

## **Performance Indicators - Q4 2005/6**

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BT Group Results - Restated and under IFRS	2004/05 Q1 Actual BT Group	Better / (worse) vs Pr Year %	2005/06 Q1 Actual BT Group	2004/05 Q2 Actual BT Group	Better / (worse) vs Pr Year %	2005/06 Q2 Actual BT Group	2004/05 Q3 Actual BT Group	Better / (worse) vs Pr Year %	2005/06 Q3 Actual BT Group	2004/05 Q4 Actual BT Group	Better / (worse) vs Pr Year %	2005/06 Q4 Actual BT Group	2004/05 Full Year Actual BT Group	Better / (worse) vs Pr Year %	2005/06 Full Year Actual BT Group
Turnover															
BT Retail	2,184	(3.7)	2,104	2,205	(3.8)	2,122	2,160	(2.6)	2,103	2,149	(1.2)	2,123	8,698	(2.8)	8,452
BT Wholesale	2,273	1.4	2,304	2,263	0.7	2,278	2,272	1.5	2,306	2,287	2.5	2,344	9,095	1.5	9,232
BT Global Services	1,727	17.8	2,035	1,791	15.4	2,067	1,810	19.4	2,161	2,160	9.7	2,369	7,488	15.3	8,632
Other	7	(14.3)	6	6	(33.3)	4	6	(50.0)	3	6	(16.7)	5	25	(28.0)	18
Eliminations	(1,672)	(2.8)	(1,718)	(1,711)	0.4	(1,704)	(1,712)	1.2	(1,691)	(1,782)	4.2	(1,707)	(6,877)	0.8	(6,820)
<b>Group Turnover</b>	<b>4,519</b>	<b>4.7</b>	<b>4,731</b>	<b>4,554</b>	<b>4.7</b>	<b>4,767</b>	<b>4,536</b>	<b>7.6</b>	<b>4,882</b>	<b>4,820</b>	<b>6.5</b>	<b>5,134</b>	<b>18,429</b>	<b>5.9</b>	<b>19,514</b>
Leaver costs	102	-	6	8	-	37	12	-	23	44	-	67	166	-	133
EBITDA Inc. leaver costs															
BT Retail	183	(5.5)	173	191	7.9	206	183	8.7	199	197	8.1	213	754	4.9	791
BT Wholesale	931	6.7	993	965	(0.3)	962	984	(0.8)	976	984	(2.1)	963	3,864	0.8	3,894
BT Global Services	193	20.7	233	228	(5.7)	215	239	1.3	242	301	3.3	311	961	4.2	1,001
Other	(20)	110.0	(42)	26	(234.6)	(35)	(6)	500.0	(36)	(42)	33.3	(56)	(42)	302.4	(169)
<b>Group EBITDA</b>	<b>1,287</b>	<b>5.4</b>	<b>1,357</b>	<b>1,410</b>	<b>(4.4)</b>	<b>1,348</b>	<b>1,400</b>	<b>(1.4)</b>	<b>1,381</b>	<b>1,440</b>	<b>(0.6)</b>	<b>1,431</b>	<b>5,537</b>	<b>(0.4)</b>	<b>5,517</b>
Depreciation & amortisation of intangibles															
BT Retail	38	10.5	34	38	(2.6)	39	33	(9.1)	36	38	0.0	38	147	0.0	147
BT Wholesale	479	4.6	457	477	3.1	462	473	1.3	467	485	(6.4)	516	1,914	0.6	1,902
BT Global Services	131	(16.0)	152	138	(14.5)	158	133	(20.3)	160	148	(13.5)	168	550	(16.0)	638
Other	52	(26.9)	66	51	35.3	33	56	16.1	47	74	31.1	51	233	15.5	197
<b>Group Depreciation</b>	<b>700</b>	<b>(1.3)</b>	<b>709</b>	<b>704</b>	<b>1.7</b>	<b>692</b>	<b>695</b>	<b>(2.2)</b>	<b>710</b>	<b>745</b>	<b>(3.8)</b>	<b>773</b>	<b>2,844</b>	<b>(1.4)</b>	<b>2,884</b>
Op Profit Inc. leaver costs															
BT Retail	145	(4.1)	139	153	9.2	167	150	8.7	163	159	10.1	175	607	6.1	644
BT Wholesale	452	18.6	536	488	2.5	500	511	(0.4)	509	499	(10.4)	447	1,950	2.2	1,992
BT Global Services	62	(30.6)	81	90	36.7	57	106	22.6	82	153	6.5	143	411	11.7	363
Other	(72)	(50.0)	(108)	(25)	(172.0)	(68)	(62)	(33.9)	(83)	(116)	7.8	(107)	(275)	(33.1)	(366)
<b>Underlying Group Op Profit</b>	<b>587</b>	<b>10.4</b>	<b>648</b>	<b>706</b>	<b>(7.1)</b>	<b>656</b>	<b>705</b>	<b>(4.8)</b>	<b>671</b>	<b>695</b>	<b>(5.3)</b>	<b>658</b>	<b>2,693</b>	<b>(2.2)</b>	<b>2,633</b>
Net Finance Costs	(155)	8.4	(142)	(154)	35.1	(100)	(149)	13.4	(129)	(141)	28.4	(101)	(599)	21.2	(472)
Share of post tax profits/losses of associates and joint ventures	(7)	171.4	5	(3)	200.0	3	(10)	130.0	3	6	16.7	5	(14)	214.3	16
<b>Underlying PBT</b>	<b>425</b>	<b>20.2</b>	<b>511</b>	<b>549</b>	<b>1.8</b>	<b>559</b>	<b>546</b>	<b>(0.2)</b>	<b>545</b>	<b>560</b>	<b>0.4</b>	<b>562</b>	<b>2,080</b>	<b>4.7</b>	<b>2,177</b>
Specific Items : Net gains (losses)	(12)	-	(12)	22	-	(70)	249	-	0	17	-	(55)	274	-	(137)
<b>Reported PBT</b>	<b>411</b>	<b>21.4</b>	<b>499</b>	<b>571</b>	<b>(14.4)</b>	<b>489</b>	<b>795</b>	<b>(31.4)</b>	<b>545</b>	<b>577</b>	<b>(12.1)</b>	<b>507</b>	<b>2,354</b>	<b>(13.3)</b>	<b>2,040</b>
Tax - Underlying	(113)	(14.2)	(129)	(143)	2.8	(139)	(140)	4.3	(134)	(145)	9.7	(131)	(541)	1.5	(533)
Tax on specific items	4	-	4	1	-	21	3	-	0	8	-	16	16	-	41
Tax rate	26.6%	-	25.2%	26.0%	-	24.9%	25.6%	-	24.6%	25.9%	-	23.3%	26.0%	-	24.5%
<b>Net Income</b>	<b>302</b>	<b>23.8</b>	<b>374</b>	<b>429</b>	<b>(13.5)</b>	<b>371</b>	<b>658</b>	<b>(37.5)</b>	<b>411</b>	<b>440</b>	<b>(10.9)</b>	<b>392</b>	<b>1,829</b>	<b>(15.4)</b>	<b>1,548</b>
Memo: Minority Interest				(1)								1	(1)		1
EPS before specific items	3.6	25.0	4.5	4.8	4.2	5.0	4.8	2.1	4.9	4.9	4.1	5.1	18.1	7.7	19.5
EPS after specific items	3.5	25.7	4.4	5.0	(12.0)	4.4	7.7	(36.4)	4.9	5.2	(9.6)	4.7	21.5	(14.4)	18.4
Proposed Dividend	-	-	-	3.90	-	4.30	-	-	-	6.50	-	7.60	10.40	-	11.90
Average Number of Shares in Issue	8,557	-	8,471	8,535	-	8,456	8,512	-	8,407	8,493	-	8,354	8,524	-	8,422
Capital Expenditure	694	(3.2)	716	803	13.6	694	770	1.4	759	744	(30.8)	973	3,011	(4.4)	3,142
Net Debt	8,422	3.6	8,121	8,373	2.9	8,133	8,046	(0.8)	8,113	7,893	4.5	7,534	7,893	4.5	7,534

