BT, an introduction

BT is one of the world’s leading communications services companies, serving the needs of customers in the UK and in more than 170 countries worldwide.

• Providing high quality telecommunications services since 1846
• Revenues of more than £19 billion in 2011/12
• 89k* employees globally
• $1 billion investment in global research and development
• Relationships with 25 universities globally, including Cambridge, MIT and Tsinghua

The official communications service partner for the London 2012 Olympic and Paralympic Games.

We will be carrying every call, piece of data, image and sports report for the games.

A long track record of acting responsibly and supporting the communities to whom we deliver services.

In 2011 we maintained gold sector status in the Dow Jones Sustainability Index and ‘Platinum Plus’ level in the Business in the Community Corporate Responsibility Index.

* Equivalent full-time employees including both full and part time employees
BT Group 2011/2012 year end results

BT Group – How we are organised

BT Group

BT Global Services

BT Retail

BT Wholesale

Openreach

BT Innovate & Design

BT Operate

BT full year results

GS
Retail
Wholesale
Openreach

41%
36%
15%
8%
What is our vision?

The global leader in networked IT services

BT Global Services is a global leader in managed networked IT services, operating globally and delivering locally to help our customers thrive in a changing world.

What makes us different?

• Around 20,000* people globally, with one of the largest professional services capabilities in our industry
• Bringing together a broad portfolio of services
• With a track record of delivering for customers globally in more than 170 countries
• Underpinned with a unique breadth of scope, reach and capability
• And recognised as market leading for customer service and innovation

BTGS continues to be a formidable competitor in the global marketplace.

Currently Analysis, 2011

* Equivalent full-time employees including both full and part time employees

World Communication Awards 2011
BT Global Services
Best Global Operator
BTGS - a Global Leader
A leader in Gartner's Network Service Provider Magic Quadrants

1 Gartner, Global Network Service Provider Magic Quadrant, Neil Rickard and Robert Mason, April 2012
2 Gartner, Pan-European Service Provider Magic Quadrant, Neil Rickard and Katja Ruud, April 2012

This Magic Quadrant graphic was published by Gartner, Inc. as part of a larger research note and should be evaluated in the context of the entire report. The Gartner report is available upon request from BT. Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.
Who are our customers?

Experience and track record of delivery with a wide range of customers globally

A global leader in managed networked IT services

We serve:
- 87% of the FTSE100 companies
- 64% of the Fortune 500 companies
- 90% of Interbrands’ annual ranking of the world’s most valuable brands
- the world’s top stock exchanges, leading broker-dealers and biggest banks.
- We also supply services to national and local government organisations and other public sector bodies in the UK and in 16 countries around the world.

Experience, and a track record
- Around 7,000 corporate and public sector customers across more than 170 countries
- Widely recognised as market leader by industry watchers

BTGS’s vertical initiatives represent an industry strategy that is fully integrated with its global MNC efforts.

*Ovum 2011*
Our customer references
Examples of some of our customers from 2011/12
What industries are they in?

Building our business around industry challenges, with industry-specific solutions

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<td>These are manufactured, consumable goods that have a quick shelf turnover</td>
<td>This is the value chain representing the development, manufacture, distribution and sale of physical goods and services</td>
<td>This is the value chain representing the retailing, trading and wholesaling of financial related products and services</td>
<td>This is focused on the UK Government and Health markets as well as selected global health opportunities</td>
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Consumer Packaged Goods

60% of Fortune Global 500 CPG companies are BT clients

Specialists in more than 30 countries, including US, UK, France, Switzerland, Benelux and Germany. Supporting the $2 trillion global industry of manufactured, consumable goods.

Customers include 29 of the 41 multinational FMCGs in the Forbes 100, including AB InBev, Heinz, Mars, Nestle, PepsiCo, Procter & Gamble, SABMiller and Unilever.

We provide BT Regulatory compliance, a dedicated practice based on our pharmaceutical and food and drink experience and BT Supply chain solutions, delivering greater supply chain visibility and accuracy with real time information.

Customers tell us they face specific industry issues:

- High regulatory pressures
- Dealing with shifts in customer demographics, and the growing use of social media to create new marketing opportunities
- Looking for help to make their supply chain and inventory management more efficient or to expand

Solutions include:

- BT Retail Inventory Management
- BT Global Asset Visibility
- BT Track and Trace
- BT Mobile Device Management
Global Commerce
Manufacturing, Logistics & Pharmaceuticals

Helping customers facing common challenges.

A fast-moving multi-billion dollar market, bringing together some of the world’s largest pharmaceutical, manufacturing and logistics companies.

- The global commerce market represents 30 per cent of global GDP
- 4 of the top global logistics providers are BT customers
- We provide our services to the largest producer of platinum in the world and a major producer of diamonds, copper, nickel, iron ore and metallurgical, and thermal coal.

Customers tell us they face specific industry issues:

- Manufacturing: focus on innovation as product life cycles are getting shorter
- Pharmaceutical: concentrating on accelerating research and development to create new drugs as patents expire and pricing pressures increase
- Logistics: looking into efficiently managing longer supply chains and operations as they and their customers expand into emerging markets
- Seeking ICT solutions to transform collaboration and supply chain

Solutions include:
- BT Supply Chain Solutions
- BT Client Compliance Services
- BT for Life Sciences R&D
Government and Health

Every kind of public body: central government, local government, health, defence, everywhere around the world

We help governments make their people more productive, their organisations more efficient, their services more accessible, their information more secure and their operations better value for money

- Delivering communications services for the country’s largest police force (the Met) and the largest national police force (the British Transport Police)
- Around 220,000 NHS staff now use our clinical information systems in more than 80 NHS organisations
- Supporting the MOD we replaced 19 networks with one secure network, helping them save £700m and rising

Customers tell us they face specific industry issues:

- Governments seeking to improve public sector efficiency and cutting public spending
- Managing the growing demands for services such as healthcare and pensions
- Working with ICT suppliers to reduce cost through shared services, and take advantage of new consumer and business technologies

Solutions include:

- BT Cyber
- BT Connect
- BT Mobile Health Worker
Global Banking and Financial Markets

More than 25 years supporting the financial services sector

Supporting the world's largest banks, insurers, brokers, exchanges, investment managers and data vendors.

