



Performance Indicators Q3 2009/10

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Group income statement	2008/9	Change	2009/10	2008/9	Change	2009/10	2008/9	Change	2009/10	2007/8	Change	2008/9
	Q1		Q1	Q2		Q2	Q3		Q3	Full Year		Full Year
£m unless stated	Restated ²	%	Actual	Restated ²	%	Actual	Restated ²	%	Actual	Restated ³	%	Restated ²
Revenue												
BT Global Services	1,994	4.3	2,079	2,095	(3.4)	2,024	2,194	(3.5)	2,118	7,664	12.0	8,587
BT Retail	2,158	(2.2)	2,110	2,176	(5.2)	2,062	2,180	(5.5)	2,061	8,681	(0.2)	8,663
BT Wholesale	1,156	(1.2)	1,142	1,188	(3.7)	1,125	1,183	(7.7)	1,092	4,959	(6.1)	4,658
Openreach	1,306	0.0	1,306	1,303	(1.4)	1,285	1,329	(2.8)	1,292	5,266	(0.7)	5,231
Other	7	85.7	13	12	(16.7)	10	10	(30.0)	7	31	29.0	40
Eliminations	(1,444)	(2.0)	(1,415)	(1,451)	(4.6)	(1,384)	(1,459)	(6.0)	(1,372)	(5,897)	(1.8)	(5,789)
Total	5,177	1.1	5,235	5,303	(3.4)	5,122	5,437	(4.4)	5,198	20,704	3.3	21,390
Adjusted EBITDA¹												
BT Global Services	182	(65.9)	62	105	(9.5)	95	7	n/m	123			326
BT Retail	377	26.3	476	429	10.7	475	434	6.9	464			1,682
BT Wholesale	324	(1.2)	320	324	1.2	328	321	0.0	321			1,283
Openreach	491	2.4	503	489	3.7	507	533	(3.8)	513			2,025
Other	43	(76.7)	10	60	(48.3)	31	6	283.3	23			126
Total	1,417	(3.2)	1,371	1,407	2.1	1,436	1,301	11.0	1,444	5,911	(7.9)	5,442
Leaver costs	(73)	(38.4)	(45)	(36)	(41.7)	(21)	(33)	75.8	(58)	(127)	60.6	(204)
BT Global Services contract and financial review charges	0		0	0		0	(336)		0	0		(1,639)
EBITDA pre specific items	1,344	(1.3)	1,326	1,371	3.2	1,415	932	48.7	1,386	5,784	(37.8)	3,599
Depreciation and amortisation	(691)	6.8	(738)	(685)	10.8	(759)	(723)	4.3	(754)	(2,889)	0.0	(2,890)
Operating profit pre specific items	653	(10.0)	588	686	(4.4)	656	209	202.4	632	2,895	(75.5)	709
Finance costs (pre net interest on pensions)	(208)	2.9	(214)	(237)	(5.1)	(225)	(259)	(13.9)	(223)	(798)		(933)
Net interest on pensions	78		(69)	78		(70)	79		(69)	420		313
Net finance costs	(130)	117.7	(283)	(159)	85.5	(295)	(180)	62.2	(292)	(378)	64.0	(620)
Share of post tax profits/losses of associates & joint ventures	1		8	5		9	16		(1)	(11)		39
PBT pre specific items	524	(40.3)	313	532	(30.5)	370	45	653.3	339	2,506	(94.9)	128
Specific Items: Net gains (losses)	(27)		(41)	(38)		(95)	36		(130)	(530)		(372)
Reported PBT	497	(45.3)	272	494	(44.3)	275	81	158.0	209	1,976	(112.3)	(244)
Tax - excluding specific tax	(123)		(69)	(126)		(83)	(19)		(75)	(581)		10
Tax on specific items	8		11	10		236	0		44	343		43
Tax rate	23.5%		22.2%	23.7%		22.4%	42.2%		22.1%	23.2%		(7.8)%
Memo: Minorities	(1)		0	0		0	0		0	(1)		(2)
Net Income	382	(44.1)	214	378	13.2	428	62	187.1	178	1,738	(111.0)	(191)
Adjusted EPS¹	5.1	(17.6)	4.2	4.9	(8.2)	4.5	3.0	53.3	4.6	21.3	(24.9)	16.0
Reported EPS	4.9	(42.9)	2.8	4.9	12.2	5.5	0.8	187.5	2.3	21.5	n/m	(2.5)
Net dividend per share	-		-	5.4		2.3	-		-	15.8		6.5
Average number of shares in issue	7,731		7,735	7,697		7,739	7,733		7,743	8,066		7,724