EXTERNAL REVENUE BY SEGMENT	2003/4					2004/5					2005/6				
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m
Consumer	1,495	1,487	1,493	1,462	<b>5,937</b>	1,416	1,410	1,400	1,373	<b>5,599</b>	1,324	1,336	1,324	1,312	<b>5,296</b>
Major Corporate	1,388	1,383	1,377	1,615	<b>5,763</b>	1,391	1,412	1,440	1,693	<b>5,936</b>	1,597	1,629	1,732	1,922	<b>6,880</b>
Business	646	649	631	655	<b>2,581</b>	617	624	600	601	<b>2,442</b>	586	583	568	587	<b>2,324</b>
Wholesale / Global Carrier	1,017	999	1,021	993	<b>4,030</b>	1,088	1,102	1,090	1,147	<b>4,427</b>	1,218	1,215	1,255	1,308	<b>4,996</b>
Other	6	4	9	15	<b>34</b>	7	6	6	6	<b>25</b>	6	4	3	5	<b>18</b>
<b>Total</b>	<b>4,552</b>	<b>4,522</b>	<b>4,531</b>	<b>4,740</b>	<b>18,345</b>	<b>4,519</b>	<b>4,554</b>	<b>4,536</b>	<b>4,820</b>	<b>18,429</b>	<b>4,731</b>	<b>4,767</b>	<b>4,882</b>	<b>5,134</b>	<b>19,514</b>

