Vodafone Group Plc
Preliminary results

For the year ended 31 March 2012
22 May 2012

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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 but rather as complementary to, the comparable GAAP measures.

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Agenda

- FY 11/12 highlights
- FY 11/12 financial review
- Technology: delivering Supermobile
- Commercial and strategic progress
- Q&A

FY 11/12 highlights

- Group organic service revenue growth +1.5%, Q4 +2.3%
- We are outperforming major competitors in most key markets
- Guidance met, adjusted operating profit £11.5bn, free cash flow £6.1bn
- £2.9bn dividend from Verizon Wireless
- Final dividend per share 6.47 pence, special dividend 4.0 pence, total +51.9% to 13.52 pence
- £3.6bn of share buyback, £6.8bn programme now 91% complete
- Continued progress on strategic initiatives

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1. As at 18 May 2012, At 31 March 2012, £5.7bn spend, 84% complete
Continued revenue and operating profit growth

<table>
<thead>
<tr>
<th></th>
<th>FY 11/12 £m</th>
<th>Reported growth %</th>
<th>Organic growth %</th>
<th>Q4 11/12 growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group revenue</td>
<td>46,417</td>
<td>1.2</td>
<td>2.2</td>
<td></td>
</tr>
<tr>
<td>Group service revenue</td>
<td>42,885</td>
<td>0.3</td>
<td>1.5</td>
<td>2.3</td>
</tr>
<tr>
<td>Europe</td>
<td>29,914</td>
<td>(0.6)</td>
<td>(1.1)</td>
<td>(0.2)</td>
</tr>
<tr>
<td>AMAP</td>
<td>12,751</td>
<td>3.7</td>
<td>8.0</td>
<td>7.6</td>
</tr>
<tr>
<td>Group EBITDA</td>
<td>14,475</td>
<td>(1.3)</td>
<td>(0.6)</td>
<td></td>
</tr>
<tr>
<td>EBITDA margin (%)</td>
<td>31.2</td>
<td>(0.8)ppt</td>
<td>(0.9)ppt</td>
<td></td>
</tr>
<tr>
<td>Associate income</td>
<td>4,963</td>
<td>(3.0)</td>
<td></td>
<td>10.3</td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>11,532</td>
<td>(2.4)</td>
<td>2.5</td>
<td></td>
</tr>
</tbody>
</table>

Underlying service revenue:
- Q4 +4.0% ex MTRs, FY +3.7% ex MTRs

EBITDA
- Lower rate of margin decline
- Increased commercial investment and macro pressures
- Restructuring -0.2ppt YoY margin impact

Adjusted operating profit
- Strong Verizon Wireless performance
- Non-recurrence of SFR income
- £11.8bn on a guidance basis

All growths shown are organic unless otherwise stated.
## Financial performance

<table>
<thead>
<tr>
<th></th>
<th>FY 11/12 £m</th>
<th>FY 10/11 £m</th>
<th>Reported growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted operating profit</strong></td>
<td>11,532</td>
<td>11,818</td>
<td>(2.4)</td>
</tr>
<tr>
<td><strong>Net financing costs</strong></td>
<td>(1,614)</td>
<td>(815)</td>
<td></td>
</tr>
<tr>
<td><strong>Tax</strong></td>
<td>(2,304)</td>
<td>(2,325)</td>
<td></td>
</tr>
<tr>
<td><strong>Non-controlling interests</strong></td>
<td>(64)</td>
<td>98</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted net profit</strong></td>
<td>7,550</td>
<td>8,776</td>
<td>(14.0)</td>
</tr>
<tr>
<td><strong>Other net gains</strong></td>
<td>3,457</td>
<td>5,342</td>
<td></td>
</tr>
<tr>
<td><strong>Impairment</strong></td>
<td>(4,050)</td>
<td>(6,150)</td>
<td></td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>6,957</td>
<td>7,968</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted earnings per share</strong></td>
<td>14.91p</td>
<td>16.75p</td>
<td>(11.0)</td>
</tr>
<tr>
<td><strong>Ordinary dividends per share</strong></td>
<td>9.52p</td>
<td>8.90p</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>6,105</td>
<td>7,049</td>
<td>(13.4)</td>
</tr>
</tbody>
</table>

1. Attributable to equity shareholders
2. Includes sale of Group’s interests in SFR £3.4bn and Polkomtel £0.1bn (net of tax)

### Interest, tax and EPS
- Finance costs impacted by non-recurring items
- Tax rate 25.3% similar to FY 10/11
- Other net gains: disposal of SFR and Polkomtel
- Impairments: Italy, Spain, Portugal and Greece
- 8ppt of EPS decline due to disposals

### Free cash flow
- Non-recurring working capital benefit FY 10/11
- Disposal of China Mobile and SFR

## Data, SMS and fixed growth continues to offset voice decline

### (£m)

<table>
<thead>
<tr>
<th>Service revenue FY 10/11</th>
<th>Voice MTR impact</th>
<th>Underlying voice</th>
<th>Data</th>
<th>Messaging</th>
<th>Fixed</th>
<th>Wholesale and other</th>
<th>FX and M&amp;A</th>
<th>Service revenue FY 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>42,738</td>
<td>(928)</td>
<td>(145)</td>
<td>1,128</td>
<td>220</td>
<td>186</td>
<td>176</td>
<td>(490)</td>
<td>42,885</td>
</tr>
</tbody>
</table>

- Voice decline again driven by regulation
- Data revenue +22.2%, with mobile internet +47.8%
- Messaging revenues +4.4%, volumes +11.2%
- Fixed revenues +5.4%, broadband customers +4.9% to 6.4m
Growth impacted by voice regulation

Service revenue growth (%)

- Q4 11/12 benefit from MTR effects in Germany and other European countries
- c.1ppt Q4 leap year impact
- FY 11/12 MTR impact 2.2ppt, expected to be similar next year

All growth rates shown are organic unless otherwise stated

Continued data and messaging growth

Executing on data
Group data revenue (£bn)

- Mobile internet +47.8%
- >107m data users, +33%
- Europe data attach 60%

European smartphone penetration (%)

- Q4: 44.9% contract
- Q4: 16.0% prepaid

All growth rates shown are organic unless otherwise stated
Success in enterprise and fixed

- Enterprise: 23% of Group service revenue, Europe 30%
- Vodafone Global Enterprise +11%: higher account penetration
- Enterprise data +18%: mobile internet, email usage and data roaming
- Continued pressure on enterprise voice pricing and usage
- Fixed broadband users 6.4m, +300k YoY
- Fixed enterprise revenue +14.6%, Vodafone One Net: 2.0m users +650k YoY

Growing in emerging markets and northern Europe

FY 11/12 service revenue growth (%)

- Ghana 29.2
- Turkey 25.1
- India 19.5
- Vodafone 7.1
- Netherlands 2.1
- UK 1.6
- Egypt 1.5
- Germany 1.4
- Ireland 1.2
- Romania (2.2)
- Italy (3.4)
- Czech Republic (3.4)
- Portugal (4.3)
- Australia (4.8)
- Spain (8.8)
- Greece (9.4)
- Group (9.6)