From the ATM in a bank's retail branch to the secure messaging services that allow central banks every day to settle transactions worth billions of dollars.

Billions of financial transactions are completed securely and successfully every day.

- 170+ countries
- 60,000 contact-centre agents
- 29 million card payments daily
- 68,000+ trading turrets worldwide
- Sub-millisecond low-latency trading
- 15,000+ BT Radianz member locations
- 400+ BT Radianz Community Application Providers
- 5 industry awards in last fiscal year

Customers tell us they face specific industry issues:

- Dealing with cost reduction and cash conservation
- Market instability and the impact of regulatory compliance
- Requirement for increased agility and targeting new channels
- Entering new growth markets

Solutions include:

- BT Radianz Cloud
- BT Unified Trading
- BT Netrix
- BT Radianz Proximity
- BT Radianz Fusion
- BT Radianz Venue
How do we bring it all together?
A financial services sector example

Bringing customers to the marketplace faster, more cost-effectively, globally

Bring together industry sector ecosystems

Fast Facts

- 170+ countries
- 60,000 contact-centre agents
- 29 million card payments daily
- 68,000+ trading turrets worldwide
- Sub-millisecond low-latency trading
- 15,000+ BT Radianz member locations
- 400+ BT Radianz Community Application Providers
What are our customers’ challenges?

Understanding customer challenges, and adapting our solutions

• We bring together communications and networked IT products and services securely and efficiently
• We understand networks. We build global, consistent solutions which enable our customers to run their business critical processes
• And we help our customers thrive in a changing world. This is about the way we work together to achieve their goals. We understand change, we’ll help our customers take advantage of it.
What solutions do we provide?

Bringing together a broad portfolio of services into an integrated solution

BT Connect  BT Compute  BT Assure  BT Contact  BT One

BT Advise
Knowledge that delivers
Our professional services team deliver value by aligning our services to our customers’ business objectives and optimising implementation.
What solutions do we provide?
Bringing together a broad portfolio of services into an integrated solution

**BT Assure:**
Security that matters
- Security Intelligence
- Assure Continuity
- Assure Identity
- Managed Security Services

**BT Contact:**
Relationships that grow
- Auto Contact
- Multi-channel Contact
- Cloud Contact
- Networked Expertise
- Inbound Contact

**BT Compute:**
Services that adapt
- Private Compute
- On Demand Compute
- Telehousing

**BT Connect:**
Networks that think
- IP Connect
- Ethernet Connect
- Internet Connect
- Enterprise Connect
- Private Line Connect
- SHDS Connect
- Optical Connect
- Connect Applications
- Diamond IP
- Access Services
- Enterprise broadband

**BT One:**
Communications that unify
- One Voice
- One Collaborate
- One Enterprise
- One Cloud

“BT Global Services has a strong portfolio of services that touches on all the key communications needs of enterprises”

Current Analysis, 2011
BT Advise

Knowledge that delivers – bringing together the best of BT’s capabilities

• It's about giving customers the best possible choice, bringing together the best of BT’s capabilities, and solving business problems

• 4,500 and growing, a single global community of professionals aligned to seven practices, drawing from the strength and depth of BT’s experience

• Working consistently and globally, with standard tools, methods and practices, accreditation and training. Operating globally and delivering locally.

Our professional services teams are already recognised by industry analysts as being world-class. They have proven themselves over many years, guiding major customers through extremely complex and delicate technology solutions.

Our propositions:

• BT Advise Connect
• BT Advise Contact
• BT Advise One
• BT Advise Compute
• BT Advise Assure
• BT Advise Technology Services
• BT Advise Mobility

PS offers for vertical markets:

• BT Advise for Financial Markets
• BT Advise for Retail
• BT Advise for Pharma
• BT Advise for Communications
What does security mean to BT?

Security is central to our culture and what we do – we protect billions of pounds of BT and customer assets globally.

As part of our BT Assure security solutions we offer:

• One of the biggest dedicated security practice communities in the world – 1,800+ consultants / architects / designers

• A market leading, globally available portfolio of managed and professional security services which serve small businesses to large corporate and public sector customers globally

• Active alliances with 100+ leading security partners including Check Point, Blue Coat, Crossbeam, IBM ISS, McAfee, EMC/RSA, Microsoft, Oracle / Sun, Juniper, Cisco Systems, HP, Websense, ActivIdentity, and Symantec.

Our global accreditations include:

• Developing a world-class redundant network infrastructure compliant with ISO27001, SSAE16, ISAE3402, SAS70-II audit & security standards

• First commercial organisation to become a member of Computer Emergency Response Teams (CERT)

• Member of FIRST – the Forum of Incident Response and Security Teams.

“Safeguarding client transaction processing, data and securities holdings, is a high priority for us, we are confident that BT’s Managed Security Systems will move us even closer to zero-tolerance levels”.

Euroclear
How do we take the journey together?
Innovative networked IT services, delivered consistently

"BT continues to be innovative and adaptive in its overall business model as it moves up the services value chain”

Global account management – Integrate sales delivery and professional services
Global bid management – Providing best-in-class proposals and solutions
Global account start up – Seamless, standard account start up
Global design and delivery – Innovative solutions to solve our customers’ challenges
Single Service Model – World-class service in a predictable and consistent way
How do we deliver service seamlessly?

Single global service model

Global 24/7 service model:
- Prompt, effective incident diagnosis and resolution with 24-hour cover 365 days a year
- Single point of contact for networked IT services
- Global service management with local language support
- ITIL v3 trained service people
- Around 7,000 large corporate and public sector customers in more than 170 countries
- Global IP Connect network
How do we deliver service seamlessly?

Single global service model

Quality of our service people:
- 6000 people in our service organisation
- 600 Service Relationship Managers
- Over 85% of Service Managers are ITIL-trained
- More than 1400 ITIL-accredited people
- 20 years experience serving global customers
How do we deliver service seamlessly?