#### Headline Year-on-Year Growth

EXTERNAL REVENUE BY SEGMENT	2004/5					2005/6				
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m
Consumer	(5.3%)	(5.2%)	(6.2%)	(6.1%)	<b>(5.7%)</b>	(6.5%)	(5.2%)	(5.4%)	(4.4%)	<b>(5.4%)</b>
Major Corporate	0.2%	2.1%	4.6%	4.8%	<b>3.0%</b>	14.8%	15.4%	20.3%	13.5%	<b>15.9%</b>
Business	(4.5%)	(3.9%)	(4.9%)	(8.2%)	<b>(5.4%)</b>	(5.0%)	(6.6%)	(5.3%)	(2.3%)	<b>(4.8%)</b>
Wholesale / Global Carrier	7.0%	10.3%	6.8%	15.5%	<b>9.9%</b>	11.9%	10.3%	15.1%	14.0%	<b>12.9%</b>
Other	n/m	n/m	n/m	n/m	<b>n/m</b>	n/m	n/m	n/m	n/m	<b>n/m</b>
<b>Total</b>	<b>(0.7%)</b>	<b>0.7%</b>	<b>0.1%</b>	<b>1.7%</b>	<b>0.5%</b>	<b>4.7%</b>	<b>4.7%</b>	<b>7.6%</b>	<b>6.5%</b>	<b>5.9%</b>

#### Underlying Year-on-Year Growth - excluding impact of mobile termination and revenues from Infonet and Albacom

EXTERNAL REVENUE BY SEGMENT	2004/5					2005/6				
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m
Consumer	(4.5%)	(4.3%)	(4.6%)	(4.7%)	<b>(4.5%)</b>	(4.9%)	(4.5%)	(5.4%)	(4.4%)	<b>(4.8%)</b>
Major Corporate	0.4%	2.4%	5.2%	0.5%	<b>2.1%</b>	4.2%	5.6%	8.9%	8.9%	<b>7.0%</b>
Business	(3.7%)	(2.9%)	(2.7%)	(6.3%)	<b>(3.9%)</b>	(2.8%)	(4.8%)	(5.3%)	(2.3%)	<b>(3.8%)</b>
Wholesale / Global Carrier	10.6%	14.4%	16.0%	21.7%	<b>15.6%</b>	16.8%	11.6%	11.6%	13.6%	<b>13.4%</b>
Other	n/m	n/m	n/m	n/m	<b>n/m</b>	n/m	n/m	n/m	n/m	<b>n/m</b>
<b>Total</b>	<b>0.5%</b>	<b>2.1%</b>	<b>3.2%</b>	<b>2.2%</b>	<b>2.0%</b>	<b>3.4%</b>	<b>2.5%</b>	<b>3.2%</b>	<b>4.7%</b>	<b>3.4%</b>