Group free cash flow												
Adjusted EBITDA ¹	1,417		1,371	1,407		1,436	1,301		1,444	5,911		5,442
Leaver costs	(73)		(45)	(36)		(21)	(33)		(58)	(127)		(204)
Capital expenditure	(836)	(18.9)	(678)	(712)	(22.1)	(555)	(789)	(30.5)	(548)	(3,253)	(6.6)	(3,038)
Interest	(285)	(0.4)	(284)	(145)	4.8	(152)	(305)	3.0	(314)	(731)	28.2	(937)
Tax	0		210	(2)		201	(111)		(44)	203		(228)
Change in working capital	(962)		(599)	(168)		(100)	(179)		45	(24)		(462)
Specific items	(27)		(41)	(38)		(95)	36		(130)	(530)		(35)
Other	32		(56)	63		(9)	48		(90)	278		199
Free cash flow (pre gross pension deficit payment)	(734)	83.4	(122)	369	91.1	705	(32)	n/m	305	1,727	(57.3)	737
Gross pension deficit payment	0		0	0		0	0		(525)	(224)		0
Free cash flow (post gross pension deficit payment)	(734)	83.4	(122)	369	91.1	705	(32)	n/m	(220)	1,503	(51.0)	737
Net debt	10,581	(0.6)	10,517	11,028	(10.4)	9,878	11,060	(8.6)	10,112	9,460	9.5	10,361

Operating cash flow by line of business		Change £m			Change £m			Change £m	
BT Global Services	(637)	178	(459)	(222)	128	(94)	(267)	236	(31)
BT Retail	169	194	363	253	200	453	285	114	399
BT Wholesale	45	63	108	318	(122)	196	110	98	208
Openreach	256	(19)	237	277	30	307	286	47	333

¹ before specific items, leaver costs, net interest on pensions and BT Global Services contract and financial review charges

² restated for the adoption of IFRS2 Share-based payment - vesting conditions and cancellations¹ and customer account moves between Global Services and Retail