Single global service model

Continual service improvement:

- Established customer experience programme
- Customer satisfaction improvement - approximately 11,000 customer surveys performed worldwide each year, helping us to develop and enhance our service.
- Through our ‘right first time’ programme we reduced customer faults by 5.2% in 2011/12 and improved the way we handle calls from customers.
- We are giving our customers greater control with the ability to manage services online through our portal.

Global 24/7 service model

Quality of our service people

Continual service improvement

Guaranteed service availability and reliability

Service quality
How do we deliver service seamlessly?

Single global service model

**Guaranteed service availability and reliability:**

- 99.998% network availability
- First company to offer assured service level agreements (SLAs) for customers’ applications and network infrastructure
- Resilient network design – for example no significant interruptions to service during the Japan earthquake.
How do we deliver service seamlessly?

Single global service model

Service quality:
• ITIL V3 best practise
• ISO20000 certified service centres
• ISO27001 certified service centres
• March 2011 we launched our new Global Network Configuration management system which allows us to run compliance audits and manage customer change request more efficiently.
• In 2011/12 we aligned service managers alongside client partners and client delivery directors for top 30 contracts.
How do we make our network ‘work’ globally?

With our network expertise at the core of what we do

Satellite services provider in 112 countries

1,277 core fibre Ethernet nodes

5,745 UK telephone exchange buildings

IP/MPLS services available in 197 countries and territories

7 global development centres in 4 countries

Over 3.5m UK Wi-Fi locations

Telehousing facilities in 9 countries

9 security operation centres in 5 countries

19 global service centres in 12 countries

BT’s global data WAN capabilities are threatening in the international market, because the service provider operates one of the largest international MPLS networks supporting the ‘BT Connect’ portfolio, which encompasses IP VPN and Ethernet VPN and multiple value-added ICT services

Current Analysis - BT IP Connect Global, Hybrid VPN, Ethernet Connect Assessment, Joel Stradling, April 2012

Overall leader BT is the only company with double-digit market share in each region. TPI, 2011
BASF

BASF chooses BT as a strategic networking partner in Latin America and around the world

• BASF is the world’s leading chemical company. Its portfolio ranges from plastics and performance products to oil and gas for customers across virtually all industries.

• With its intelligent solutions, BASF plays an important role in finding answers to global challenges like climate protection, energy efficiency, nutrition, and mobility.

• A secure infrastructure is a high priority for the chemical group because it has over 100,000 people around the world who need to communicate and access business-critical IT applications over the network.

• The contract includes the provision of IP telephony and managed LAN services at 300 sites in South America and Asia as well as the USA.

• The new contract extends the longstanding co-operation between BASF and BT, and leverages BT’s expertise in serving the manufacturing industry around the world.

“As a global company, we were looking for a partner to provide consistent standards and reliable service delivery on a global scale. During the course of our co-operation, which dates back to 2003, BT kept convincing us with innovative solutions and the high level of commitment of their employees.”
Fareed Mohammed, Chief Technology Officer BASF
CLSA Asia-Pacific Markets

BT helps CLSA thrive

- CLSA Asia-Pacific Markets is Asia’s leading independent brokerage and investment group. Headquartered in Hong Kong, the company provides investment banking, equity broking, and asset management services to global corporate and institutional clients.
- BT was chosen by CLSA to provide a fully managed voice, data, and trading systems solution across 14 countries in the Asia Pacific region, the UK, and the US. Under the seven-year agreement, BT is helping CLSA to flex its communication and IT requirements by implementing an innovative, global utility-based pricing model for BT’s networked IT services and the deployment of BT Unified Trading for trading communications.
- BT Unified Trading is an integrated solution for communication, collaboration, and compliance.
- The project includes a strong professional services component aimed at managed security and firewall services, application optimisation, and device management, backed by a 24/7 maintenance and support team.

“Only two or three companies in the world can do what BT does today for customers. BT has proven itself to be the ideal partner for us as they combine market leading expertise in the needs of our sector with unique breadth and depth of network capabilities all around the world.”
Thiyagarajah Rajah CLSA CIO
BT selected by Serco as IT partner for new hospital in Western Australia

- BT won a major networked IT contract in Australia’s health sector where it has been selected by Serco, the international service company, to be its IT partner at the Fiona Stanley Hospital in Perth, Western Australia. Currently under construction, the new 783 bed hospital is due for completion by 2014.

- As the lead service integrator, Serco will work with the Western Australian Government on the provision of non-clinical services and BT will act as its key IT partner. Under the contract, BT will install and manage the hospital’s communications infrastructure and run a range of IT services aimed at helping the hospital become one of the most technologically advanced and environmentally friendly hospitals in the country.

- By using the latest communication technology the hospital expects to increase efficiency and productivity, enabling health professionals to dedicate more time to patients. Among other things, this will make it easier for multi-disciplinary care teams to hold virtual review meetings, rather than have to schedule face-to-face sessions, freeing up staff time to deliver even better care.

“BT’s proven track record in the health market complements our own experience in this field. It is an excellent company to be a partner with on this ground-breaking project; not only because of its expertise and long history in providing services to the health sector, but also its unique experience in delivering very large-scale programmes in the UK and around the world.”
David Campbell
Serco Australia Chief Executive
Investment in global research and development

Innovating with customers, partners and universities

- BT has spent more than £5 billion on research and development over the last five years
- Over 8,000 scientists and technologists globally
- Global development centres in the UK, US, India and China
- R&D and innovation centres in the UK, US, Israel, UAE, China,
- Dedicated innovation scanning teams in the US, Asia, Europe and the Middle East which identify more than 500 new technologies, business propositions and market trends over the year
- Links to over 25 universities, including Cambridge, MIT and Tsinghua
- Over 60 collaborations with Industry partners worldwide

“...The ideas that we are now pursuing could well make a significant difference to the future of Energizer, but one thing is for sure and that is that the collaboration with BT has helped change our company forever”.