EXTERNAL REVENUE ANALYSIS - Retail	2003/4					2004/5					2005/6				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Exchange lines/ISDN - connection and rental	775	791	770	761	3,097	752	801	795	780	3,128	766	754	741	736	2,997
Calls	992	967	944	927	3,830	875	787	729	710	3,101	678	664	650	631	2,623
Private Circuits	44	47	48	46	185	43	47	48	35	173	41	41	41	35	158
Transit, conveyance, interconnect circuits and other wholesale (incl. FRIACO)															
Other	296	282	306	260	1,144	266	277	272	254	1,069	262	276	262	259	1,059
<b>Total Traditional</b>	<b>2,107</b>	<b>2,087</b>	<b>2,068</b>	<b>1,994</b>	<b>8,256</b>	<b>1,936</b>	<b>1,912</b>	<b>1,844</b>	<b>1,779</b>	<b>7,471</b>	<b>1,747</b>	<b>1,735</b>	<b>1,694</b>	<b>1,661</b>	<b>6,837</b>
Networked IT Services	47	48	56	83	234	56	73	72	83	284	75	73	83	102	333
Broadband	63	73	80	99	315	108	111	131	146	496	159	176	185	198	718
Mobility	3	5	6	5	19	17	23	30	32	102	27	30	31	27	115
Other	3	9	13	17	42	14	18	19	26	77	17	26	29	44	116
<b>Total New Wave</b>	<b>116</b>	<b>135</b>	<b>155</b>	<b>204</b>	<b>610</b>	<b>195</b>	<b>225</b>	<b>252</b>	<b>287</b>	<b>959</b>	<b>278</b>	<b>305</b>	<b>328</b>	<b>371</b>	<b>1,282</b>
<b>Total External Revenue</b>	<b>2,223</b>	<b>2,222</b>	<b>2,223</b>	<b>2,198</b>	<b>8,866</b>	<b>2,131</b>	<b>2,137</b>	<b>2,096</b>	<b>2,066</b>	<b>8,430</b>	<b>2,025</b>	<b>2,040</b>	<b>2,022</b>	<b>2,032</b>	<b>8,119</b>
Memo: Internal Revenue	33	38	45	72	188	53	68	64	83	268	79	82	81	91	333
<b>Total Retail Reported Revenue</b>	<b>2,256</b>	<b>2,260</b>	<b>2,268</b>	<b>2,270</b>	<b>9,054</b>	<b>2,184</b>	<b>2,205</b>	<b>2,160</b>	<b>2,149</b>	<b>8,698</b>	<b>2,104</b>	<b>2,122</b>	<b>2,103</b>	<b>2,123</b>	<b>8,452</b>

EXTERNAL REVENUE ANALYSIS - Wholesale	2003/4					2004/5					2005/6				
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m
Exchange lines/ISDN - connection and rental															
Calls															
Private Circuits	176	145	168	149	638	154	155	155	167	631	161	150	169	158	638
Transit, conveyance, interconnect circuits and other wholesale (incl. FRIACO)	638	632	597	607	2,474	657	650	619	599	2,525	630	634	636	655	2,555
Other															
<b>Total Traditional</b>	<b>814</b>	<b>777</b>	<b>765</b>	<b>756</b>	<b>3,112</b>	<b>811</b>	<b>805</b>	<b>774</b>	<b>766</b>	<b>3,156</b>	<b>791</b>	<b>784</b>	<b>805</b>	<b>813</b>	<b>3,193</b>
Networked IT Services															
Broadband	25	29	40	58	152	71	79	110	132	392	141	160	174	208	683
Mobility															
Other	47	45	60	57	209	59	68	70	75	272	89	80	91	90	350
<b>Total New Wave</b>	<b>72</b>	<b>74</b>	<b>100</b>	<b>115</b>	<b>361</b>	<b>130</b>	<b>147</b>	<b>180</b>	<b>207</b>	<b>664</b>	<b>230</b>	<b>240</b>	<b>265</b>	<b>298</b>	<b>1,033</b>
<b>Total External Revenue</b>	<b>886</b>	<b>851</b>	<b>865</b>	<b>871</b>	<b>3,473</b>	<b>941</b>	<b>952</b>	<b>954</b>	<b>973</b>	<b>3,820</b>	<b>1,021</b>	<b>1,024</b>	<b>1,070</b>	<b>1,111</b>	<b>4,226</b>
Memo: Internal Revenue	1,392	1,368	1,359	1,369	5,488	1,332	1,311	1,318	1,314	5,275	1,283	1,254	1,236	1,233	5,006
<b>Total Wholesale Reported Revenue</b>	<b>2,278</b>	<b>2,219</b>	<b>2,224</b>	<b>2,240</b>	<b>8,961</b>	<b>2,273</b>	<b>2,263</b>	<b>2,272</b>	<b>2,287</b>	<b>9,095</b>	<b>2,304</b>	<b>2,278</b>	<b>2,306</b>	<b>2,344</b>	<b>9,232</b>