³ revenue restated to reflect account moves between Global Services and Retail

⁴ includes £110m non-cash share based payment adjustment

⁵ includes HMRC tax rebate: £504m in 2007/8; £215m in Q2 2009/10

⁶ includes associated interest from HMRC tax rebate: £66m in 2007/8

Revenue analysis		2007/8 ¹					2008/9 ¹					2009/10		
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3
£m														
ICT & Managed Networks	BT Global Services	802	841	912	1,098	3,653	926	974	1,065	1,121	4,086	895	916	980
	BT Retail	111	121	139	159	530	144	149	150	156	599	138	142	142
	BT Wholesale	64	72	76	83	295	81	108	166	163	518	167	180	180
MPLS		977	1,034	1,127	1,340	4,478	1,151	1,231	1,381	1,440	5,203	1,200	1,238	1,302
Total	BT Global Services	181	199	213	222	815	247	286	276	337	1,146	326	361	333
	BT Global Services	983	1,040	1,125	1,320	4,468	1,173	1,260	1,341	1,458	5,232	1,221	1,277	1,313
	BT Retail	111	121	139	159	530	144	149	150	156	599	138	142	142
	BT Wholesale	64	72	76	83	295	81	108	166	163	518	167	180	180
Total Managed Solutions		1,158	1,233	1,340	1,562	5,293	1,398	1,517	1,657	1,777	6,349	1,526	1,599	1,635
	BT Global Services	55	72	71	77	275	67	73	89	92	321	82	83	84
	BT Retail	279	297	301	324	1,201	319	332	333	329	1,313	326	330	331
	BT Wholesale	175	158	149	142	624	129	119	118	116	482	117	110	103
	Openreach	103	104	113	129	449	120	120	134	127	501	131	143	162
Broadband (incl. LLU) and Convergence²		612	631	634	672	2,549	635	644	674	664	2,617	656	666	680
Lines ³	BT Global Services ⁵	158	150	153	148	609	133	130	127	121	511	122	117	116
	BT Retail	790	783	788	772	3,133	784	779	764	737	3,064	775	720	698
		948	933	941	920	3,742	917	909	891	858	3,575	897	837	814
Calls	BT Global Services ⁵	64	56	52	58	230	51	50	51	48	200	48	46	43
	BT Retail	613	621	608	578	2,420	575	545	544	513	2,177	514	495	508
		677	677	660	636	2,650	626	595	595	561	2,377	562	541	551
Private Circuits	BT Global Services ⁵	105	94	84	75	358	94	88	83	79	344	78	78	75
	BT Retail	47	50	49	47	193	46	47	47	41	181	41	37	39
	BT Wholesale	124	125	103	110	462	105	112	84	84	385	87	71	78
Total		276	269	236	232	1,013	245	247	214	204	910	206	186	192
	BT Global Services	327	300	289	281	1,197	278	268	261	248	1,055	248	241	234
	BT Retail	1,450	1,454	1,445	1,397	5,746	1,405	1,371	1,355	1,291	5,422	1,330	1,252	1,245
	BT Wholesale	124	125	103	110	462	105	112	84	84	385	87	71	78
Total Calls and Lines		1,901	1,879	1,837	1,788	7,405	1,788	1,751	1,700	1,623	6,862	1,665	1,564	1,557
Transit, conveyance, interconnect circuits, WLR, global carrier and other wholesale (incl. FRIACO)	BT Global Services	182	196	201	198	777	215	220	227	242	904	200	199	212
	BT Wholesale	586	541	511	475	2,113	476	461	467	424	1,828	417	385	362
	Openreach	108	104	105	120	437	117	122	131	142	512	149	156	153
Other ⁴		876	841	817	793	3,327	808	803	825	808	3,244	766	740	727
	BT Global Services ⁵	212	219	224	292	947	261	274	276	264	1,075	328	224	275
	BT Retail	206	236	243	254	939	222	242	254	268	986	233	248	254
Total	BT Wholesale	61	51	51	50	213	58	60	41	58	217	48	71	63
		479	506	518	596	2,099	541	576	571	590	2,278	609	543	592
	BT Global Services	394	415	425	490	1,724	476	494	503	506	1,979	528	423	487
	BT Retail	206	236	243	254	939	222	242	254	268	986	233	248	254
	BT Wholesale	647	592	562	525	2,326	534	521	508	482	2,045	465	456	425
	Openreach	108	104	105	120	437	117	122	131	142	512	149	156	153
Total Other		1,355	1,347	1,335	1,389	5,426	1,349	1,379	1,396	1,398	5,522	1,375	1,283	1,319
Internal revenue	BT Retail	50	70	67	78	265	68	82	88	105	343	83	90	89
	BT Wholesale	308	309	315	320	1,252	307	308	307	306	1,228	306	308	306
	Openreach	1,110	1,099	1,100	1,071	4,380	1,069	1,061	1,064	1,024	4,218	1,026	986	977
Total internal revenue		1,468	1,478	1,482	1,469	5,897	1,444	1,451	1,459	1,435	5,789	1,415	1,384	1,372
Total line of business revenue	BT Global Services	1,759	1,827	1,910	2,168	7,664	1,994	2,095	2,194	2,304	8,587	2,079	2,024	2,118
	BT Retail	2,096	2,178	2,195	2,212	8,681	2,158	2,176	2,180	2,149	8,663	2,110	2,062	2,061
	BT Wholesale	1,318	1,256	1,205	1,180	4,959	1,156	1,168	1,183	1,151	4,658	1,142	1,125	1,092
	Openreach	1,321	1,307	1,318	1,320	5,266	1,306	1,303	1,329	1,293	5,231	1,306	1,285	1,292
	Other	7	5	8	11	31	7	12	10	11	40	13	10	7
	Eliminations	(1,468)	(1,478)	(1,482)	(1,469)	(5,897)	(1,444)	(1,451)	(1,459)	(1,435)	(5,789)	(1,415)	(1,384)	(1,372)
Total Group Revenue		5,033	5,095	5,154	5,422	20,704	5,177	5,303	5,437	5,473	21,390	5,235	5,122	5,198