All growth rates shown are organic unless otherwise stated.
Europe: north-south divide continues

**Germany**
Service revenue growth (%)
- #1 mobile market share
- Data +17.8%, SMS +16.8%
- Enterprise revenue +8.2%
- Leading in LTE, 35% household coverage

**UK**
Service revenue growth (%)
- Fragile macro environment
- Slowdown in data growth to +5.5%
- Contract customer mix 54% +4ppt YoY

**Italy**
Service revenue growth (%)
- Tough macro environment
- Mobile internet +76%
- Market leadership in mobile enterprise

**Spain**
Service revenue growth (%)
- Difficult business conditions: A&R and price pressure
- Data +23.0%
- New commercial model launched April 2012

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**AMAP: continues to drive our growth**

**India**
Service revenue growth (%)
- Prices stabilised QoQ, positive ARPU growth 4.8%
- Strong operational performance
- Growing revenue share

**Vodacom Group**
Service revenue growth (%)
- Strong customer growth
- Service revenue: South Africa +2.6%, International +39.4%
- M-Pesa success in Tanzania

**Australia**
Service revenue growth (%)
- Q4 vs. Q3 4ppt MTR drag
- Brand recovery still not evident
- Network improvement ongoing
- Strategic expansion of Optus network agreement

**Egypt**
Service revenue growth (%)
- Anniversary of revolution
- Data revenue +53%
- Increased market share leadership over the year

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*All growth rates shown are Q4 organic unless otherwise stated*

1. Financial amounts in relation to India comprise Vodafone India Limited, the Group’s share of Indus Towers Limited and certain Indian shared service functions
2. Excludes Gateway and Vodacom Business Africa contribution
**EBITDA margin drivers: overall trend as expected**

- Macro and competitive pressures in Southern Europe
- Germany: restructuring costs
- Network-related issues in Australia
- Strong top line growth in India, Vodacom, Turkey and UK

**Group EBITDA margin movement (%)**

<table>
<thead>
<tr>
<th>Country</th>
<th>FY 10/11 EBITDA margin</th>
<th>FY 11/12 EBITDA margin</th>
<th>Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>32.0</td>
<td>31.2</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Germany</td>
<td>(0.6)</td>
<td>0.1</td>
<td>(0.7)</td>
</tr>
<tr>
<td>Italy</td>
<td>(0.3)</td>
<td>(0.2)</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Australia</td>
<td>0.2</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Turkey</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>UK</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Vodacom</td>
<td>0.2</td>
<td>0.1</td>
<td>(0.1)</td>
</tr>
<tr>
<td>India</td>
<td>0.1</td>
<td>0.2</td>
<td>(0.1)</td>
</tr>
<tr>
<td><strong>FY 11/12</strong></td>
<td><strong>31.2</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Group EBITDA margin analysis (%)**

<table>
<thead>
<tr>
<th>Component</th>
<th>FY 10/11 EBITDA margin</th>
<th>FY 11/12 EBITDA margin</th>
<th>Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct margin</td>
<td>32.0</td>
<td>31.2</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Net A&amp;R</td>
<td>(0.2)</td>
<td>(0.5)</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Restructuring</td>
<td>0.2</td>
<td>0.2</td>
<td>0.0</td>
</tr>
<tr>
<td>FX and M&amp;A</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>FY 11/12</strong></td>
<td><strong>31.2</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Continuing drive on costs to fund growth**

Group operating expenses

- Opex costs broadly flat over last two years
- Gross costs savings: 8% of Group costs, 12% of Europe costs
- Saving partly offset by higher traffic, inflation and targeted reinvestment

<table>
<thead>
<tr>
<th>Component</th>
<th>FY 09/10</th>
<th>FY 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>£4.5bn</td>
<td>£4.6bn</td>
</tr>
<tr>
<td>Customer overheads</td>
<td>£4.3bn</td>
<td>£4.5bn</td>
</tr>
<tr>
<td>Support functions</td>
<td>£1.9bn</td>
<td>£1.8bn</td>
</tr>
<tr>
<td><strong>Gross Europe and Common Functions costs savings</strong></td>
<td>£(0.9)bn</td>
<td>£0.0bn</td>
</tr>
<tr>
<td>Europe volume / inflation / reinvestment</td>
<td>£0.6bn</td>
<td>£0.0bn</td>
</tr>
<tr>
<td><strong>AMAP</strong></td>
<td>£0.5bn</td>
<td></td>
</tr>
<tr>
<td><strong>Net savings</strong></td>
<td>£0.3bn</td>
<td></td>
</tr>
</tbody>
</table>

1. Excludes restructuring costs, organic change
Shared services: major progress in just 5 years

From a standing start in 2007 we have established a strong and growing shared service organisation

2012

Employees
Number of ERP systems
Number of ERP users
Hackett value grid position

Achievements
• 4 shared service centres provide customer service, IT, network, finance and supply chain for the Group
• Faster and simpler process flows
• Net savings £100m p.a. by end FY 13/14: labour arbitrage, process efficiencies, insourcing of contracts

Going forward
• Increase % of offshore FTEs
• Target Hackett world class status by March 2014

Employees

Number of ERP systems

Reduced from 20 to 1

Number of ERP users

70,000 users of new system

Hackett value grid position

2nd quartile

One supply chain: cost efficiency through centralisation

Spend managed per employee (Index)

FY 07/08 FY 08/09 FY 09/10 FY 10/11 FY 11/12

Vodafone 10.0
Hackett World Class benchmark 6.2

Savings as % of controlled spend (FY 11/12)

FY 07/08 FY 08/09 FY 09/10 FY 10/11 FY 11/12

Vodafone 0.7
Hackett World Class benchmark 4.8

Cumulative savings (£bn)

FY 07/08 FY 08/09 FY 09/10 FY 10/11 FY 11/12

Vodafone 0.7
Hackett World Class benchmark 4.8

Going forward:
• Further standardisation, e.g. technology
• Scale synergies with Verizon Wireless and partner networks

1. A recognised benchmark of finance back office process effectiveness and efficiency
2. IDC Benchmark Feb 2012
3. At constant foreign exchange

1. From disparate local purchasing by 24 individual markets to one single global team managing £10bn of spend
2. Savings managed per FTE +100%
3. £0.9bn working capital impact over last two years
4. Best in class IT server costs
5. Savings as % of controlled spend (FY 11/12)
Verizon Wireless: leading operational performance

Service revenue ($bn)¹

<table>
<thead>
<tr>
<th></th>
<th>Q1 11/12</th>
<th>Q2 11/12</th>
<th>Q3 11/12</th>
<th>Q4 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 service revenue</td>
<td>+8.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 retail postpaid ARPU</td>
<td>+3.6%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Debt ($bn)²