Summary Cost Analysis	2004/5					2005/6				
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m
Net staff costs before leaver costs^	898	859	929	980	<b>3,666</b>	965	1,002	980	986	<b>3,933</b>
Leaver costs	102	8	12	44	<b>166</b>	6	37	23	67	<b>133</b>
Net staff costs (including leaver costs)	1,000	867	941	1,024	<b>3,832</b>	971	1,039	1,003	1,053	<b>4,066</b>
Other operating costs	1,285	1,371	1,370	1,502	<b>5,528</b>	1,436	1,444	1,520	1,713	<b>6,113</b>
<b>Sub total</b>	<b>2,285</b>	<b>2,238</b>	<b>2,311</b>	<b>2,526</b>	<b>9,360</b>	<b>2,407</b>	<b>2,483</b>	<b>2,523</b>	<b>2,766</b>	<b>10,179</b>
POLO's	988	964	880	893	<b>3,725</b>	1,009	989	1,032	1,015	<b>4,045</b>
Depreciation and amortisation	700	704	695	745	<b>2,844</b>	706	690	707	770	<b>2,873</b>
Amortisation of acquired intangibles	-	-	-	-	-	3	2	3	3	<b>11</b>
<b>Total costs*</b>	<b>3,973</b>	<b>3,906</b>	<b>3,886</b>	<b>4,164</b>	<b>15,929</b>	<b>4,125</b>	<b>4,164</b>	<b>4,265</b>	<b>4,554</b>	<b>17,108</b>

\* Under IFRS basis and before specific items  
^ Net Staff Costs is total staff costs less own work capitalised



Capex by Line of Business	2003/4					2004/5					2005/6				
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Total £m
<b>BT Retail</b>	<b>24</b>	<b>19</b>	<b>35</b>	<b>34</b>	<b>112</b>	<b>31</b>	<b>41</b>	<b>44</b>	<b>54</b>	<b>170</b>	<b>35</b>	<b>33</b>	<b>32</b>	<b>53</b>	<b>153</b>
Access	215	232	270	249	<b>966</b>	269	274	268	225	<b>1,036</b>	257	228	238	227	<b>950</b>
Switch	11	22	37	17	<b>87</b>	30	25	31	14	<b>100</b>	10	8	9	5	<b>32</b>
Transmission	54	46	49	64	<b>213</b>	45	50	73	62	<b>230</b>	46	52	45	43	<b>186</b>
Products/Systems Support	89	109	134	216	<b>548</b>	133	199	142	141	<b>615</b>	174	156	199	316	<b>845</b>
<b>BT Wholesale</b>	<b>369</b>	<b>409</b>	<b>490</b>	<b>546</b>	<b>1,814</b>	<b>477</b>	<b>548</b>	<b>514</b>	<b>442</b>	<b>1,981</b>	<b>487</b>	<b>444</b>	<b>491</b>	<b>591</b>	<b>2,013</b>
Solutions and C&SI	36	25	19	41	<b>121</b>	47	61	66	86	<b>260</b>	51	49	55	61	<b>216</b>
UK Networks	24	35	33	39	<b>131</b>	37	35	24	25	<b>121</b>	27	32	23	33	<b>115</b>
Other	37	42	59	90	<b>228</b>	60	65	51	48	<b>224</b>	64	90	91	126	<b>371</b>
<b>BT Global Services</b>	<b>97</b>	<b>102</b>	<b>111</b>	<b>170</b>	<b>480</b>	<b>144</b>	<b>161</b>	<b>141</b>	<b>159</b>	<b>605</b>	<b>142</b>	<b>171</b>	<b>169</b>	<b>220</b>	<b>702</b>
Others (includes Fleet and Property)	62	48	63	94	<b>267</b>	42	53	71	89	<b>255</b>	52	46	67	109	<b>274</b>
<b>Total</b>	<b>552</b>	<b>578</b>	<b>699</b>	<b>844</b>	<b>2,673</b>	<b>694</b>	<b>803</b>	<b>770</b>	<b>744</b>	<b>3,011</b>	<b>716</b>	<b>694</b>	<b>759</b>	<b>973</b>	<b>3,142</b>