Dan Stuckey, Vice President, Energizer Battery

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Corporate social responsibility at the heart of BT

Empowering our employees, suppliers and customers to reduce their carbon footprint

- Reduce the impact of our own operations
- Empower customers to reduce their impacts through innovative products and services
- Influence suppliers to provide more energy efficient products and services
- Encourage our employees to reduce their carbon footprint at home and at work.
The official communications services partner for the London 2012 Olympic and Paralympic Games

- 80,000 connections across 94 locations
- 5,500km of internal cabling
- Up to 60Gb of information carried each second
- 1,800 wireless access points
- 16,500 telephone lines
- 14,000 mobile SIM cards
- 10,000 cable TV outlets
- 642,000 man-hours
- Over 800 people on the ground at Games’ Time

Note: due to BT Group Partner Agreement conditions with LOCOG, this slide can only be used with individual customers.
Our expansion in high growth markets

- **Asia Pacific**
  - Operates in 18 countries
  - c.200 new hires
  - Expanding MPLS to 43 PoPs in 16 countries
  - Contracts with CLSA and in Australian health sector

- **Latin America**
  - Operates in 22 countries
  - c.200 new hires planned
  - Expanding Ethernet coverage from 5 to 26 cities
  - Contract with Correios

- **Turkey, Middle East & Africa**
  - Operates in 45 countries
  - c.150 new hires planned
  - Expanding Ethernet coverage to 21 further cities
  - Contract with Anglo American

- **Across the 3 regions**
  - FY revenue up 16%
  - FY order book up >60%
  - Aim to add c.£500m of revenue over medium term
BT Global Services
Factpack Appendix

Section 1
About this section:
• The following slides provide more detail on the regions in which we operate. Please choose the appropriate slides for the audience you are catering for.

Version: Q4, 2011/12
BTGS Communications
Delivering locally – in Asia Pacific

Overview:
- Operating since 1985 - HQ in Hong Kong.
- In May 2010, BT announced a strategic investment plan to strengthen its business in the Asia Pacific region. BT has recruited c200 additional people in the key customer markets in order to build up its sales and professional services teams, bid and project management, and service operations teams. It is also expanding the in-region proposition portfolio.

People:
- Approximately 3,000 employees supporting BT in the region*.
- A strong presence through 20 offices - Bangalore, Bangkok, Beijing, Chennai, Dalian, Delhi, Hong Kong, Hyderabad, Kuala Lumpur, Manila, Melbourne, Mumbai, Seoul, Shanghai, Shenzhen, Singapore, Sydney, Perth, Pune, Taipei and Tokyo

*Including direct and agency FTE
Customer examples (contracts signed in 2011/12):

- A contract with Serco Australia to install and manage communications infrastructure and run a range of IT services, for the new Fiona Stanley Hospital in Western Australia.

- A contract with Tetra Pak to include network services in Asia Pacific region on top of the EMEA countries already in scope. Tetra Pak is a leading global food and drink packaging manufacturer with presence in 170 countries around the world.

- A contract with CLSA for a managed voice, data and trading systems solution across 14 countries in the Asia Pacific region, the UK and the US.
Delivering locally – in Asia Pacific

Capability:
- 39 MPLS (IP Connect) GPoPs. VSAT access in 15 countries, Ethernet in 11 countries, Hybrid VPN in 31 countries and DSL in 4 countries
- 8 Ethernet Connect PoP’s in 7 Countries

Presence:
- 20 local offices
- 4 regional 24/7 service centres (Mumbai, Pune, Dalian & Sydney)
- 5 regional service desks providing business hours support (Beijing, Singapore, Kuala Lumpur and Tokyo)
- 2 Security Operations Centres
- A research centre in Beijing
- 6 new technology showcases.
Delivering locally – in Asia Pacific

External recognition:

- For the third year running in 2012, BT was awarded the Best Managed Service Provider at the Telecom Asia Awards, recognising our continued commitment to the region and to our customers.
- BT is featured in “emerging set of global service providers” for EMEA, Americas and Asia, TPI 2012
- BTGS is a “leader” in the IDC MarketScape: Asia Pacific Next-Generation Telecom Services 2011 Vendor Analysis.
- BT was featured in ISG’s list of top 15 Asia-Pacific Service Providers by total 2011 TCV in the TPI 2H11 Index. ISG, The Asia Pacific TPI Index, 2H11, January 2012.
Delivering locally – in Latin America

Overview:
• Operating since 2002, headquartered in São Paulo, Brazil
• Commercial and operational capabilities across 22 Latin American markets, offering a wide range of networked IT services including IP infrastructure, application services, outsourcing solutions and business transformation.
• In October 2011 we announced a series of investments aimed at doubling our business in key Latin American countries over the next three years. MPLS points of presence will increase by 20%, we are launching over 30 new products and services, and hiring c200 new professionals.

People:
• More than 1,000 employees supporting BT in the region*.

*Including direct and agency FTE
Customer examples (contracts signed in 2011/12):

- BT provides national connectivity to ECT – Empresa Brasileira de Correios e Telégrafos (state-owned Brazilian Post Office and Telegraph Company). BT connects more than 7,000 sites, including corporate, regional and local offices all over the country. The five-year contract with Correios, as the organisation is known in Brazil, is worth £133 million.

- BT’s subsidiary Vicom, signed two contracts with Caixa Econômica Federal (Caixa), one of the largest government-owned financial institutions in Latin America, to connect its data centres with its banking correspondents and lottery outlets in Brazil.
Delivering locally – in Latin America

**Capability:**
- 12 (IP Connect) GPoPs, VSAT access in 9 countries, Ethernet in 3 countries and Hybrid VPN in 37 countries
- 2 City Fibre Networks
- Satellite capabilities connecting more than 37,000 sites

**Presence:**
- 7 network operations centres providing monitoring and proactive diagnosis 24x7
- Security Operations Centre in São Paulo
- 4 data centres (Brazil, Argentina, Venezuela and Colombia)
- 180 Points of Presence
- +37,000 customer connections
Delivering locally – in Latin America

External recognition:

- BT Global Services was positioned “among the stronger global competitors in Latin America” in a report by leading analyst research company Current Analysis. The report “BT Global Services Plans to Raise Profile of Regional Latin America Business, Grow Market Share” states that “thanks to its past acquisitions, the company [BT] already has the regional resources in place to increase its profile and win clients”.