<table>
<thead>
<tr>
<th></th>
<th>March 2010</th>
<th>March 2011</th>
<th>March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt</td>
<td>12.6</td>
<td>23.5</td>
<td>16.6</td>
</tr>
<tr>
<td>Gross debt</td>
<td>19.8</td>
<td>30.5</td>
<td>27.1</td>
</tr>
</tbody>
</table>

$3.2bn Q4 free cash flow
$10bn dividend paid Jan 2012

Wireless: US EBITDA margin (%)²

<table>
<thead>
<tr>
<th></th>
<th>Sprint</th>
<th>T-Mobile</th>
<th>AT&amp;T</th>
<th>VZW</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q 10/11</td>
<td>14.6</td>
<td>28.7</td>
<td>41.6</td>
<td>46.3</td>
</tr>
<tr>
<td>Q1 11/12</td>
<td>12%</td>
<td>14.6</td>
<td>17%</td>
<td>20%</td>
</tr>
<tr>
<td>Q2 11/12</td>
<td>16%</td>
<td>176</td>
<td>203</td>
<td>209</td>
</tr>
<tr>
<td>Q3 11/12</td>
<td>14%</td>
<td>166</td>
<td>204</td>
<td>209</td>
</tr>
<tr>
<td>Q4 11/12</td>
<td>15%</td>
<td>166</td>
<td>204</td>
<td>209</td>
</tr>
</tbody>
</table>

Industry leading, +4.1ppt QoQ
Strong cost efficiency

Network leadership

4G population coverage (m)

<table>
<thead>
<tr>
<th></th>
<th>Q4 10/11</th>
<th>Q1 11/12</th>
<th>Q2 11/12</th>
<th>Q3 11/12</th>
<th>Q4 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sprint</td>
<td>124</td>
<td>146</td>
<td>176</td>
<td>203</td>
<td>209</td>
</tr>
<tr>
<td>T-Mobile</td>
<td>121</td>
<td>146</td>
<td>176</td>
<td>203</td>
<td>209</td>
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<td>121</td>
<td>146</td>
<td>176</td>
<td>203</td>
<td>209</td>
</tr>
<tr>
<td>VZW</td>
<td>121</td>
<td>146</td>
<td>176</td>
<td>203</td>
<td>209</td>
</tr>
</tbody>
</table>

¾ pop coverage; nationwide by mid 2013
9% retail postpaid LTE penetration

All growths shown are organic unless otherwise stated and financial highlights reported on a 100% IFRS basis unless stated otherwise
1. Organic revenue growth excludes divested properties
2. US EBITDA margin = EBITDA/service revenue for the 3 months ended 31 March 2012
3. Net debt and free cash flow are shown using US GAAP measures. Comparatives are presented on a comparable basis

Vodafone plus proportionate share of Verizon Wireless

FY 11/12 service revenue growth (%)(¹

<table>
<thead>
<tr>
<th></th>
<th>Vodafone</th>
<th>Vodafone + VZW</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1%</td>
<td>+5.5%</td>
<td></td>
</tr>
</tbody>
</table>

Active collaboration continuing

• LTE roadmap and standard setting
• Joint procurement
• Enterprise: better service for global customers
• Research and development, e.g. RCS-e5

FY 11/12 EBITDA (£bn)(²

<table>
<thead>
<tr>
<th></th>
<th>Vodafone</th>
<th>Vodafone + VZW</th>
</tr>
</thead>
<tbody>
<tr>
<td>£14.3bn</td>
<td>+55%</td>
<td>£22.2bn</td>
</tr>
</tbody>
</table>

Active collaboration continuing

• LTE roadmap and standard setting
• Joint procurement
• Enterprise: better service for global customers
• Research and development, e.g. RCS-e5

1. Organic service revenue reported for Vodafone Group Plc; plus proportionate organic service revenue for Verizon Wireless reported under IFRS and excluding trust markets
2. EBITDA reported for Vodafone Group Plc; plus proportionate EBITDA for Verizon Wireless reported under IFRS. Margin measured over total revenue
Increased costs of financing

<table>
<thead>
<tr>
<th></th>
<th>FY 11/12 £m</th>
<th>FY 10/11 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying net financing costs</td>
<td>(1,476)</td>
<td>(1,214)</td>
</tr>
<tr>
<td>Mark to market gains/(losses)</td>
<td>(190)</td>
<td>54</td>
</tr>
<tr>
<td>Potential interest on tax</td>
<td>9</td>
<td>(46)</td>
</tr>
<tr>
<td>Recurring net financing costs</td>
<td>(1,657)</td>
<td>(1,206)</td>
</tr>
<tr>
<td>SoftBank asset accretion</td>
<td>16</td>
<td>170</td>
</tr>
<tr>
<td>Dividends, incl. China Mobile</td>
<td>2</td>
<td>82</td>
</tr>
<tr>
<td>Capitalised borrowing costs</td>
<td>25</td>
<td>139</td>
</tr>
<tr>
<td>Adjusted net financing costs</td>
<td>(1,614)</td>
<td>(815)</td>
</tr>
<tr>
<td>Average cost of debt</td>
<td>5.0%</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

- Decision to increase fixed rate debt mix
- Average 76% fixed over next 3 years
- Mark-to-market losses reflect falling future interest rates
- Prior year benefits non-recurring: SoftBank, China Mobile, capitalised borrowing costs
- Cash cost broadly flat YoY

Free cash flow

<table>
<thead>
<tr>
<th></th>
<th>FY 11/12 £bn</th>
<th>FY 10/11 £bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>14.5</td>
<td>14.7</td>
</tr>
<tr>
<td>Capital additions</td>
<td>(6.4)</td>
<td>(6.2)</td>
</tr>
<tr>
<td>Working capital</td>
<td>0.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Taxation</td>
<td>(2.0)</td>
<td>(2.6)</td>
</tr>
<tr>
<td>Net interest</td>
<td>(1.3)</td>
<td>(1.3)</td>
</tr>
<tr>
<td>Net dividends</td>
<td>0.9</td>
<td>1.2</td>
</tr>
<tr>
<td>Other</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>6.1</td>
<td>7.0</td>
</tr>
<tr>
<td>VZW income dividend</td>
<td>2.9</td>
<td>0.0</td>
</tr>
<tr>
<td>Vodafone + VZW dividend</td>
<td>9.0</td>
<td>7.0</td>
</tr>
</tbody>
</table>

- £6.2bn on a guidance basis, within target of £6.0bn - £6.5bn
- Slightly increased capex; network enhancements
- High prior year working capital benefit
- Cash tax movement reflects timing differences
- Loss of SFR and China Mobile dividends of £0.3bn
Strong balance sheet control

<table>
<thead>
<tr>
<th>Net debt</th>
<th>FY 11/12 £bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening net debt</td>
<td>(29.9)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>6.1</td>
</tr>
<tr>
<td>Disposal proceeds</td>
<td>7.6</td>
</tr>
<tr>
<td>Share buyback</td>
<td>(3.6)</td>
</tr>
<tr>
<td>VZW income dividend received</td>
<td>2.9</td>
</tr>
<tr>
<td>Equity dividends paid</td>
<td>(6.6)</td>
</tr>
<tr>
<td>Licenses and spectrum</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Essar transactions</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Indian tax deposit</td>
<td>0.3</td>
</tr>
<tr>
<td>Foreign exchange</td>
<td>1.3</td>
</tr>
<tr>
<td>Other</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Closing net debt</td>
<td>(24.4)</td>
</tr>
</tbody>
</table>

