Vodafone Group Plc
UBS European Conference

Andy Halford, Chief Financial Officer
16 November 2011
Disclaimer

You are invited to join this conference on the basis that you are an investment professional for the purposes of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005. No other person should act or rely on the information presented.

The presentation contains forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995 which are subject to risks and uncertainties because they relate to future events. These forward-looking statements include, without limitation, statements in relation to the Group’s financial outlook and future performance. Some of the factors which may cause actual results to differ from these forward-looking statements are discussed on the final slide of the presentation.

The presentation also contains certain non-GAAP financial information. The Group’s management believes these measures provide valuable additional information in understanding the performance of the Group or the Group’s businesses because they provide measures used by the Group to assess performance. However, this additional information presented is not uniformly defined by all companies, including those in the Group’s industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Additionally, although these measures are important in the management of the business, they should not be viewed in isolation or as replacements for, or alternatives to, but rather as complementary to, the comparable GAAP measures.

Vodafone and the Vodafone logo, are trade marks of the Vodafone Group. Other product and company names mentioned herein may be the trade marks of their respective owners.
H1 11/12 highlights

- Group organic service revenue H1 +1.4%; Q1 +1.5%, Q2 +1.3%
- Strong commercial performance in most European and emerging markets
- Verizon Wireless $10bn dividend confirmed; Vodafone $4.5bn share
- £3.9bn of £6.8bn share buyback programme completed by Q2¹
- Interim dividend per share +7.0% to 3.05p; special dividend per share 4.0p
- Continued progress on strategic priorities

¹ £4.5 billion completed by 7 November 2011
Evolving the Group towards data and emerging markets

Increasing contribution beyond mature voice (%)

<table>
<thead>
<tr>
<th></th>
<th>H1 09/10</th>
<th>H1 10/11</th>
<th>H1 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mature mobile voice (^1)</td>
<td>27</td>
<td>29</td>
<td>28</td>
</tr>
<tr>
<td>Mature data, fixed and other (^1)</td>
<td>22</td>
<td>27</td>
<td>28</td>
</tr>
<tr>
<td>Emerging markets (^2)</td>
<td>51</td>
<td>44</td>
<td>40</td>
</tr>
</tbody>
</table>

Europe mobile service revenue mix

- **Enterprise** 30%
- **Consumer contract in bundle** 21%
- **Consumer contract out of bundle** 13%
- **Consumer prepaid** 27%
- **Consumer contract incoming** 5%
- **Other** 4%

- Rebalancing the revenue mix (Q2 growth):
  - Europe mobile voice **-8.9%**
  - Europe data **+21%**
  - Emerging markets **+13%**

- Driving profitable data growth
  - **18%** of Europe mobile revenues are out of bundle / incoming
  - Managing risks: Q2 **36%** of Europe consumer contract revenue from integrated plans (+9ppt vs. Q4 10/11)

---

1. Service revenue: Europe, Eastern Europe (excluding Turkey), Australia & New Zealand
2. Service revenue: Turkey, Vodacom, India, Egypt, Ghana & Qatar
Network: driving data revenue while managing traffic

Europe data traffic and revenue growth (%)

- Web/Video traffic optimisation in 9 markets; 15-30% volume cuts
- 20-30% reduction in peer to peer traffic in key markets
- Traffic mix moving to smartphones
- Maintaining network strength in Europe: leading data performance in 11 out of 13 markets\(^1\); 3G capacity utilisation stable at 37%\(^2\)

Europe data traffic mix (%)

- Smartphone
- Mobile Broadband / Other

Europe monthly usage per user (MB)

1. September 2010 to July 2011
2. Average busy hour utilisation
Pricing & Profitability: encouraging early trends in data economics

Consumer contract Smartphone vs. non-smartphone upgrades

<table>
<thead>
<tr>
<th>Europe average customer (€)</th>
<th>Delta</th>
<th>Europe average ARPU uplift (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted lifetime revenue</td>
<td>Revenue +27%</td>
<td>Q4 10/11</td>
</tr>
<tr>
<td>A&amp;R</td>
<td>A&amp;R +123%</td>
<td>Q1 11/12</td>
</tr>
<tr>
<td>Contracted lifetime EBIT</td>
<td>Profit +2%</td>
<td></td>
</tr>
</tbody>
</table>

In expected €2-10 range
New services: executing on growth opportunities

Operator billing
Charge to bill service with:
Google, Nokia, RIM

Machine to machine
6.2m global connections

Near field communications

Financial services
27m money transfer users

£250m p.a. revenue today¹
£10bn addressable market opportunity by 2020²

Push mobile advertising
Platforms upgraded or launched in most markets

JV in UK and Germany

---
1. Q2 11/12 annualised revenue
2. Vodafone
Vodafone’s scale and growth, including Verizon Wireless