¹restated to reflect account moves between Global Services and Retail

²includes VOIP and BT Vision revenues

³includes connection and rental fees

⁴includes Global Services revenue from non-UK global products and Retail revenue from conferencing, directories, payphones and other select services

⁵figures restated due to revenue re-alignment post account transfers carried out at Q1 09/10

Revenue trends		2008/9					2009/10		
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3
ICT & Managed Networks	BT Global Services	15.5%	15.8%	16.8%	2.1%	11.9%	(3.3)%	(6.0)%	(8.0)%
	BT Retail	29.7%	23.1%	7.9%	(1.9)%	13.0%	(4.2)%	(4.7)%	(5.3)%
	BT Wholesale	26.6%	50.0%	118.4%	96.4%	75.6%	106.2%	66.7%	8.4%
MPLS		17.8%	19.1%	22.5%	7.5%	16.2%	4.3%	0.6%	(5.7)%
	BT Global Services	36.5%	43.7%	29.6%	51.8%	40.6%	32.0%	26.2%	20.7%
Total	BT Global Services	19.3%	21.2%	19.2%	10.5%	17.1%	4.1%	1.3%	(2.1)%
	BT Retail	29.7%	23.1%	7.9%	(1.9)%	13.0%	(4.2)%	(4.7)%	(5.3)%
	BT Wholesale	26.6%	50.0%	118.4%	96.4%	75.6%	106.2%	66.7%	8.4%
Total Managed Solutions		20.7%	23.0%	23.7%	13.8%	20.0%	9.2%	5.4%	(1.3)%
	BT Global Services	21.8%	1.4%	25.4%	19.5%	16.7%	22.4%	13.7%	(5.6)%
	BT Retail	14.3%	11.8%	10.6%	1.5%	9.3%	2.2%	(0.6)%	(0.6)%
	BT Wholesale	(26.3)%	(24.7)%	(20.8)%	(18.3)%	(22.8)%	(9.3)%	(7.6)%	(12.7)%
	Openreach	16.5%	15.4%	18.6%	(1.6)%	11.6%	9.2%	19.2%	20.9%
Broadband (incl. LLU) and Convergence		3.8%	2.1%	6.3%	(1.2)%	2.7%	3.3%	3.4%	0.9%
Lines	BT Global Services	(15.8)%	(13.3)%	(17.0)%	(18.2)%	(16.1)%	(8.3)%	(10.0)%	(8.7)%
	BT Retail	(0.8)%	(0.5)%	(3.0)%	(4.5)%	(2.2)%	(1.1)%	(7.6)%	(8.6)%
Calls		(3.3)%	(2.6)%	(5.3)%	(6.7)%	(4.5)%	(2.2)%	(7.9)%	(8.6)%
	BT Global Services	(20.3)%	(10.7)%	(1.9)%	(17.2)%	(13.0)%	(5.9)%	(8.0)%	(15.7)%
Private Circuits	BT Retail	(6.2)%	(12.2)%	(10.5)%	(11.2)%	(10.0)%	(10.6)%	(9.2)%	(6.6)%
		(7.5)%	(12.1)%	(9.8)%	(11.8)%	(10.3)%	(10.2)%	(9.1)%	(7.4)%
Total	BT Global Services	(10.5)%	(6.4)%	(1.2)%	5.3%	(3.9)%	(17.0)%	(11.4)%	(9.6)%
	BT Retail	(2.1)%	(6.0)%	(4.1)%	(12.8)%	(6.2)%	(10.9)%	(21.3)%	(17.0)%
	BT Wholesale	(15.3)%	(10.4)%	(18.4)%	(23.6)%	(16.7)%	(17.1)%	(36.6)%	(7.1)%
Total Calls and Lines		(11.2)%	(8.2)%	(9.3)%	(12.1)%	(10.2)%	(15.9)%	(24.7)%	(10.3)%
Transit, conveyance, interconnect circuits, WLR, global carrier and other wholesale (incl. FRIACO)	BT Global Services	(15.0)%	(10.7)%	(9.7)%	(11.7)%	(11.9)%	(10.8)%	(10.1)%	(10.3)%
	BT Retail	(3.1)%	(5.7)%	(6.2)%	(7.6)%	(5.6)%	(5.3)%	(8.7)%	(8.1)%
	BT Wholesale	(15.3)%	(10.4)%	(18.4)%	(23.6)%	(16.7)%	(17.1)%	(36.6)%	(7.1)%
Total Other		(5.9)%	(6.8)%	(7.5)%	(9.2)%	(7.3)%	(6.9)%	(10.7)%	(8.4)%
Other	BT Global Services	18.1%	12.2%	12.9%	22.2%	16.3%	(7.0)%	(9.5)%	(6.6)%
	BT Wholesale	(18.8)%	(14.8)%	(8.6)%	(10.7)%	(13.5)%	(12.4)%	(16.5)%	(22.5)%
	Openreach	8.3%	17.3%	24.8%	18.3%	17.2%	27.4%	27.9%	16.8%
Total		(7.8)%	(4.5)%	1.0%	1.9%	(2.5)%	(5.2)%	(7.8)%	(11.9)%
	BT Global Services	23.1%	25.1%	23.2%	(9.6)%	13.5%	25.7%	(18.2)%	(0.4)%
	BT Retail	7.8%	2.5%	4.5%	5.5%	5.0%	5.0%	2.5%	0.0%
Total	BT Wholesale	(4.9)%	17.6%	(19.6)%	16.0%	1.9%	(17.2)%	18.3%	53.7%
		12.9%	13.8%	10.2%	(1.0)%	8.5%	12.6%	(5.7)%	3.7%
	BT Global Services	20.8%	19.0%	18.4%	3.3%	14.8%	10.9%	(14.4)%	(3.2)%
Total Other	BT Retail	7.8%	2.5%	4.5%	5.5%	5.0%	5.0%	2.5%	0.0%
	BT Wholesale	(17.5)%	(12.0)%	(9.6)%	(8.2)%	(12.1)%	(12.9)%	(12.5)%	(16.3)%
	Openreach	8.3%	17.3%	24.8%	18.3%	17.2%	27.4%	27.9%	16.8%
Total Other		(0.4)%	2.4%	4.6%	0.6%	1.8%	1.9%	(7.0)%	(5.5)%
Internal revenue									
	BT Retail	36.0%	17.1%	31.3%	34.6%	29.4%	22.1%	9.8%	1.1%
	BT Wholesale	(0.3)%	(0.3)%	(2.5)%	(4.4)%	(1.9)%	(0.3)%	0.0%	(0.3)%
	Openreach	(3.7)%	(3.5)%	(3.3)%	(4.4)%	(3.7)%	(4.0)%	(7.1)%	(8.2)%
Total internal revenue		(1.6)%	(1.8)%	(1.6)%	(2.3)%	(1.8)%	(2.0)%	(4.6)%	(6.0)%
Total line of business revenue									
Total Group Revenue	BT Global Services	13.4%	14.7%	14.9%	6.3%	12.0%	4.3%	(3.4)%	(3.5)%
	BT Retail	3.0%	(0.1)%	(0.7)%	(2.8)%	(0.2)%	(2.2)%	(5.2)%	(5.5)%
	BT Wholesale	(12.3)%	(7.0)%	(1.8)%	(2.5)%	(6.1)%	(1.2)%	(3.7)%	(7.7)%
	Openreach	(1.1)%	(0.3)%	0.8%	(2.0)%	(0.7)%	0.0%	(1.4)%	(2.8)%
Total Group Revenue		2.9%	4.1%	5.5%	0.9%	3.3%	1.1%	(3.4)%	(4.4)%