<b>Total Fixed Network Calls</b>																
<b>Quarterly Minutes (billions)</b>	<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
Internet Related and Other Non Geo	15.61	14.80	14.83	<b>14.81</b>	13.94	13.06	12.51	<b>12.45</b>	10.93	10.13	9.33	<b>8.68</b>	7.51	6.86	6.20	<b>5.87</b>
Fixed to Mobile	2.26	2.34	2.34	<b>2.31</b>	2.37	2.37	2.29	<b>2.26</b>	2.21	2.20	2.13	<b>2.08</b>	2.13	2.08	2.02	<b>1.99</b>
<b>Total Non Geographic Calls</b>	<b>17.88</b>	<b>17.13</b>	<b>17.18</b>	<b>17.12</b>	<b>16.31</b>	<b>15.43</b>	<b>14.79</b>	<b>14.70</b>	<b>13.13</b>	<b>12.33</b>	<b>11.46</b>	<b>10.76</b>	<b>9.64</b>	<b>8.94</b>	<b>8.22</b>	<b>7.86</b>
Local	12.96	12.66	13.16	<b>12.81</b>	12.04	11.67	11.89	<b>11.78</b>	10.61	10.34	10.42	<b>10.15</b>	9.53	9.02	9.15	<b>9.01</b>
National	6.58	6.59	6.65	<b>6.52</b>	6.14	6.09	6.07	<b>6.09</b>	5.53	5.51	5.46	<b>5.33</b>	5.09	4.90	4.87	<b>4.87</b>
International	0.57	0.57	0.58	<b>0.57</b>	0.56	0.55	0.56	<b>0.55</b>	0.52	0.52	0.52	<b>0.50</b>	0.49	0.48	0.47	<b>0.47</b>
<b>Total Geographic</b>	<b>20.11</b>	<b>19.83</b>	<b>20.39</b>	<b>19.91</b>	<b>18.74</b>	<b>18.31</b>	<b>18.51</b>	<b>18.43</b>	<b>16.66</b>	<b>16.37</b>	<b>16.40</b>	<b>15.98</b>	<b>15.11</b>	<b>14.40</b>	<b>14.49</b>	<b>14.35</b>
<b>Total Retail</b>	<b>37.98</b>	<b>36.96</b>	<b>37.56</b>	<b>37.03</b>	<b>35.04</b>	<b>33.74</b>	<b>33.30</b>	<b>33.13</b>	<b>29.79</b>	<b>28.70</b>	<b>27.86</b>	<b>26.74</b>	<b>24.75</b>	<b>23.34</b>	<b>22.71</b>	<b>22.21</b>
Freephone and FRIACO	18.03	18.80	20.83	<b>22.90</b>	23.20	22.10	22.23	<b>23.64</b>	20.88	18.55	16.71	<b>15.84</b>	12.83	9.90	8.38	<b>7.16</b>
<b>BT Group Originating Calls*</b>	<b>56.01</b>	<b>55.76</b>	<b>58.39</b>	<b>59.93</b>	<b>58.24</b>	<b>55.84</b>	<b>55.54</b>	<b>56.77</b>	<b>50.67</b>	<b>47.25</b>	<b>44.57</b>	<b>42.58</b>	<b>37.58</b>	<b>33.24</b>	<b>31.09</b>	<b>29.37</b>
* Excluding Payphones and Directories (c0.3bn mins/qtr)																
<b>Total Fixed Network Calls</b>																
<b>Quarterly Year on Year Minutes Change</b>	<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
Internet Related and Other Non Geo	(3)%	(8)%	(8)%	<b>(11)%</b>	(11)%	(12)%	(16)%	<b>(16)%</b>	(22)%	(22)%	(25)%	<b>(30)%</b>	(31)%	(32)%	(34)%	<b>(32)%</b>
Fixed to Mobile	5%	7%	6%	<b>5%</b>	5%	1%	(2)%	<b>(2)%</b>	(7)%	(7)%	(7)%	<b>(8)%</b>	(4)%	(6)%	(5)%	<b>(4)%</b>
<b>Total Non Geographic Calls</b>	<b>(2)%</b>	<b>(6)%</b>	<b>(6)%</b>	<b>(9)%</b>	<b>(9)%</b>	<b>(10)%</b>	<b>(14)%</b>	<b>(14)%</b>	<b>(19)%</b>	<b>(20)%</b>	<b>(23)%</b>	<b>(27)%</b>	<b>(27)%</b>	<b>(27)%</b>	<b>(28)%</b>	<b>(27)%</b>
Local	(4)%	(5)%	(4)%	<b>(6)%</b>	(7)%	(8)%	(10)%	<b>(8)%</b>	(12)%	(11)%	(12)%	<b>(14)%</b>	(10)%	(13)%	(12)%	<b>(11)%</b>
National	(3)%	(3)%	(2)%	<b>(4)%</b>	(7)%	(8)%	(9)%	<b>(7)%</b>	(10)%	(10)%	(10)%	<b>(12)%</b>	(8)%	(11)%	(11)%	<b>(9)%</b>
International	(9)%	(11)%	(8)%	<b>(4)%</b>	(3)%	(3)%	(3)%	<b>(4)%</b>	(7)%	(6)%	(7)%	<b>(9)%</b>	(6)%	(7)%	(9)%	<b>(8)%</b>
<b>Total Geographic</b>	<b>(4)%</b>	<b>(4)%</b>	<b>(3)%</b>	<b>(5)%</b>	<b>(7)%</b>	<b>(8)%</b>	<b>(9)%</b>	<b>(7)%</b>	<b>(11)%</b>	<b>(11)%</b>	<b>(11)%</b>	<b>(13)%</b>	<b>(9)%</b>	<b>(12)%</b>	<b>(12)%</b>	<b>(10)%</b>
<b>Total Retail</b>	<b>(3)%</b>	<b>(5)%</b>	<b>(5)%</b>	<b>(7)%</b>	<b>(8)%</b>	<b>(9)%</b>	<b>(11)%</b>	<b>(11)%</b>	<b>(15)%</b>	<b>(15)%</b>	<b>(16)%</b>	<b>(19)%</b>	<b>(17)%</b>	<b>(19)%</b>	<b>(18)%</b>	<b>(17)%</b>
Freephone and FRIACO	149%	102%	70%	<b>38%</b>	29%	18%	7%	<b>3%</b>	(10)%	(16)%	(25)%	<b>(33)%</b>	(39)%	(47)%	(50)%	<b>(55)%</b>
<b>BT Group Originating Calls*</b>	<b>21%</b>	<b>16%</b>	<b>13%</b>	<b>6%</b>	<b>4%</b>	<b>0%</b>	<b>(5)%</b>	<b>(5)%</b>	<b>(13)%</b>	<b>(15)%</b>	<b>(20)%</b>	<b>(25)%</b>	<b>(26)%</b>	<b>(30)%</b>	<b>(30)%</b>	<b>(31)%</b>

