



Adjusted revenue:
£22.8bn

Normalised free cash flow:
£2.0bn

LSE: BT.A

Adjusted EBITDA:
£7.9bn

Dividend per share:
4.62p

Market capitalisation²:
£12bn

Chief Executive: Philip Jansen
Chief Financial Officer: Simon Lowth

We're the UK's leader in fixed and mobile telecoms

BT is the UK's leading communications services company and a significant global player. We own and operate the best converged network in the UK, offer a differentiated customer experience and deliver services in 180 countries. We offer services integral to modern life: broadband, mobile, convergence, content, and IT services.

Our investment case is based on continued network leadership and delivering great customer experiences

Over the last year we delivered results in line with expectations, progressed ahead of target with our transformation plan, significantly accelerated our FTTP³ build, and launched 5G services across the UK.

To drive sustainable growth in value we have accelerated our investment to deliver: the best converged network; a differentiated customer experience; and a simplified, lean and agile business.

We suspended the final dividend for 2019/20 and all dividends for 2020/21 to create capacity for value-enhancing investments and managing confidently through the Covid-19 crisis; we expect to resume dividends in 2021/22 at 7.7p per share. The Board expects to continue with a progressive dividend policy from this re-based level.

Key financial measures and outlook

| | 2018/19 ¹ | 2019/20 | 2020/21 Outlook |
|--|----------------------|-----------|-----------------|
| Adjusted Revenue | £23,459m | £22,824m | Down 5-6% |
| Adjusted EBITDA | £8,126m | £7,907m | £7.2bn-7.5bn |
| Cash capital expenditure | £3,637m | £4,099m | £4.0bn-4.3bn |
| Normalised free cash flow | £2,440m | £2,011m | £1.2bn-1.5bn |
| Dividend per share | 15.40p | 4.62p | nil |
| IAS 19 Pension deficit ⁴ | £(6.0)bn | £(1.0)bn | |
| Net financial (debt)/cash (excl. lease liabilities) ⁵ | £(10.8)bn | £(11.3)bn | |

Long term credit ratings | Moody's Baa2 | S&P BBB | Fitch BBB

¹ Pro forma results (unaudited) post IFRS 16, recharge changes, and Emergency Services Network transfer | ² At 31 March 2019 | ³ Fibre-to-the-premises | ⁴ Net of deferred tax asset | ⁵ In 2018/19 this is the reported figure less c.£200m of finance leases

Our priorities for cash flow

Drive sustainable growth in value

Grow EBITDA

Grow free cash flow

Invest for growth

Support pension fund

Progressive dividends

Maintain strong balance sheet

Our contribution to the UK

Economic headlines

In 2019/20 we paid income taxes globally of **£210m** and UK corporation tax of **£147m**.

Our people

In 2019/20 we trained **3,800** new apprentices and hired **500** graduates.