- Disposal proceeds: £6.8bn SFR, £0.8bn Polkomtel
- Share buybacks: £5.7bn of £6.8bn programme complete
- Dividends paid: £4.6bn ordinary, £2.0bn special
- Spectrum
  - Spend in Italy, Spain, Greece, Hungary and Portugal
  - Upcoming 2012 auctions in Ireland, Romania, Netherlands, Czech Republic, UK
- Indian tax deposit received back
- Closing net debt at 1.7x EBITDA
- SoftBank final proceeds, £1.5bn received April 2012

FY 11/12 guidance achieved

<table>
<thead>
<tr>
<th></th>
<th>May 2011 guidance (£bn)</th>
<th>Nov 2011 guidance (£bn)</th>
<th>FY 11/12 guidance basis (£bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted operating profit</td>
<td>11.0 - 11.8</td>
<td>11.4 - 11.8</td>
<td>11.8</td>
</tr>
<tr>
<td>Free cash flow²</td>
<td>6.0 - 6.5</td>
<td>6.0 - 6.5</td>
<td>6.2</td>
</tr>
</tbody>
</table>

- EBITDA margin declined at a lower rate than FY 10/11: 80ppt vs. 110ppt in prior year
- Capital expenditure was at a similar level to FY 10/11: £6.4bn vs. £6.2bn in prior year

1. Guidance for FY 11/12 excluded restructuring costs and assumed foreign exchange rates of €1:£1.15 and €1:US$1.60. Actual exchange rates were €1:£1.16 and €1:US$1.60
2. Free cash flow actual and guidance excludes the impact of licence and spectrum purchases, material one-off tax related payments and restructuring costs
Guidance

<table>
<thead>
<tr>
<th>FY 11/12 reported basis</th>
<th>Adjusted operating profit</th>
<th>£bn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SFR/Polkomtel contribution and restructuring costs</td>
<td>0.0</td>
</tr>
<tr>
<td></td>
<td>FX (guidance basis)</td>
<td>(0.4)</td>
</tr>
<tr>
<td>FY 11/12 rebased reported</td>
<td></td>
<td>11.1</td>
</tr>
<tr>
<td>FY 12/13 guidance¹</td>
<td></td>
<td>11.1 - 11.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 11/12 guidance¹</th>
<th>Free cash flow</th>
<th>£bn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>6.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.3)</td>
</tr>
<tr>
<td>FY 12/13 guidance¹</td>
<td></td>
<td>5.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5.3 - 5.8²</td>
</tr>
</tbody>
</table>

- Service revenue growth in FY 12/13 expected to be slightly below previous medium term guidance range
- EBITDA margin decline to continue its improving trend in FY 12/13 and stabilise by end FY 13/14
- Capital expenditure expected to remain broadly stable YoY on a constant currency basis
- Free cash flow £5.5 - £6.5bn p.a. to FY 13/14 at €1.15; equivalent to £5.2 - £6.2bn p.a. at €1.23

¹ Guidance for FY 12/13 and FY 13/14 excludes restructuring costs and assumes foreign exchange rates of £1:€1.23 and £1:US$1.62. It also excludes any fundamental structural change to the Eurozone and assumes no material change to the current structure of the Group

² Medium term guidance set at November 2010 assumed foreign exchange rates of £1:€1.15 and £1:US$1.60, the equivalent range updated for other foreign exchange over this period

Focus on shareholder returns

Cash returns to shareholders (£bn)

<table>
<thead>
<tr>
<th>FY 08/09</th>
<th>FY 09/10</th>
<th>FY 10/11</th>
<th>FY 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0</td>
<td>4.0</td>
<td>6.6</td>
<td>10.2</td>
</tr>
</tbody>
</table>

To date

- £25.9bn returned to shareholders over last 4 years
- £3.6bn of share buybacks during FY 11/12
- Dividend per share +7.0% in FY 11/12
- £2.0bn special dividend paid February 2012

In future

- Complete £6.8bn share buyback programme
- Grow dividend per share by at least 7% in FY 12/13

¹ £6.2bn of £6.8bn programme completed at 18 May 2012
Robust financial performance in a difficult environment

- Robust financial performance
  - Organic service revenue +1.5% driven by data, emerging markets and enterprise
- Strong cash flow generation
  - Free cash flow £6.1bn after capex of £6.4bn
  - Strong balance sheet: net debt to EBITDA 1.7x
- Shareholder returns
  - Ordinary dividends per share +7%
  - £6.8bn share buyback programme, 84% complete by year end
  - £2.0bn special dividend paid
- Guidance
  - Medium term revenue guidance updated
  - Underlying FY 12/13: increased AOP and stable cash

Technology: delivering Supermobile

Steve Pusey
Our technology vision: Supermobile

**Best network**
Leading data performance and data everywhere we have voice

**IT excellence**
Deliver unmatched customer experience at every touch point: retail, call centre, online and billing

**Innovation**
Supporting our roadmap of new consumer and enterprise products

**Cost efficiency**
Reducing the cost to carry data

Maintaining investment levels to deliver a high quality network

Europe and Common Functions capex

<table>
<thead>
<tr>
<th>FY 10/11</th>
<th>FY 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>£4.0bn</td>
<td>£4.1bn</td>
</tr>
</tbody>
</table>

- Fixed/other: 13% → 5%
- Network services & IT platforms: 33% → 37%
- Core: 4% → 6%
- Transmission: 17% → 19%
- Radio: 31% → 29%

AMAP capex

<table>
<thead>
<tr>
<th>FY 10/11</th>
<th>FY 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>£2.2bn</td>
<td>£2.3bn</td>
</tr>
</tbody>
</table>

- Fixed/other: 13% → 10%
- Network services & IT platforms: 16% → 20%
- Core: 9% → 9%
- Transmission: 15% → 21%
- Radio: 47% → 40%

- Transmission upgrades and RAN swap in South Africa
- Network improvement in Australia (RAN and 850 MHz layer)
- India: lower 2G site rollout, 3G (12k sites), increased self-build transmission

Europe and Common Functions

- Enhancing centralised capabilities - online, security, Cloud, enterprise platforms (e.g. M2M)
- Platforms: e.g. billing and CRM for data
- Transmission: 83% self-build in Europe
- Radio: single RAN and 3G data coverage enhanced
Key investment drivers

Data Traffic (Petabytes)
- Traffic mix moving to smartphones
- Focus on signalling and yield

HSPA and LTE smartphone penetration (Mbps)
- Devices are getting faster, but lag network capability
- Critical to build minimum floor; balance commercial and network strategies