Overview

Customer examples

Capability

External recognition
Delivering locally – in the Middle East and Africa

Overview:

• In Feb 2012 BT announced a series of initiatives aimed at doubling its business across Turkey, the Middle East and Africa. Global companies investing in these regions, as well as local companies expanding further afield, will be supported by additional highly qualified staff, including professional services specialists. They will also gain access to a richer portfolio of innovative services, leveraging BT’s network breadth and depth.

• BT operates out of 3 hubs in the region, covering the Eastern Mediterranean from offices in Istanbul, Middle East and North Africa from Dubai and Sub Saharan Africa from Johannesburg.

People:

• More than 200 employees
Customer examples (contracts signed in 2011/12):

- A contract with Etihad Airways to service the Etihad Airways Manchester Contact Centre. Etihad Airways currently uses a variety of services from BT’s portfolio, including BT’s inbound contact services to collect calls from multiple countries, conferencing solution as well as global connectivity for its operations around the world.

- A global managed networked IT services contract with Anglo American, one of the world’s largest diversified mining companies. The contract covers all Anglo American’s networking requirements at several hundred locations around the world.
Delivering locally – in the Middle East and Africa

**Capability:**
- Offering a wide range of networked IT services including IP infrastructure, application services, outsourcing solutions and business transformation
- 21 network Points of Presence and new interconnection agreements further expanding reach into Turkey and Sub-Saharan Africa
- Ethernet services in 21 cities, including Istanbul, Dubai, Abu Dhabi, Riyadh, Casablanca, Manama, Doha, Cape Town, Johannesburg, Pretoria

**Presence:**
- A regional satellite centre of excellence in Istanbul, Turkey
- Sector-specific expertise in financial services, consumer packaged goods, manufacturing, logistics and telecommunications
- 24x7 network and customer support service in Durban, South Africa, supporting customers across the region.
External recognition

- BT won the prestigious Telecoms World Middle East award in the category Best International Wholesale Carrier in 2010 and the Best Customer Service award in 2009.
- The joint BT Etisalat and Khalifa University Innovation Centre (EBTIC) was named Telecoms Technology Investment of the Year at the annual awards sponsored by industry magazine CommsMEA in 2010.
Delivering locally – in the United States and Canada

Overview:
- BT has had a presence in the US and Canada for more than 20 years.
- In the US and Canada, BT has more than 1,000 customers with many of BT’s Top customers having headquarters or major operations in the Americas.

People:
- Approximately 4,000 employees supporting BT in the region*.

*Including direct and agency FTE
Delivering locally – in the United States and Canada

Customer examples (contracts signed in 2011/12):

- A contract extension with Bristol-Myers Squibb for global network services, including wide area and local area networks, as well as remote access, voice, and telephony infrastructure.

- A contract with Lantheus Medical Imaging to extend their contract for IT outsourcing services to providing Global Data and Voice Network Services. Lantheus Medical Imaging is a global leader in developing, manufacturing and distributing innovative diagnostic imaging agents for more than 55 years.

- A contract with International Flavors & Fragrances to extend their contract for global WAN services throughout North and South America, EMEA and Asia Pacific. A member of the S&P 500 Index, IFF has more than 5,600 employees with operations in 32 countries worldwide.
Delivering locally – in the United States and Canada

Capability:
- United States: 25 MPLS (IP Connect) GPoPS. Access to 655 APoPS. Ethernet, Hybrid VPN and DSL access.
- Canada: 3 MPLS (IP Connect) GPoPS. Ethernet and Hybrid VPN access.
- 6 Ethernet Connect PoP’s in 2 Countries. National access in the US with 3 suppliers.

Presence:
- 35 offices with headquarters in Irving, Texas.
- Network operations and customer service centers providing monitoring and proactive diagnosis 24x7: Atlanta, GA; Boston, MA; Los Angeles, CA; Newark, NJ; New York, NY; Nutley, NJ; Oakdale, MN; Philadelphia, PA; Princeton, NJ.
- 3 Security Operations Centers.
Delivering locally – in the United States and Canada

External recognition:

• BT is a winner of the first 2011 Cloud Communications Excellence Awards presented by Cloud Computing Magazine.

• BT is featured in “emerging set of global service providers” for EMEA, Americas and Asia, TPI 2012.

• TMC awarded BT the 2011 Unified Communications Excellence Award for “custom solution: interactive retail solution.”

• BT was also awarded the 2011 Internet Telephony Excellence Award for “network transformation project” by TMC.
Delivering locally – in the UK

Overview:
• BT Global Services is one of the UK’s leading suppliers of networked IT services for public and corporate sector customers. Many of our customers are based in the UK or have operations in the country.

People:
• 73,900 supporting BT across the UK*

*The numbers disclosed are the equivalent full-time employees including both full and part-time employees across all of BT.
Delivering locally – in the UK

Customer examples (contracts signed in 2011/12):

• BT signed a ten-year contract with Lancashire County Council worth around £400m to enable the County Council to deliver higher levels of service to its customers and major savings across all County Council services.

• BT signed a contract with leading British supermarket Sainsbury’s to improve network connections to its 1,000 stores and 23 depots in the UK. The contract will help Sainsbury’s enhance in-store productivity and customer experience.
Delivering locally – in the UK

Overview

Customer examples

Capability

External recognition

Capability:
• 1,277 core fibre Ethernet nodes and 721 Ethernet over Copper access nodes.
• Extensive global and domestic IP VPN services.
• BT is building a superfast broadband network (VDSL & GPON), which will be available to around two-thirds of the UK’s homes and businesses by end of 2014

Presence:
• 3 Security Operations Centres.
Delivering locally – in the UK

External recognition:

- “BT UK stands out from rivals with Lighting Up the High Street retail focused cloud services”, Current Analysis, March 2011
- “As the national incumbent, BT enjoys unmatched fixed network, service and sales reach, alongside unsurpassed brand name recognition and a deeply entrenched local presence. The incumbent offers a diverse and comprehensive portfolio of broadband-based services”. Current Analysis, March 2012
- “BT is taking a robust approach to PSN and has a strong story to tell around secure networks as well as a depth in professional services expertise that some rivals lack.” TechMarketView UK Public Sector Supplier Landscape report for 2011.
- BT won the World Communications Award for public/private sector Project of the Year for Superfast Cornwall
Overview:

- More than 20 years local experience (Belgium since 1988, Netherlands since 1989, Luxembourg since the late 90s).
- BT Benelux provides a broad services portfolio, including network- and IT services, professional services (through it's BT Advise organisation) and wholesale services.