Line of business statistics	2007/8					2008/9					2009/10		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3
Global Services													
Order intake ¹ (£m)	1,654	1,580	1,855	2,746		1,868	1,772	1,745	2,532		1,411	1,436	1,550
Retail													
Business unit revenue¹ (£m)													
Consumer	1,118	1,143	1,160	1,120	4,541	1,121	1,105	1,096	1,040	4,362	1,105	1,042	1,056
Business	661	692	695	719	2,767	705	703	696	702	2,806	648	644	643
Enterprises	129	163	146	171	609	135	174	184	209	702	164	182	176
Ireland	186	186	194	205	771	198	194	202	206	800	198	200	201
Other (incl. eliminations)	2	(6)	0	(3)	(7)	(1)	0	2	(8)	(7)	(5)	(6)	(15)
Total	2,096	2,178	2,195	2,212	8,681	2,158	2,176	2,180	2,149	8,663	2,110	2,062	2,061
Calls (mins bn)													
Non geographic	5.22	4.96	4.61	4.39		4.02	3.81	3.50	3.40		3.13	3.05	2.87
Geographic	12.02	11.70	11.64	11.48		10.79	10.47	10.45	10.35		9.32	9.15	9.40
Total	17.24	16.66	16.25	15.87		14.81	14.28	13.95	13.75		12.45	12.20	12.27
Consumer ARPU ² (£)	266	271	273	274		278	283	285	287		290	296	301
Active Consumer lines ³ ('000)	13,448	13,194	12,912	12,600		12,416	12,229	12,043	11,789		11,583	11,388	11,251
BT Vision installed base ('000)	15	46	120	214		282	320	376	423		433	436	451
Openreach													
External WLR lines ('000)	4,285	4,366	4,528	4,666		4,853	5,077	5,323	5,647		5,972	6,138	6,051
Group													
Lines ('000)													
Consumer	16,486	16,248	16,050	15,793		15,527	15,289	14,954	14,514		14,089	13,696	13,330
Business ⁴	7,158	7,018	6,898	6,750		6,547	6,362	6,167	5,992		5,835	5,679	5,513
Total	23,644	23,266	22,948	22,543		22,074	21,651	21,121	20,506		19,924	19,375	18,843
Total exchange lines ('000)	27,929	27,632	27,476	27,209		26,927	26,728	26,444	26,153		25,896	25,513	24,894