% of 3G sites greater than 90% utilisation in busy hour
- Concentration remains low
- No capacity crunch – focus on coverage and capability

Data volume by application (%)
- Critical to build minimum floor; balance commercial and network strategies

Best network for data: network enhancements

Europe coverage (%)
- FY 11/12
- FY 14/15

3G coverage
- UMTS 900 Refarm
- 3G footprint ≥ 14.4Mbps
- Device throughput > 400 kbps

High capacity backhaul (IP microwave, fibre, managed ethernet)
- Capable of >1 Gbps

% of European 3G footprint (Downlink Mbps)
- Germany: 33% household coverage, 2.7K sites live, urban rollout started Nov 2011
- Portugal from March 2012, Italy and Spain by 2013
- LTE readiness: expanding Europe single RAN coverage from 33% today to 80% by 2015
IT ambition: delivering an unmatched customer experience

**Legacy customer**
- Fragmented sales and contact channels
- Separate accounts for different services
- Vodafone bill for Vodafone services

**Supermobile customer**
- Integrated sales, online and contact channels
- Flexible cross product bundling, charging and discounting
- Charge to bill 3rd party services

IT transformed from fragmented to standardised over 5 years

1. From 14 to 5 strategic data centres
2. Virtualised Cloud enabled in Europe and Africa
3. Services platforms centralised
   - Single ERP
   - M2M
   - Vodafone One Net
4. Security centralised into one Group-wide virtual team
5. From local teams to shared service centres in Egypt, Hungary and India
Summary: solid technology foundations for ‘Vodafone 2015’

• Maintaining the best network
  – Data where we have voice
  – Ahead of smartphone and tablet capability

• Unmatched customer experience
  – Seamless retail, call centre and online user experience over the Vodafone Cloud

• Fit for the future
  – Global IP network
  – Virtualised Cloud base
  – Global security infrastructure

Commercial and strategic progress

Vittorio Colao

For more information on our strategy follow this code using your smartphone reader
Vodafone 2008 - 2012

‘Vodafone 2015’

The Vodafone Way

2008 – 2010: a stronger Vodafone

Free cash flow generation, stronger execution

Drive operational performance
Value enhancement and cost reduction
• More for customers
• Extend relationships
• Cost programmes
• Site sharing

Pursue growth opportunities in total communications
Mobile data, enterprise and fixed broadband
• Increase data usage
• Bundled services for SME and SoHo, VGE for multinationals
• Vodafone branded DSL

Execute in emerging markets
Deliver returns and selective expansion
• National footprint in India
• Indus Towers
• Growth in Africa

Strengthen capital discipline
Shareholder returns and clear capital priorities
• Infrastructure investment
• Dividends
• M&A cautious approach
2010 – 2012: a more valuable Vodafone

Leadership focus
- Europe, Africa and India

A growth strategy from data
- Mobile data: accelerate across footprint
- Enterprise: exploit opportunity across footprint
- Emerging markets: drive penetration and data adoption
- Total communications: continue to develop services in Europe
- New services: deliver growth opportunities

Value and efficiency from scale
- Continue to enhance efficiency and realise scale benefits

Asset / portfolio strategy
- Generate liquidity or free cash flow from all non-controlled assets

Capital discipline and financial objectives
- Profitable investment and shareholder returns
- Continue to apply rigorous investment criteria to deployment of surplus capital and regular assessment of all assets

Increased revenue share in most major markets

Mobile service revenue share growth vs. primary competitor

<table>
<thead>
<tr>
<th>Market</th>
<th>FY 11/12 vs. FY 08/09 (ppt)</th>
<th>Quarter ended 31 March 2012 (ppt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turkey</td>
<td>6.5</td>
<td>0.1</td>
</tr>
<tr>
<td>Italy</td>
<td>5.2</td>
<td>0.9</td>
</tr>
<tr>
<td>India</td>
<td>1.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Spain</td>
<td>2.1</td>
<td>2.1</td>
</tr>
<tr>
<td>South Africa</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>UK</td>
<td>0.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Germany</td>
<td>(1.4)</td>
<td>1.3</td>
</tr>
</tbody>
</table>

1. Vodafone estimates as of 31 March 2012. South Africa market share calculated based on top two operators. India market share calculated on top four operators.

2. Mobile total revenue market share
2008 – 2012 progress: UK and Germany

**UK: value refocus**
- Contract focus; distribution and iPhone
- Enterprise growth, SME strength
- Significant organisational change

**Germany: total communications innovation**
- Success in enterprise, full integration of Arcor
- Recent market share gains
- LTE leadership

---

2008 – 2012 progress: India and Vodacom

**India¹: success with scale**
- 150m customers, + 50% in 2 years. 35m data users
- National footprint
- Sophisticated distribution and marketing
- Growing margins

**Vodacom: data growth**
- Maintained market leadership
- Network differentiation and advantage
- Turnaround of international businesses in 2012
- Subsidiary from 2009, common branding 2011

---

¹ Financial amounts in relation to India comprise Vodafone India Limited, the Group's share of Indus Towers Limited and certain Indian shared service functions
² Source: TRAI
2008 – 2012 progress: Italy and Spain

**Italy: leadership in a tough environment**
- #1 position maintained
- NPS, consumer leadership achieved in FY 11/12
- Strong enterprise growth, Vodafone One Net success
- Innovative prepaid data bundling

**Spain: bold decisions in a difficult market**
- Economic difficulties from Q1 08/09
- Competitive pressures, lost share to new entrants
- Turnaround plan underway, new commercial model

![Graph showing mobile service revenue market share vs. primary competitor (%)]

<table>
<thead>
<tr>
<th>Q3 09/10</th>
<th>Q4 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>36.6</td>
<td>36.6</td>
</tr>
<tr>
<td>36.8</td>
<td>33.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 08/09</th>
<th>FY 09/10</th>
<th>FY 10/11</th>
<th>FY 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA margin (%)</td>
<td>Movement in mobile service revenue market share vs. primary competitor (ppt)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35.0</td>
<td>34.2</td>
<td>30.4</td>
<td>25.0</td>
</tr>
<tr>
<td>(0.9)</td>
<td>0.2</td>
<td>0.4</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Repricing, first step in new model

---

2008 – 2012 progress: other markets

**Turkey: commercial leadership**
- Recovered and gained market share¹, now 29%
- Network investment, distribution, branding
- Service revenue +21% Q4 11/12, -18% 3 years ago, rapidly growing enterprise business
- EBITDA £265m in FY 11/12, -£8m in FY 08/09

**Netherlands: consistent and strong performance**
- Market share² now 31%, EBITDA margin back into mid 30's
- Leadership with integrated tariffs, test market for data revolution
- Enhanced our distribution, Belco acquisition

**Ghana: successful turnaround**
- Successful rebranding and integration
- Gained #2 position³, from #4
- Continued high growth, service revenue +29% in FY 11/12
- EBITDA break even in FY 11/12

**Australia: integration mistakes**
- Brand recovery still not evident
- Invested in coverage, speed and capacity to address
- New management, turnaround in progress, changing customer perceptions