People:

- Around 1,600 people are supporting BT in the Benelux including approximately 500 ICT-professionals within the BT Advise organisation.
Customer examples (contracts signed in 2011/12):

- A five-year, €47 million, contract with NATO’s Consultation, Command and Control Agency (NC3A). The contract provides NATO with a communications network connecting more than 70 locations, spread across the NATO nations and the Balkans.

- A contract with European technical services provider Imtech to improve field service operations at its Dutch Building Services business unit. The contract covers Field Force Automation (FFA), hosting, end-user device management, help-desk, data traffic management, mobile data capture and end-to-end security.
Delivering locally – Benelux

**Capability:**
- Extensive domestic IP VPN and Ethernet Services through BT’s global 21CN network and strong local assets including +5,700 km. fibre network in the Netherlands and 1,100 km fibre-optic backbone in Belgium.
- Dual-data centre capability in the Netherlands, data centre capacity in Belgium.

**Presence:**
- Offices in Amsterdam, Brussels and Luxembourg.
- Network Operations Centre in Amsterdam.
External recognition:

- BT jumped from number 26 to number 8 in Computable’s yearly top-40 ranking of Dutch IT consultancy providers, reinforcing BT’s strong position in the consultancy and integration space. Computable is a leading Dutch IT trade publication.

- Winner of two Cisco Partner Awards: “Collaboration Partner of the Year” and “Services Partner of the Year” (Netherlands).

- “MPLS coverage is a strongpoint for BT in the global data WAN market, (...) local subsidiaries including national networks and operational capabilities in for example Belgium, Germany, Italy, Spain, the Netherlands and the UK strengthen BT’s pan-European proposals. Overall BT can offer access to its IP/MPLS service from a total of 198 countries;” Current Analysis, June 2011.
Delivering locally – in France

Overview:
• BT France provides networked IT services for large companies and public institutions.
• 90% of the CAC40 companies are BT France clients, including major French banks, utilities and industry companies*.

People:
• Number of BT France employees = 2,600.

* CAC40 is the French stock market index which represents the 40 most significant French companies
Delivering locally – in France

Customer examples (contracts signed in 2011/12):

- A contract with BlueLink, a subsidiary of Air France KLM Group, for contact centre and incoming call services.
- A contract this year with RENATER (the French National Telecommunications Network for Technology, Education and Research) to supervise, manage and operate its fibre-based IP network, and to supply and maintain infrastructure equipment.
Delivering locally – in France

**Capability:**
- 70% of BT France employees are professional services people.
- BT France has a strong expertise in security – with 230 specialists – and provides a wide range of managed security services.
- BT France is a leader in networked IT services with 80,000 pieces of equipment deployed and 300,000 equipments maintained per year in France.

**Presence:**
- 3 data centres, one Network Operations Centre and one Security Operations Centre.
Delivering locally – in France

Overview
Customer examples
Capability
External recognition

External recognition:
- “BT is identified as a key player in security by large companies in France”, Pierre Audoin Consultants, January 2011
Delivering locally – in Germany

Overview:
- BT is one of the leading suppliers of global networked IT services for corporate customers in Germany.
- Two thirds of the top German companies (DAX30) are BT customers.

People:
- Around 1400 people work for BT in Germany and Austria (BT Austria is a subsidiary of BT Germany).
Delivering locally – in Germany

Customer examples (contracts signed in 2011/12):

- A contract with chemical company BASF worth €200 million to deliver global network services to 900 sites around the world as well as local network and IP telephony services to more than 300 sites in North and South America and Asia-Pacific.

- A contract with Elster Group, the world’s leading supplier of integrated metering solutions to the gas, electricity and water industries. BT provides Elster Group with BT Connect services for 90 locations in 36 countries as well as BT Assure security services.

- BT customers include many major German brands, including BMW, Commerzbank, HeidelbergCement, Media-Saturn group, Schenker, and Wincor Nixdorf.
Delivering locally – in Germany

**Capability:**
- BT has an extensive high-speed network in Germany with its own city fibre networks in 4 major cities
- Strong professional services capabilities with 150+ BT Advise people

**Presence:**
- 3 major data centres, including a brand new, highly energy-efficient site in Frankfurt (opening June 2012)
Delivering locally – in Germany

External recognition:

• “We are taking a positive stance on BT Germany in the national market, because the operator offers a compelling set of services for large enterprises and MNCs such as data WAN, telepresence, data centre, managed security, managed mobility, and unified communications and collaboration (UC&C) solutions. BT has also significantly expanded its IP voice and UC portfolio” – Current Analysis, Company Assessment, March 2012

• Best in Cloud Award: BT was voted best project in the Infrastructure as a Service (IaaS) category at Computerwoche’s “Best in Cloud 2011” awards.

• BT has been recognised in multiple categories as a leading provider of cloud computing services in Germany by the analysts of Experton Group in their latest “Cloud Vendor Benchmark 2011” report. BT Virtual Data Centre was listed as a “leader” in three categories – “Infrastructure-as-a-Service Private”, “Infrastructure-as-a-Service Public” and “Cloud Services for Large Corporations”.

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Delivering locally – in Iberia

Overview:
- BT is today the leading alternative in the Spanish enterprise data transmission market with more than 20 per cent market share (source: telecoms market regulator Comisión del Mercado de las Telecomunicaciones (CMT)).