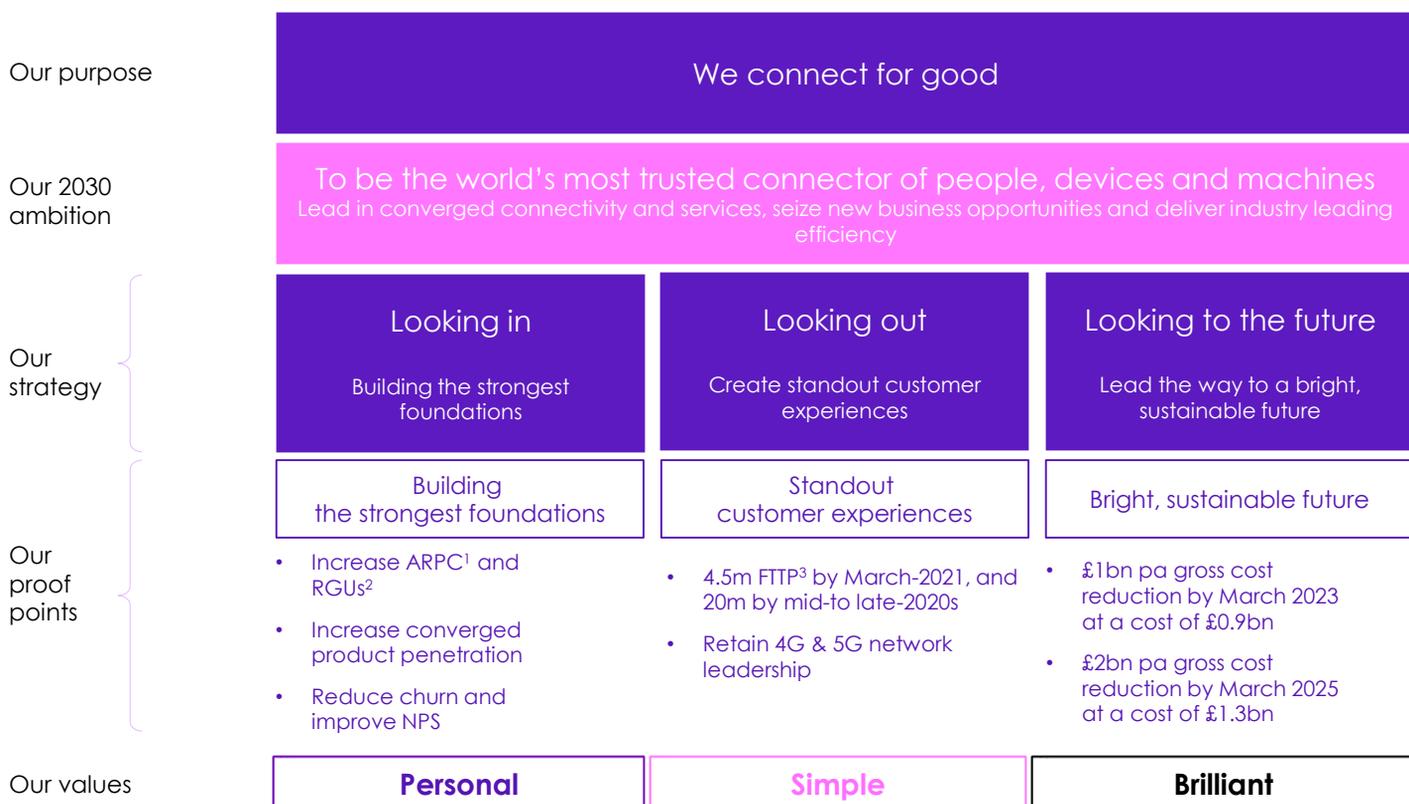
Our network

4G coverage of **84%**. Broadest 5G coverage. Passed **28.4m** premises with our superfast footprint, **5.4m** of which are ultrafast speeds.

Society

In 2019/20 **2.8m** people benefited from our Skills for Tomorrow initiative, and we cut our carbon emissions by **42%** vs. 2016/17 levels.

We have evolved our strategy to focus on convergence



BT Group Customer Facing Units

| Q1 2020/21 ⁴ | Adjusted revenue | Adjusted EBITDA | KPIs ⁵ | Customers | Products |
|-------------------------|------------------|-----------------|--|---|--|
| Consumer | £2,362m | £501m | Fixed churn: 1.0% Postpaid mobile churn: 1.0% | UK Consumers | Lines, mobile, broadband, TV, BT Sport |
| Enterprise | £1,352m | £406m | WAN and Ethernet circuits: 138k | Communications Providers, Corporates, and Public Sector | Broadband, Ethernet, voice, mobile, ventures services, networking, IT services |
| Global | £990m | £141m | Growth product revenue: 23% | Global MNCs ⁶ | Managed network IT services |
| Openreach | £1,286m | £729m | FTTP deployment: 3m premises | Communications Providers | Fibre and copper broadband, Ethernet |

¹ Average revenue per customer | ² Revenue generating units | ³ Fibre-to-the-premises | ⁴ Pro forma results (unaudited) post IFRS 16, recharge changes, and Emergency Services Network transfer | ⁵ Selected KPIs | ⁶ Multinational corporations



BT Investor Relations

+44 20 7356 4909
ir@bt.com

www.bt.com/ir
@BTGroup

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