¹ restated to reflect account moves between Global Services and Retail

² 12 month rolling consumer revenue, less mobile POLOs, divided by number of primary lines. Note: Q1,Q2&Q3 2009/10 figures show underlying ARPU, excluding £3 relating to Q1 09/10 one-off benefit

³ 'Active Consumer lines' represents the number of lines over which BT is the call provider (ex. NI, incl. Plusnet from Q3 09/10)

⁴ 2008/9 figures restated to reflect reporting of WLR3 lines on consistent basis with PSTN

Line of business trends	2008/9					2009/10		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3
Global Services								
Order intake	12.9%	12.2%	(5.9)%	(7.8)%		(24.5)%	(19.0)%	(11.2)%
Retail								
Business unit revenue								
Consumer	0.3%	(3.3)%	(5.5)%	(7.1)%	(3.9)%	(1.4)%	(5.7)%	(3.6)%
Business	6.7%	1.6%	0.1%	(2.4)%	1.4%	(8.1)%	(8.4)%	(7.6)%
Enterprises	4.7%	6.7%	26.0%	22.2%	15.3%	21.5%	4.6%	(4.3)%
Ireland	6.5%	4.3%	4.1%	0.5%	3.8%	0.0%	3.1%	(0.5)%
Other (incl. eliminations)								
Total	3.0%	(0.1)%	(0.7)%	(2.8)%	(0.2)%	(2.2)%	(5.2)%	(5.5)%
Calls								
Non geographic	(23.0)%	(23.2)%	(24.1)%	(22.6)%		(22.1)%	(19.9)%	(18.0)%
Geographic	(10.2)%	(10.5)%	(10.2)%	(9.8)%		(13.6)%	(12.6)%	(10.0)%
Total	(14.1)%	(14.3)%	(14.2)%	(13.4)%		(15.9)%	(14.6)%	(12.0)%
Consumer ARPU	4.5%	4.4%	4.4%	4.7%		4.3%	4.6%	5.6%
Active Consumer lines	(7.7)%	(7.3)%	(6.7)%	(6.4)%		(6.7)%	(6.9)%	(6.6)%
BT Vision installed base	1780.0%	595.7%	213.3%	97.7%		53.5%	36.3%	19.9%
Openreach								
External WLR lines	13.3%	16.3%	17.6%	21.0%		23.1%	20.9%	13.7%
Group								
Lines								
Consumer	(5.8)%	(5.9)%	(6.8)%	(8.1)%		(9.3)%	(10.4)%	(10.9)%
Business	(8.5)%	(9.3)%	(10.6)%	(11.2)%		(10.9)%	(10.7)%	(10.6)%
Total	(6.6)%	(6.9)%	(8.0)%	(9.0)%		(9.7)%	(10.5)%	(10.8)%
Total exchange lines	(3.6)%	(3.3)%	(3.8)%	(3.9)%		(3.8)%	(4.5)%	(5.9)%