People:
- BT Iberia employs around 1,100 people providing services to 2,000 major Spanish and Portuguese enterprises, 28 of which are listed in the IBEX-35 index, and to over 30,000 small and medium enterprises.
Delivering locally – in Iberia

Customer examples (contracts signed in 2011/12):

- Globalia - BT provides outsource voice and data service to Globalia, Spain’s leading tourist group, with an annual turnover of more than €4,000 million and 25,000 employees.
- FCC - BT delivers global data network and fixed communications services to FCC on off the world's top services, infrastructures and renewable energy companies
Delivering locally – in Iberia

Capabilities:

- In 1999 BT completed the first IP network in the world at 11,000km long and covering the whole of Spain.

Presence:

- 3 data centres
Delivering locally – in Iberia

External recognition:

- El Economista 29-11-2011: “The telecommunications British giant has in Spain some kind of treasure no matter the way you look at it. Business results are good despite the economic difficulties, with a business customer portfolio with the most distinguished representatives of the IBEX index.”.

- CVA “Flexible Company award” BT was awarded the Flexible Company award in Spain by the communications agency Comunicación de Valor Añadido (CVA). The award recognises BT’s investment in flexible working and the importance the company puts on job stability and the work-life balance of its employees.
Delivering locally – in Italy

Overview:
- BT has been operating in Italy since the early 90's.
- BT is the only national player focused on business and is the main alternative to Telecom Italia in that market.
- BT continues to improve as a strong alternative in the Italian business market with a 16% market share in business data transmission.
- BT serves 2,000 large companies in Italy and more than 120,000 SMEs.

People:
- BT has 1,100 employees in Italy.
Delivering locally – in Italy

Customer examples (contracts signed in 2011/12):

- BT provided Safilo Group, a world leader in the high-end eyewear sector, a sales force automation system that included business mobility applications on tablet pc’s.

- BT’s strong presence in Italy and its ability to deliver global solutions was crucial to renewing the Eni outsourcing contract this year.

- BT has confirmed its leadership as favourite partner of the Italian fashion sector’s companies (Versace, Valentino, Cavalli). BT signed a five year contract with Golden Lady, a leading Company in both Italian and international women’s hosiery market, to provide a new IP MPLS network, that connects the 500 Golden Point stores.
Delivering locally – in Italy

**Capability:**
- Business Continuity Control Centre with ICT experts (IP networking, IT Services, SAP) operating 24/7.
- Professional Services team of excellence in the areas of UCC, Security, CRM, SAP, Mobility, Sustainability and IT Services.
- First business-only MVNO in Italy, with a complete offer in the Mobility area
- Recognised & certified expertise: ISO9001, ISO27001, ISO 14000, ITIL Service Management compliance

**Presence:**
- BT has a capillary fibre network with 14,000 km and covering the whole of Italy.
- Data Centre (DC) infrastructure of excellence: 5 DC, total space 13,000 sqm (2 Tier II, 2 Tier III, 1 Tier IV)
Delivering locally – in Italy

External recognition:
Delivering locally – Switzerland

Overview:
• BT has been present with direct sales operations in Switzerland since 1989.
• Customers include Credit Suisse, UBS, Nestlé, Novartis, Syngenta, Clariant, Unilever, Glencore, Swatch, Kuoni, Triumph, JTI, Actelion, Panalppina, Bank Julius Bär, Thomson Reuters, vonRoll, UN and TetraPak.

People:
• More than 200 professionals based in offices in Zurich, Berne, Basel and Geneva.
Customer examples (contracts signed in 2011/12):

- Triumph, a leading Swiss-based manufacturer of lingerie, underwear and shape wear for women and men, chose BT to connect its rapidly expanding network of production sites and shops with the company’s headquarters in Bad Zurzach, Switzerland. BT’s network connects 56 sites in 44 countries.

- A contract to connect global offices of Nestlé, a leading global nutrition, health and wellness company, using next-generation high-end video conferencing services. BT delivers a fully-managed video conferencing service comprised of Cisco TelePresence technology running on BT’s global network.
Delivering locally – Switzerland

Capability:

- Enterprise applications: Converged IPT, messaging & collaboration, video conferencing, customer relationship management, security & business continuity;
- Application communication management;
- Mobility: mobile solutions, secure remote access, mobile & flexible working;
- Enterprise infrastructure management: LAN; desktop; Data centre service & storage;
- Network connectivity: IP networking, bandwidth, voice
- Professional services and systems integration;
- Outsourcing: network & network centric ICT outsourcing
Delivering locally – Switzerland

External recognition:

- BT Switzerland has been recognised by Cisco during its annual awards for partners and customers as the Best Service Provider 2010, beating back tough competition from Orange Business Services and Swisscom. The award recognizes BT’s strong track record in local sales growth as well as achievements on the company-wide level.

- In a ranking (August 2011) published by the leading IT publication Computerworld, BT Switzerland was listed at 9th place in terms of the revenue among the Swiss top 500 IT companies.
Delivering locally – The Nordics

Overview:
BT has been present with direct sales operations in the Nordics since 1989.
Customers today include well known multinationals based in the region, including Volvo, SKF, Scania, Nokia, Arla Foods and Aker Solutions.

People:
More than 150 professionals based in Stockholm and Malmo in Sweden, Oslo in Norway, Helsinki in Finland and Copenhagen in Denmark.
Customer example:

BT signed a contract providing global communications services to Exportrådet, the Swedish Trade Council. The services connect 35 locations around the world with the organisation’s headquarters in Sweden. The Swedish Trade Council’s core mission is to make it easier for Swedish companies to grow internationally by providing the support required to establish a company in new markets.
Delivering locally – The Nordics

Capability:

- Enterprise applications: Converged IPT, messaging & collaboration, video conferencing, customer relationship management, security & business continuity;
- Application communication management;
- Mobility: mobile solutions, secure remote access, mobile & flexible working;
- Enterprise infrastructure management: LAN; desktop; Data centre service & storage;
- Network connectivity: IP networking, bandwidth, voice
- Professional services and systems integration;
- Outsourcing: network & network centric ICT outsourcing
Delivering locally – The Nordics

Overview
Customer examples
Capability
External recognition

External recognition:
Delivering locally – Central & Eastern Europe and Russia

Overview:
BT opened an office in Budapest in 1999, which was followed by expansion into Poland, the Czech Republic and Slovakia.