---

All growths shown are organic unless otherwise stated

1. Mobile total revenue market share
2. Mobile service revenue market share
3. Customer market share
2008 – 2012 progress: portfolio and capital discipline

• £15bn raised through disposals
• Minority investments sold, commercial agreements maintained
  – China Mobile
  – SFR
  – Polkomtel
  – SoftBank assets
• £6.8bn share buyback programme
• £2.9bn dividend received from Verizon Wireless

Vodafone 2008 - 2012

‘Vodafone 2015’
- Consumer Supermobile
- Enterprise services

The Vodafone Way
'Vodafone 2015': Supermobile strategy

Objectives

1. Differentiate
2. Increase loyalty
3. Sustain ARPU
4. Improve AMPU

Network excellence as a tangible source of differentiation
Healthy data pricing models
Roaming and data services portfolio
State of the art self-care, mCare, online platforms
Industry benchmark retail
Wide balanced choice of terminals

Robust networks, ready for data traffic growth

Network traffic in Europe (PB)

Europe network utilisation (%)

- LTE / HSPA+ investment
- Active management of utilisation
- Consistent investment: c.25% of Europe capex on volume growth
Leading on integrated tariffs

- 43% of Europe consumer contract revenue from integrated plans

Revenue from integrated tariffs (%)

Europe mobile service revenue mix

- 16% of Europe mobile revenues are consumer contract out of bundle/incoming, 18% in H1 FY 11/12

Innovative roaming and data portfolio

- Data roaming revenues +23%, proactive offers:
  - €2 daily data, 2m customers March 2012, 1m prior year. 9 markets live for consumer and enterprise
  - Monthly data proposition, 2.1m customers +57% YoY. 10 markets live for consumer, 11 live for enterprise
  - Italy: data roaming usage +79%, led by increasing smartphone penetration

Roaming customers (m)

Europe mobile internet revenues (£bn)

- Tablet and smartphone usage continues to grow
- Proactive offers:
  - Italy: ‘Smart’ data plans launched Sept 2011, 1.7m subscribers
  - Germany: ‘CallYa smartphone fun’, ARPU 2x prepaid average
  - UK: ‘Data Test Drive’, usage +50% during trial, +20% after trial
- New products and services: Vodafone Protect, Vodafone Cloud, Vodafone Guardian, RCS-e5 trialled as joyn in Spain

All growths shown are organic unless otherwise stated

1. Source: Syniverse
Delivering excellent customer experience through IT investment

Self care

- Market research\(^1\) suggests >50% inbound callers try online first
- Portugal: 80% of online visitors solved problem, 6% call reduction

mCare

- Rapid growth with market expansion
- mCare has 4x greater engagement
- Italy: mobile top-up volume doubled in 6 months

Online

- Ireland: enterprise NPS +11
- Online billing contribution to web NPS
- 65% penetration target FY 12/13

Retail excellence

- Experience-led store design, 75% of stores refitted by 2015\(^1\)
- Buy online collect in store, excellence in set-up
- Acquisition ➔ Retention
- Sales ➔ Service

A UK case study: relocations

- NPS ➔ +14
- Revenue ➔ +30%
- EBITDA margin ➔ +4ppt

Retail estate a core hub for new service model
A consistent and flawless experience

\(^1\) Harvard Business Review, July 2010

\(^1\) Global footprint including franchise stores
Terminals: leading choice in all price points

<table>
<thead>
<tr>
<th>High end</th>
<th>Mid tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong partnerships with smartphone leaders</td>
<td>Drive usage and experience with lower A&amp;R</td>
</tr>
<tr>
<td>18%¹</td>
<td>32%¹</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value</th>
<th>Tablets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry level smartphone with full performance to drive adoption</td>
<td>Promote multi screen mobility for incremental revenue</td>
</tr>
<tr>
<td>21%¹</td>
<td>1.2m active</td>
</tr>
</tbody>
</table>

What will success in Consumer look like?

<table>
<thead>
<tr>
<th>Industry today</th>
<th>'Vodafone 2015'</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smartphone penetration</td>
<td>Rising</td>
</tr>
<tr>
<td>Data usage</td>
<td>200 – 300 MB</td>
</tr>
<tr>
<td>Pricing</td>
<td>Falling (voice) expanding (data)</td>
</tr>
<tr>
<td>Commercial costs</td>
<td>Rising</td>
</tr>
<tr>
<td>Churn</td>
<td>Stable</td>
</tr>
</tbody>
</table>

¹ FY 11/12 volume of handsets sold by Vodafone. Excludes basic (29% of volume)
'Vodafone 2015': Enterprise services

Expand VGE
- World class and seamless customer experience
- Co-ordinated experience to truly integrated global offer
- Professional services capabilities in unified communications and telecom expense management

Increase One Net penetration
- Launch Vodafone One Net for VGE, the core of our multi-country MNC converged offer
- Drive One Net in all Europe markets, and selective AMAP markets
- Expand functionality for national corporates and MNCs

Accelerate M2M
- Focus on smart metering, automotive and consumer electronics sectors
- Leverage unique geographic footprint with global service delivery platform

Develop security and software solutions
- Mobile security, $3bn opportunity by 2015
- Vodafone Cloud and security applications for enterprise available in all markets

Integration of Cable & Wireless Worldwide

1. Canalys estimate

'Vodafone 2015': funding by continuous cost focus

Sources | Actions
--- | ---
1. Commercial costs | • A&R return targets
• Proactive handset range
• New commercial models

2. Procurement and supply chain | • Increase standardisation
• Central contracts
• Verizon Wireless collaboration

3. Network and IT | • Selective active sharing
• Centralisation
• Single IT stacks progressively

4. Shared services | • Expand scope and size of shared services in lower cost locations
• World class capability by 2014

5. Thales estimate

56
Challenges to success

**Macro**

- Austerity and confidence
- Underlying cost inflation
- Taxation

**Regulation**

- MTRs
- Spectrum
- Roaming

**Competition**

- Data pricing
- OTT substitution speed

Vodafone 2008 - 2012

'Vodafone 2015'

The Vodafone Way
Managers and shareholders are aligned

Vodafone shares owned (m)

- Share ownership goals expanded, half >100% of target
- Global vs. local incentives balanced

Senior team refreshed and more international

Senior leadership team numbers

- Now includes Vodacom, India and Ghana
- Only 3 CEOs in role since 2008
- 60% more than one Vodafone market experience
- 19% female, +5ppt since 2008
Conclusions

- Demand for data and enterprise services, and emerging markets growth well addressed by 2010 strategy
- Strong competitive performance in most markets, decreasing dependence on mature voice, geographically balanced assets
- Technology, operational and organisational set-up leverages Group scale and management depth
- Leading shareholder returns, value orientation for capital investment policies and corporate activity

Q&A
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 financial guidance (including for the financial year ending 31 March 2013 and the medium-term guidance for the financial year ending 31 March 2014) contained in slide 23 and statements relating to the Group’s future performance generally; statements relating to the Group’s 17% per annum dividend per share growth target, expectations regarding growth in customers and usage and mobile data, SMS and fixed growth and technological advancements; statements relating to the impact of MTRs and spectrum spend; statements and assumptions relating to movements in foreign exchange rates; expectations regarding adjusted operating profit, service revenue growth, EBITDA, EBITDA margin, free cash flows, costs, tax settlements, especially in India, and capital expenditures; and expectations regarding cost efficiency programmes, share services and standardisation and synergies with partner networks.