Exchange Lines ('000)																
Product Group Summary	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06
<b>Retail</b>																
Business Voice	5,702	5,661	5,614	5,570	5,539	5,483	5,395	5,324	5,260	5,148	5,043	4,976	4,895	4,789	4,735	4,645
Business ISDN	3,358	3,425	3,468	3,492	3,519	3,528	3,524	3,500	3,476	3,452	3,413	3,382	3,311	3,254	3,207	3,152
Business Broadband	59	78	103	136	158	184	218	247	272	297	326	347	371	396	428	453
Major Corporate Broadband *	3	5	8	10	20	26	33	40	47	55	65	75	83	90	99	103
<b>Total Business</b>	<b>9,122</b>	<b>9,169</b>	<b>9,193</b>	<b>9,208</b>	<b>9,236</b>	<b>9,221</b>	<b>9,170</b>	<b>9,111</b>	<b>9,055</b>	<b>8,952</b>	<b>8,847</b>	<b>8,780</b>	<b>8,660</b>	<b>8,529</b>	<b>8,469</b>	<b>8,353</b>
Residential Voice	19,735	19,744	19,790	19,775	19,716	19,679	19,683	19,649	19,554	19,497	19,467	19,405	19,086	18,701	18,360	17,863
Residential ISDN	300	303	301	290	280	264	243	221	198	170	140	115	93	74	61	49
Residential Broadband	110	150	205	293	378	455	578	680	783	931	1,100	1,330	1,486	1,625	1,801	2,028
<b>Total Residential</b>	<b>20,145</b>	<b>20,197</b>	<b>20,296</b>	<b>20,358</b>	<b>20,374</b>	<b>20,398</b>	<b>20,504</b>	<b>20,550</b>	<b>20,535</b>	<b>20,598</b>	<b>20,707</b>	<b>20,850</b>	<b>20,665</b>	<b>20,400</b>	<b>20,222</b>	<b>19,940</b>
Total Voice	25,437	25,405	25,404	25,345	25,255	25,162	25,078	24,973	24,814	24,645	24,510	24,381	23,981	23,490	23,095	22,508
Total ISDN	3,658	3,728	3,769	3,782	3,799	3,792	3,767	3,721	3,674	3,622	3,553	3,497	3,404	3,328	3,268	3,201
Total Broadband (incl. Major Corporates)	172	233	316	439	556	665	829	967	1,102	1,283	1,491	1,752	1,940	2,111	2,328	2,584
<b>Total Retail Lines</b>	<b>29,267</b>	<b>29,366</b>	<b>29,489</b>	<b>29,566</b>	<b>29,610</b>	<b>29,619</b>	<b>29,674</b>	<b>29,661</b>	<b>29,590</b>	<b>29,550</b>	<b>29,554</b>	<b>29,630</b>	<b>29,325</b>	<b>28,929</b>	<b>28,691</b>	<b>28,293</b>
<b>BT Wholesale</b>																
<b>BT Wholesale Broadband Connections</b>	<b>277</b>	<b>391</b>	<b>555</b>	<b>800</b>	<b>1,058</b>	<b>1,339</b>	<b>1,753</b>	<b>2,215</b>	<b>2,687</b>	<b>3,294</b>	<b>4,107</b>	<b>4,932</b>	<b>5,598</b>	<b>6,229</b>	<b>6,928</b>	<b>7,591</b>

\* Sold to Major Corporates as Connectivity and not as ISP.