BT has been working with Russian clients since 1994. The Moscow office was opened in 2006.

Customers include Ministry of Foreign Affairs in the Czech Republic, Fiat in Poland and E.ON in Hungary. In Russia, BT connects major banks and exchanges, such as MICEX, RTS and RIA Novosti via its dedicated platform for financial services industry, BT Radianz.

People:
More than 500 professionals based in offices in Budapest, Debrecen, Warsaw and Moscow.
Delivering locally – Central & Eastern Europe and Russia

Customer examples:

• BT was at the heart of an ambitious project to bring benefits of networked IT services to health care in three administrative regions in Hungary. The €3 million pilot project, co-funded by the European Union, was successfully completed in 2008.

• In Russia, Lukoil-Inform signed a deal with BT to connect its operations across Russia and Europe using BT’s global network.
Delivering locally – Central & Eastern Europe and Russia

Capability:

• In 2004, BT expanded its operations in Hungary by opening a regional customer service centre in Budapest to serve European corporate customers. The Budapest facility is an important centre of excellence for BT’s global VPN products, provides support for other customer service centres on the continent, and acts as the first point of service for customers based in CEE.

• The customer service centre was further strengthened in 2007 with a facility in Debrecen, Hungary’s second city. The Debrecen centre provides internal support for BT’s commercial and technical activities, including product development, product management, pricing, tendering and customer service.
Delivering locally – Central & Eastern Europe and Russia

Overview

Customer examples

Capability

External recognition:

External recognition
BT Global Services
Factpack Appendix

Section 2
About this section:
• The following slides provide more detail on the financial results for 2011/2012. Please choose the appropriate slides for the audience you are catering for.

Version: Q4, 2011/12
BTGS Communications
# Full year 2012 group results

<table>
<thead>
<tr>
<th>Metric</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue&lt;sup&gt;1&lt;/sup&gt;</td>
<td>£19,307m</td>
<td>4%</td>
</tr>
<tr>
<td>- underlying revenue ex transit</td>
<td>1.9%</td>
<td></td>
</tr>
<tr>
<td>EBITDA&lt;sup&gt;1&lt;/sup&gt;</td>
<td>£6,064m</td>
<td>3%</td>
</tr>
<tr>
<td>Profit before tax&lt;sup&gt;1&lt;/sup&gt;</td>
<td>£2,421m</td>
<td>16%</td>
</tr>
<tr>
<td>EPS&lt;sup&gt;1&lt;/sup&gt;</td>
<td>23.7p</td>
<td>13%</td>
</tr>
<tr>
<td>Free cash flow&lt;sup&gt;2&lt;/sup&gt;</td>
<td>£2,522m</td>
<td>13%</td>
</tr>
<tr>
<td>Net debt&lt;sup&gt;3&lt;/sup&gt;</td>
<td>£9,082m</td>
<td>up £266m</td>
</tr>
</tbody>
</table>

<sup>1</sup> before specific items  
<sup>2</sup> before specific items and pension deficit payments  
<sup>3</sup> after £2.0bn lump sum pension deficit payment made in March 2012
## 2012 Results vs. outlook

<table>
<thead>
<tr>
<th></th>
<th>Outlook at May 2011</th>
<th>2012 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Underlying revenue</strong></td>
<td>Down 2% to flat</td>
<td>Down 1.9%</td>
</tr>
<tr>
<td><strong>ex transit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>&gt;£5.9bn</td>
<td>£6.1bn</td>
</tr>
<tr>
<td><strong>2012</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2013</strong></td>
<td>&gt;£6bn</td>
<td>one year early</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>&gt;£2.2bn</td>
<td>£2.5bn</td>
</tr>
</tbody>
</table>

1 before specific items
2 before specific items and pension deficit payments
## Q4 2012 group results

<table>
<thead>
<tr>
<th>Metric</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue&lt;sup&gt;1&lt;/sup&gt;</td>
<td>£4,875m</td>
<td>4%</td>
</tr>
<tr>
<td>- underlying revenue ex transit</td>
<td>2.0%</td>
<td></td>
</tr>
<tr>
<td>EBITDA&lt;sup&gt;1&lt;/sup&gt;</td>
<td>£1,609m</td>
<td>4%</td>
</tr>
<tr>
<td>Profit before tax&lt;sup&gt;1&lt;/sup&gt;</td>
<td>£690m</td>
<td>13%</td>
</tr>
<tr>
<td>EPS&lt;sup&gt;1&lt;/sup&gt;</td>
<td>6.8p</td>
<td>10%</td>
</tr>
<tr>
<td>Free cash flow&lt;sup&gt;2&lt;/sup&gt;</td>
<td>£909m</td>
<td>47%</td>
</tr>
</tbody>
</table>

<sup>1</sup> before specific items  
<sup>2</sup> before specific items and pension deficit payments
### Q4/FY 2012 line of business overview

**Global Services**

<table>
<thead>
<tr>
<th></th>
<th>Q4 2012</th>
<th>Change&lt;sup&gt;1&lt;/sup&gt;</th>
<th>FY 2012</th>
<th>Change&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£1,996m</td>
<td>(4)%</td>
<td>£7,809m</td>
<td>(3)%</td>
</tr>
<tr>
<td>- underlying ex transit</td>
<td></td>
<td>(2)%</td>
<td>(1)%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>£186m</td>
<td>1%</td>
<td>£627m</td>
<td>6%</td>
</tr>
</tbody>
</table>

- Q4 underlying revenue ex transit down 2%
  - challenging environment

- Q4 underlying net operating costs ex transit down 3%
  - intensifying our efforts, more opportunities

- Q4 EBITDA up 1%
  - up 4% ex FX and disposals

- FY operating cash flow £183m

<sup>1</sup> prior year restated for the impact of customer account moves
Q4/FY 2012 line of business overview

Global Services – a global leader

- **Order intake**
  - Q4 £2.0bn, up 8%
  - strong order volumes
    - only one order >£100m in Q4
  - FY £6.7bn

- **Q4 contracts**
  - Anglo American
  - NATO
  - National Air Traffic Services
  - Etihad