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, 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 or capital expenditures; 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; the ability of the Group to integrate new technologies, products and services with existing networks, technologies, products and services; the Group’s ability to generate and grow revenue from both voice and non-voice services and achieve expected cost savings; a lower than expected impact of new or existing products, services or technologies on the Group’s future revenue, cost structure and capital expenditure outlooks; slower than expected customer growth, reduced customer retention, reductions or changes in customer spending and increased pricing pressure; the Group’s ability to expand its spectrum position, win 4G/3G allocations and realise expected synergies and benefits associated with 4G/3G; the Group’s ability to secure the timely delivery of high quality, reliable handsets, network equipment and other key products from suppliers; loss of suppliers, disruption of supply chains and greater than anticipated prices of new mobile handsets; changes in the costs to the Group of, or the rates the Group may charge for, terminations and roaming minutes; the Group’s ability to realise expected benefits from acquisitions, partnerships, joint ventures, franchises, brand licences or other arrangements with third parties, particularly those related to the development of data and internet services; acquisitions and disinvestments of Group businesses and assets and the pursuit of new, unexpected strategic opportunities, which may have a negative impact on the Group’s financial condition and results of operations; the Group’s ability to integrate acquired business or assets and the imposition of any unfavourable conditions, regulatory or otherwise, on any pending or future acquisitions or dispositions; the extent of any future write-downs or impairment charges on the Group’s assets, or restructuring charges incurred as a result of an acquisition or disposition; developments in the Group’s financial condition, earnings and distributable funds and other factors that the Board takes into account in determining the level of dividends; the Group’s ability to satisfy working capital requirements through borrowing in capital markets, bank facilities and operations; changes in foreign exchange rates, including, particularly, the exchange rate of pounds sterling to the euro and the US dollar; changes in the regulatory framework in which the Group operates, including the commencement of legal or regulatory action seeking to regulate the Group’s permitted charging rates; the impact of legal or other proceedings against the Group or other companies in the mobile communications industry; and changes in statutory tax rates and profit mix, the Group’s ability to resolve open tax issues and the timing and amount of any payments in respect of tax liabilities.

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.
Germany: continued strong performance

- Q4 #1 mobile market share 34.7%
- Continued strong underlying growth
  - Q4 reported growth benefited from MTR effects
- Q4 data revenue +18%
  - Mobile broadband +15%, mobile internet +30%
  - 23% smartphone penetration, +6.3ppt YoY
- Q4 enterprise revenue +8.2%
  - Success of converged services
  - Significant new customer wins
- Q4 net adds -1.2m, contract +0.1m: prepaid base clean up
- H2 EBITDA margin 34.2% impacted by restructuring costs
- LTE: 130k connected customers, 35% household coverage

All growth rates shown are organic unless otherwise stated
Italy: data & enterprise strength amidst tough market conditions

- Strong market competition against deteriorating economic weakness and poor consumer confidence
- Q4 service revenue -4.1%, -1.9% excl. MTRs
- Q4 data revenue +14%, driven by mobile internet +76%:
  - 25% smartphone penetration, +5ppt YoY
  - 51% data attach, +15ppt YoY
- Q4 fixed revenues -1.9%, broadband customers +5%, lower usage and higher churn
- Q4 enterprise +5.8%, 24% of service revenues:
  - Strengthening market share leadership in private sector
  - Increasing fixed contribution, One Net revenues +70%
- EBITDA margin -1.8ppt:
  - Higher customer costs to support smartphone growth
  - Mix effect from greater fixed contribution
  - Utilities costs and inflation

UK: growth in a fragile macro environment

- Q4 service revenue +1.1%, +4.5% excl. MTRs
  - Subdued consumer confidence
  - Increasing competition
- Q4 data revenue +5.5%
  - Impacted by prior year price rise
  - 44% smartphone penetration, 78% data attach
  - 57% of sales were smartphones
- Improving quality customer mix
  - 54% of base is contract
  - Contract base +6.8ppt YoY
- FY 11/12 EBITDA +4.9%
  - Controlled A&R spend
  - EBITDA margin +0.6ppt

Financials are based on the Group’s equity interest.

All growth rates shown are organic unless otherwise stated.
Spain: conditions remain challenging

- Intense competition, weak economy, unemployment 24%
  - Outgoing minutes -3.2%, prices -10.0%
- Reported growth -9.5% including one off -1.7ppt impact of prepay loyalty cancellation in FY 10/11
- Positive results from new commercial policy:
  - Data revenue +23%; mobile internet +81%
  - Fixed revenue +15.4% (+2.9% a year ago)
  - Positive MNP in contract segments.
- Ceased acquisition handset subsidies April 10, early benefits:
  - Lower portability churn due to retention offers
  - Lower gross adds in the market
- FY EBITDA margin 25.0%, -5.4ppt:
  - Price reductions and increased smartphone investment

Turkey: commercial leadership

- Q4 service revenue +21.0%
  - 28% growth in contract customers, now #2 in market
  - Enterprise revenue +33%, enhanced sales channel and service portfolio
- Q4 data revenue +74%; strong mobile internet +160%
  - All time high 6.1m active data users
  - 17% smartphone penetration
- H2 11/12 16% EBITDA margin and positive free cash flow
  - Customer growth
  - Extensive cost controls
- Continued investment in network and brand:
  - FY 11/12 +1.8k 3G sites, +1.4k 2G sites
  - NPS leadership maintained
Vodacom Group: continued strong customer growth

**Service revenue growth (%)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Vodacom Group</th>
<th>South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 10/11</td>
<td>8.4</td>
<td>6.0</td>
</tr>
<tr>
<td>Q1 11/12</td>
<td>7.8</td>
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<tr>
<td>Q2 11/12</td>
<td>6.7</td>
<td>6.7</td>
</tr>
<tr>
<td>Q3 11/12</td>
<td>4.9</td>
<td>4.9</td>
</tr>
<tr>
<td>Q4 11/12</td>
<td>6.0</td>
<td>6.0</td>
</tr>
</tbody>
</table>

**Vodacom Group net additions (m)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>International</th>
<th>South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 10/11</td>
<td>0.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Q1 11/12</td>
<td>0.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Q2 11/12</td>
<td>1.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Q3 11/12</td>
<td>2.2</td>
<td>2.8</td>
</tr>
<tr>
<td>Q4 11/12</td>
<td>1.8</td>
<td>2.6</td>
</tr>
</tbody>
</table>