**Service revenue growth (%)**
- Vodafone: 2.0%
- Vodafone + VZW: 3.3%
  +1.3ppt

**EBITDA margin (%)**
- Vodafone: 31.7%
- Vodafone + VZW: 33.8%
  +2.1ppt

**EBITDA (£bn)**
- Vodafone: 14.8
- Vodafone + VZW: 22.2
  +50%

**Free cash flow (£bn)**
- Vodafone: 6.2
- Vodafone + VZW: 9.6
  +56%

---
1. Organic service revenue reported for Vodafone Group Plc plus proportionate organic service revenue for Verizon Wireless reported under IFRS and excluding trust markets. Average of last 5 quarters.
2. EBITDA reported for Vodafone Group Plc plus proportionate EBITDA for Verizon Wireless reported under IFRS. Margin measured over total revenue.
3. Results from past 12 months.
Strong shareholder returns, effective portfolio management

Cash returns to shareholders (£bn)

- £15.0bn raised through recent disposals
- £3.9bn share buybacks completed in 12 months
- Dividend per share growth target at least 7% p.a. to 2013
- £2.0bn special dividend to be paid 2012
- Aggregate £26.1bn equates to 30% of market cap

$10.0bn dividend to be paid in Jan 2012

£6.8bn realised; commercial cooperation in place

1. Estimate includes £0.7bn China Mobile share buyback, £3.0bn SFR share buyback, £2.0bn special dividend, £4.7bn ordinary dividend (51.1bn shares in issue, final dividend 6.05p, interim dividend 3.05p)
2. At 30 September 2011, £2.8bn China Mobile programme complete, £1.1bn of £4.0bn SFR programme complete
Vodafone priorities for H2 11/12

**Europe**
Maintain competitive edge and improve cost efficiency

**Emerging markets**
Continue to focus on growth and profitability
Stimulate voice and data usage

**Verizon**
Deepen collaboration on technology, purchasing and enterprise joint services

**Data**
Enhance network quality and data economics

**New services**
Deliver enhanced customer data experience, integrating own and 3rd party platforms

**Enterprise**
Provide tailored services for all customers - SoHo to MNC

Deliver profit and cash flow targets to support shareholder returns
Our strategy is delivering consistent results

60% of revenue from fast growing data, fixed and emerging markets

Pushing integrated tariffs: ⅓ of European consumer contract revenue

Gaining market share in most European and emerging markets

Maintaining network leadership and controlling operating costs

Enhancing shareholder returns: 30% of market cap returned in cash over 4 years
Forward-looking statements

This presentation contains "forward-looking statements" within the meaning of the US Private Securities Litigation Reform Act of 1995 with respect to the Group’s financial condition, results of operations and businesses and certain of the Group’s plans and objectives. In particular, such forward-looking statements include: the Group’s dividend per share growth target and the statements relating to the Group’s future performance generally; statements relating to the development and launch of certain products, services and technologies, including the LTE network; expectations regarding growth in customers and usage and mobile data growth and technological advancements; statements relating to movements in foreign exchange rates; expectations regarding adjusted operating profit, free cash flows, costs, tax rates, tax settlements, mobile termination rates, ARPU and capital expenditures; expectations regarding cost reduction programmes and other cost efficiency programmes; expectations regarding the Group’s share buyback programmes; and expectations regarding the integration or performance of current and future investments, associates, joint ventures and newly acquired businesses. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "will", "anticipates", "aims", "could", "may", "should", "expects", "believes", "intends", "plans" or "targets". By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following: changes in economic or political conditions in markets served by operations of the Group that would adversely affect the level of demand for mobile services, and changes to the associated legal, regulatory and tax environments; greater than anticipated competitive activity, from both existing competitors and new market entrants (including mobile virtual network operators), which could require changes to the Group’s pricing models, lead to customer churn or make it more difficult to acquire new customers; levels of investment in network capacity and the Group’s ability to deploy new technologies, products and services in a timely manner, particularly data content and services, or the rapid obsolescence of existing technology; higher than expected costs, mobile termination rates or capital expenditures; and rapid changes to existing products and services and the inability of new products and services to perform in accordance with expectations, including as a result of third party or vendor marketing efforts. Furthermore, a review of the reasons why actual results and developments may differ materially from the expectations disclosed or implied within forward-looking statements can be found by referring to the information contained under the heading “Forward-looking statements” in the Group’s half-year financial report for the six months ended 30 September 2011 and “Principal risk factors and uncertainties” in the Group’s annual report for the year ended 31 March 2011, both of which can be found on the Group’s website (www.vodafone.com). All subsequent written or oral forward-looking statements attributable to the Company or any member of the Group or any persons acting on their behalf are expressly qualified in their entirety by the factors referred to above. No assurances can be given that the forward-looking statements in this presentation will be realised. Except as otherwise stated herein and as may be required to comply with applicable law and regulations, Vodafone does not intend to update these forward-looking statements and does not undertake any obligation to do so.
Q&A