Broadband
000s

2007/8			
Q1	Q2	Q3	Q4

2008/9			
Q1	Q2	Q3	Q4

2009/10		
Q1	Q2	Q3

Retail

Total Broadband
Net adds in quarter
Retail share of DSL + LLU net adds
Retail share of DSL + LLU installed base

3,834	4,074	4,251	4,402
175	178 ¹	177	150
38%	37% ¹	35%	30%
34%	35%	35%	35%

4,505	4,574	4,658	4,757
103	69	83	99
31%	27%	28%	42%
35%	34%	34%	34%

4,835	4,906	5,008
78	72	102
46%	43%	42%
35%	35%	35%

Wholesale

Total Wholesale Broadband
Net adds in quarter
External Wholesale
Net adds in quarter

8,772	8,480	8,457	8,385
(55)	(292)	(23)	(72)
4,938	4,405	4,205	3,983
(230)	(470) ²	(200)	(222)

8,261	8,196	8,074	8,062
(123)	(65)	(122)	(12)
3,756	3,622	3,416	3,305
(227)	(134)	(206)	(110)

8,026	8,031	8,044
(36)	5	14
3,191	3,124	3,036
(114)	(67)	(88)

Openreach

External LLU Volumes ('000)
Full and shared loops
Net adds in quarter

2,424	3,195	3,729	4,300
514	771	534	571

4,761	5,084	5,501	5,750
461	323	417	249

5,957	6,121	6,352
207	164	231

Group

Total DSL + LLU
Net adds in quarter

11,195	11,674	12,186	12,684
459	479	511	499

13,022	13,280	13,575	13,812
338	258	295	237

13,983	14,152	14,397
171	168	245

¹ Net adds excludes the acquisition of Brightview (63k customers)

² Adjusted for the impact of Plusnet and Brightview acquisitions by Retail

Costs
£m

	2007/8				
Q1	Q2	Q3	Q4	Total	

	2008/9				
Q1	Q2	Q3	Q4	Total	

	2009/10		
Q1	Q2	Q3	

Summary cost analysis

Staff costs before leaver costs ¹					
Own work capitalised					
Net staff costs before leavers					
Leaver costs					
Total staff costs incl. leaver costs					
Other operating costs					
Sub total					
POLO's					
Depreciation and amortisation					
Amortisation of acquired intangibles					
Total costs²					

1,299	1,297	1,273	1,362	5,231
(187)	(192)	(177)	(168)	(724)
1,112	1,105	1,096	1,194	4,507
8	43	20	56	127
1,120	1,148	1,116	1,250	4,634
1,501	1,561	1,649	1,697	6,408
2,621	2,709	2,765	2,947	11,042
1,062	1,054	1,023	1,098	4,237
706	681	727	732	2,846
3	12	5	23	43
4,392	4,456	4,520	4,800	18,168

1,386	1,344	1,352	1,330	5,412
(158)	(155)	(192)	(168)	(673)
1,228	1,189	1,160	1,162	4,739
73	36	33	62	204
1,301	1,225	1,193	1,224	4,943
1,585	1,771	2,289	3,289	8,934
2,886	2,996	3,482	4,513	13,877
1,037	1,043	1,094	1,092	4,266
680	672	702	774	2,828
11	13	21	17	62
4,614	4,724	5,299	6,396	21,033

1,266	1,206	1,214
(144)	(133)	(143)
1,122	1,073	1,071
45	21	58
1,167	1,094	1,129
1,773	1,666	1,697
2,940	2,760	2,826
1,048	1,040	1,066
722	747	742
16	12	12
4,726	4,559	4,646

¹ restated for the adoption of IFRS2 'Share-based payment - vesting conditions and cancellations

² under IFRS basis and before specific items

Capital expenditure

Platform/Network	
Line of Business	
Access	
Regulatory & compliance	
Support functions	
Total	

1,426
840
844
171
58
3,339

329	333	287	311	1,260
233	200	223	216	873
171	167	166	159	663
53	50	59	65	227
16	15	26	7	65
802	766	762	758	3,088

207	217	241
130	131	128
143	130	138
59	56	40
20	24	7
559	558	554