<b>BT Together Packages ('000)</b>																	
	<b>Mar-02</b>	<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
<b>Total</b>	<b>8,590</b>	<b>8,736</b>	<b>8,814</b>	<b>8,883</b>	<b>8,894</b>	<b>8,873</b>	<b>8,934</b>	<b>8,956</b>	<b>8,859</b>	<b>8,991</b>	<b>17,617</b>	<b>17,599</b>	<b>17,560</b>	<b>17,268</b>	<b>16,914</b>	<b>16,609</b>	<b>16,158</b>
Option 1	N/A	N/A	N/A	N/A	N/A	5,100	5,255	5,379	5,419	5,609	14,270	14,314	14,326	14,119	13,836	13,600	13,192
Option 2	N/A	N/A	N/A	N/A	N/A	1,087	1,173	1,220	1,218	1,250	1,269	1,290	1,317	1,344	1,387	1,409	1,442
Option 3	N/A	N/A	N/A	N/A	N/A	82	210	274	324	433	515	556	582	582	575	573	586
BTT Local	N/A	N/A	N/A	N/A	N/A	2,604	2,296	2,083	1,898	1,699	1,563	1,439	1,335	1,223	1,116	1,027	938
<b>BT Mobility Connections ('000)</b>																	
	<b>Mar-02</b>	<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
<b>Total</b>					<b>27</b>	<b>57</b>	<b>70</b>	<b>106</b>	<b>145</b>	<b>215</b>	<b>305</b>	<b>341</b>	<b>372</b>	<b>370</b>	<b>350</b>	<b>334</b>	<b>341</b>
Business	N/A	N/A	N/A	N/A	27	51	59	82	104	127	144	162	185	196	204	209	214
Consumer	N/A	N/A	N/A	N/A	N/A	6	11	24	41	88	161	179	187	174	146	125	127

**Average Revenue per Consumer Household \***

	<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Annual revenue	266	269	270	<b>271</b>	272	270	268	<b>266</b>	265	261	258	<b>254</b>	252	251	250	<b>251</b>
Contracted**	55%	55%	56%	<b>56%</b>	56%	57%	57%	<b>58%</b>	59%	60%	62%	<b>64%</b>	65%	66%	67%	<b>67%</b>
Non-contracted	45%	45%	44%	<b>44%</b>	44%	43%	43%	<b>42%</b>	41%	40%	38%	<b>36%</b>	35%	34%	33%	33%

\* Rolling 12 month consumer revenue, less mobile polos, divided by average number of primary lines

\*\* Includes line rental, broadband, select services and packages.

## Fixed to Fixed Voice Market Share \*

	FY 03	FY 04	FY 05	FY 06
Residential	74%	70%	64%	58%
Business	46%	44%	42%	41%

\* BT annual estimates: Local, national, international and non-geographic voice minutes

<b>CPS Volumes ('000)</b>																	
	<b>Mar-02</b>	<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
Number of users*	<b>72</b>	214	381	648	<b>1,044</b>	1,622	2,120	2,725	<b>3,299</b>	3,723	4,169	4,571	<b>4,909</b>	5,291	5,554	5,779	6,067
Net adds in quarter		142	167	267	<b>396</b>	578	498	605	<b>574</b>	424	446	402	<b>338</b>	382	263	225	288
* CPS numbers include those customers who have migrated from Indirect Access																	
<b>WLR ('000)</b>																	
		<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
Analogue lines / ISDN Channels		51	57	72	<b>91</b>	121	180	291	<b>377</b>	491	630	825	1,026	1,450	1,882	2,333	2,874
<b>LLU Volumes ('000)</b>																	
		<b>Jun-02</b>	<b>Sep-02</b>	<b>Dec-02</b>	<b>Mar-03</b>	<b>Jun-03</b>	<b>Sep-03</b>	<b>Dec-03</b>	<b>Mar-04</b>	<b>Jun-04</b>	<b>Sep-04</b>	<b>Dec-04</b>	<b>Mar-05</b>	<b>Jun-05</b>	<b>Sep-05</b>	<b>Dec-05</b>	<b>Mar-06</b>
Full and Shared loops		1	1	2	<b>3</b>	6	8	8	<b>11</b>	14	20	28	<b>41</b>	72	122	192	356