299)	(178)	(357)	(393)	(1,227)	0	0	0	0	0	(299)	(178)	(357)	(393)	(1,227)
Total	556	689	702	1,026	2,973	0	0	0	0	0	556	689	702	1,026	2,973