All growth rates shown are organic unless otherwise stated
1. Excluding Gateway and Vodacom Business Africa contribution
2. MTR cut effective 1 March 2011

**South Africa service revenue +2.6%; +5.9% excl. MTRs**
- Continued strength in customer net adds of +2.6m
- Data revenue +18%
- Data users +35% to 12.2m, smartphone penetration 19.4%
- ARPU impacted by pricing pressure and MTRs

**International strong service revenue +39.4%**
- Continued momentum on net adds +1.8m
- Improved pricing environment in Tanzania and Mozambique
- M-Pesa continues to drive growth in Tanzania, 3.1m active customers

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India¹: strong operational performance

**Service revenue growth (%)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Consolidated</th>
<th>Excl. Indus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 10/11</td>
<td>18.71</td>
<td>17.4</td>
</tr>
<tr>
<td>Q1 11/12</td>
<td>16.81</td>
<td>16.4</td>
</tr>
<tr>
<td>Q2 11/12</td>
<td>20.12</td>
<td>20.9</td>
</tr>
<tr>
<td>Q3 11/12</td>
<td>20.00</td>
<td>20.5</td>
</tr>
<tr>
<td>Q4 11/12</td>
<td>21.12</td>
<td>21.1</td>
</tr>
</tbody>
</table>

**Outgoing rate per minute (paisa)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 11/12</th>
<th>Q2 11/12</th>
<th>Q3 11/12</th>
<th>Q4 11/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 10/11</td>
<td>64.5</td>
<td>65.2</td>
<td>60.7</td>
<td>59.1</td>
</tr>
<tr>
<td>Q2 10/11</td>
<td>64.5</td>
<td>63.2</td>
<td>60.7</td>
<td>59.1</td>
</tr>
<tr>
<td>Q3 10/11</td>
<td>59.1</td>
<td>60.5</td>
<td>60.5</td>
<td>60.5</td>
</tr>
</tbody>
</table>

All growth rates shown are organic unless otherwise stated
1. Financial amounts in relation to India comprise Vodafone India Limited, the Group’s share of Indus Towers Limited and certain Indian shared service functions
2. As of 31 December 2011, source TRAI

**India¹: strong operational performance**

- Q4 service revenue +21.1%:
  - Outgoing rpm stabilising QoQ
  - >70% of customers on new tariffs
  - Improved base activity to 88%
- Q4 data revenue +32.2%, continues to be driven by 2G:
  - Mobile internet + 35%
  - 35m data users: +82%
- Growing revenue share to 20.6%
  - > 10% in 4 of the 7 circles launched in FY 08/09
- H2 EBITDA margin +2.2ppt YoY to 27.3% driven by top line growth
- Regulatory and tax case uncertainty
Other key markets: mixed performance

<table>
<thead>
<tr>
<th>Country</th>
<th>Q4 organic service revenue growth</th>
<th>Performance Highlights</th>
</tr>
</thead>
</table>
| Netherlands | 2.6% | • Strong underlying growth +5.3% continues  
• Data revenue +34%; 48% smartphone penetration, 76% data attach  
• 69% of consumer contract revenue on integrated tariffs |
| Egypt | 7.2% | • Strong growth with the anniversary of the revolution  
• Data revenue +53% with smartphone penetration of 10%  
• Maintained market share leadership |
| Portugal | (5.0%) | • Macro pressures continue  
• Data revenue +18% with smartphone penetration increasing 5ppt YoY to 24%  
• Launch of LTE |
| Greece | (4.3%) | • Pressures continue: falling GDP, high unemployment, increased competition  
• Continued data push: 17% smartphone penetration  
• Macro uncertainty increasing |
| Ireland | (0.4%) | • Outperformance in a challenging economic environment  
• Increased market share  
• Data revenue +25% with a 14ppt YoY increase in smartphone penetration to 38% |
| Romania | (1.8%) | • Economy remains stable  
• Growth in consumer contract, success in integrated tariffs  
• Data revenue +30% with increase in high value tariffs |

MTR impact

<table>
<thead>
<tr>
<th>Region</th>
<th>FY 10/11</th>
<th>FY 11/12</th>
<th>FY 12/13e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£bn</td>
<td>%</td>
<td>£bn</td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service revenue</td>
<td>(0.7)</td>
<td>(2.4)</td>
<td>(0.7)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(0.3)</td>
<td>(0.2)</td>
<td></td>
</tr>
<tr>
<td>AMAP</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service revenue</td>
<td>(0.2)</td>
<td>(1.9)</td>
<td>(0.2)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(0.1)</td>
<td>(0.1)</td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service revenue</td>
<td>(0.9)</td>
<td>(2.2)</td>
<td>(0.9)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(0.4)</td>
<td>(0.3)</td>
<td></td>
</tr>
</tbody>
</table>

*All growth rates shown are organic unless otherwise stated.*
Definition of terms

A&R: Acquisition and retention costs. Total costs incurred by operators to acquire and retain customers

ARPU: Average margin per user

Churn: Total gross customer disconnections in the period divided by the average total customers in the period

Cloud services: Cloud computing is a set of servers, storage and software applications run as a shared capability delivering services to the end user over the network (private or public)

Data attach rates: The number of complementary data plans sold as a percentage of data capable handsets

EBITDA: Operating profit excluding share in results of associates, depreciation and amortisation, gains/losses on the disposal of fixed assets, impairment losses and other operating income and expense

Emerging Markets: India, Vodafone, Egypt, Turkey, Ghana, Qatar and Fiji

FCF: Operating free cash flow after cash flows in relation to taxation, interest, dividends received from associates and investments, and dividends paid to non-controlling shareholders in subsidiaries

IP: Internet protocol is the method by which data is sent from one computer to another over the internet

HSPA+: High Speed Packet Access is a wireless technology enabling higher download speeds

LTE: Long term evolution is a 4G technology

Mark-to-market: Mark-to-market or fair value accounting refers to accounting for the value of an asset or liability based on the current market price of the asset or liability

Mobile data: Mobile broadband connectivity and mobile internet access

Mobile broadband: Wireless high-speed internet access through a portable modem, telephone or other device

Mobile Internet: Browser-based access to the internet or web applications using a mobile device, such as a smartphone connected to wireless network

MTR: Mobile Termination Rate is the per minute charge paid by a telecommunications network operator when a customer makes a call to another mobile network operator

Net adds: The number of new customers acquired less the number of customer leaving during the period

Net debt: Long-term borrowings, short-term borrowings and mark-to-market adjustments on financing instruments less cash and cash equivalents

NPS: Net promoter score is a customer loyalty metric used to monitor customer satisfaction

Organic growth: Presents performance on a comparable basis, both in terms of merger and acquisition activity and foreign exchange rates

RAN: Radio Access Network is part of a mobile telecommunication system that sits between the mobile device and the core network

Single RAN: Single Radio Access Network is a common product platform to support multiple radio technologies

Smartphone: A phone offering advanced capabilities including access to email and the internet

UMTS: Universal Mobile Telecommunications Systems is a 3G technology for networks based on the GSM standard