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References to Vodafone are to Vodafone Group Plc and references to Vodafone Group are to Vodafone Group Plc and its subsidiaries unless otherwise stated. Vodafone, the Vodafone Portrait, the Vodafone Speech Mark, Vodafone Broken Speech Mark Outline, Vodacom, Vodafone One, The future is exciting. Ready? and M-Pesa, are trade marks owned by Vodafone. Other product and company names mentioned herein may be the trade marks of their respective owners.
H1 20 highlights

**Deepening customer engagement**
- 5G/speed-tiered unlimited launched in 7 markets, record low mobile churn
  - 608k Europe NGN broadband net adds

**Accelerating digital & radical simplification**
- c.20% sales in digital channels
  - €200m net EU opex savings, on track to deliver €400m for FY 20

**Improving asset utilisation**
- Network sharing
  - Germany discussions ongoing, GR, RO agreed
- Virgin Media
  - UK reciprocal wholesale partnership

**Portfolio management**
- Liberty completed integration started at pace
- European TowerCo
  - CEO appointed, operational by May 2020

**Q2 service revenue: 0.7%, +0.9pp QoQ; H1 EBITDA +1.4%**

All growth rates in this document are on an IFRS 15/16 basis, organic and year-on-year, unless otherwise stated. Organic growth rates exclude the impact of the acquisition of certain Liberty Global assets and the disposal of New Zealand, all other numbers include the contribution from Liberty Global’s assets since 31 July unless stated.
Deepening customer engagement: reducing churn, gaining in fixed

**Europe contract mobile churn (%)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Churn</td>
<td>16.1</td>
<td>15.8</td>
<td>15.2</td>
<td>14.6</td>
<td>14.5</td>
</tr>
<tr>
<td>Change</td>
<td>-0.6pp</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Europe contract mobile net additions (000s)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions</td>
<td>303</td>
<td>328</td>
<td>162</td>
<td>68</td>
<td>468</td>
</tr>
</tbody>
</table>

**EU fixed net adds (000s)**

- Broadband
- NGN
- Converged

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions</td>
<td>317</td>
<td>414</td>
<td>428</td>
<td>237</td>
<td>371</td>
</tr>
<tr>
<td>Change</td>
<td>119</td>
<td>229</td>
<td>188</td>
<td>54</td>
<td>143</td>
</tr>
<tr>
<td>Churn</td>
<td>-1.6pp</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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1. Excludes Italy which is impacted by significant contract to prepaid migrations
2. Includes Liberty Global assets for 2 months
Consistent commercial performance supporting service revenue growth

Q1/Q2 FY 20 service revenue growth (%)
Germany: solid retail performance and fast start Unitymedia integration

- Fast start to Unitymedia integration; commercial start date 2nd Sept
- Good cable adds, DSL impacted by ULL price increases and migrations

Net additions (000s)

- Cable
- DSL
- Mobile contract
- Cable pro-forma

Q2 service revenue -0.2% (Q1 +0.4%)

- Retail (service revenue excl. wholesale)
- Retail excl. int’l calling & MTRs

1. Excludes the impact of a legal settlement in Q4 18
Italy: trending better

Q2 service revenue **-3.2%** (Q1 -3.8%)

Service revenue growth (%)

- Market net ports for main brands reduced 57% YoY in Q2
- H1 EBITDA -3.5% on lower revenues, 1.1pp of margin expansion

UK: commercial acceleration

Q2 service revenue **+0.0%** (Q1 +0.1%)

Net additions (000s)

- Q2 service revenues +0.5%\(^2\) excluding regulation
- Strong Consumer commercial momentum, Business growing
- H1 EBITDA +3.8%\(^3\) excl. license fees one-off, new Cloud partnership

---

1. Adjusted for the phasing out of Talkmobile customers and base cleanse in Q2 19 and Q2 20
2. Reported Q2 service revenues flat
3. Reported EBITDA -0.8%
Other Europe: strong growth

Q2 service revenue **+3.3%** (Q1 +2.1%)

Service revenue growth (%)

- Good momentum in PT, CZ, GR, HU. Ireland fixed improving
- Fast start on CEE integration
- H1 EBITDA +3.1% against tough comparison last year

Spain: repositioned

Q2 service revenue **-8.0%** (Q1 -9.3%)

Mobile additions (000s) | Fixed additions (000s)
---|---
Q1 20 | Q1 20
(218) | (49)
Q2 20 | Q2 20
66 | (5)
Jul | Jul
18 | (17)
Aug | Aug
(3) | (9)
Sept | Sept
51 | 21

- Fixed and mobile base returned to growth, supported by Lowi
- TV customer base +20k in Q2, stable in H1
- H1 EBITDA -11.3%, margin -0.2pp on lower customer base/ARPU
Vodacom: SA reaccelerating

1. Underlying growth in South Africa was 1.0% in Q2 19 excluding the impact of a one-off benefit relating to a change in revenue deferral policy for new ‘plus’ plans. Underlying growth in International was 10.6% in Q2 19 excluding the impact of lapping the devaluation of the Congolese Franc in the prior year.

Joint ventures

Vodafone Ziggo: strong commercial momentum
- 39% of broadband customers and 74% of branded consumer mobile SIMs now converged
- Record mobile contract net adds
- EBITDA guidance upgraded to c.3% growth (from initial 1-3%) and c.€600m total shareholder returns (from €400-600m)

Vodafone Idea: Supreme Court AGR ruling
- Actively seeking financial relief from the government
- Indus Towers merger awaiting regulatory approval
- Results due on 14 November

Q2 service revenue **+3.6%** (Q1 +1.1%)

<table>
<thead>
<tr>
<th>Service revenue growth (%)</th>
<th>South Africa</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 19¹</td>
<td>3.3</td>
<td>14.9</td>
</tr>
<tr>
<td>Q3 19</td>
<td>1.2</td>
<td>11.1</td>
</tr>
<tr>
<td>Q4 19</td>
<td>1.4</td>
<td>9.4</td>
</tr>
<tr>
<td>Q1 20</td>
<td>(1.2)</td>
<td>8.6</td>
</tr>
<tr>
<td>Q2 20</td>
<td>1.8</td>
<td>9.7</td>
</tr>
</tbody>
</table>

- South Africa recovery supported by roaming, data transformation
- Demand for mobile data and M-Pesa driving International growth

1. Underlying growth in South Africa was 1.0% in Q2 19 excluding the impact of a one-off benefit relating to a change in revenue deferral policy for new ‘plus’ plans. Underlying growth in International was 10.6% in Q2 19 excluding the impact of lapping the devaluation of the Congolese Franc in the prior year.
Financial review

Margherita Della Valle
Group Chief Financial Officer
H1 financial highlights

Organic growth

Service revenue (€bn)

- Organic figures exclude Vodafone New Zealand and the acquired Liberty Global assets

Adjusted EBITDA (€bn)

- Organic EBITDA margin¹
  - +60bps YoY

Adjusted EBIT (€bn)

- EBITDA growth offset by higher D&A

Free cash flow (€bn)

- Timing of WC & higher restructuring costs

**Returned to growth**

in Q2

1. Organic figures exclude Vodafone New Zealand and the acquired Liberty Global assets
## Adjusted and reported earnings

<table>
<thead>
<tr>
<th>(€m)</th>
<th>H1 19</th>
<th>H1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted EBIT</strong></td>
<td>2,142</td>
<td>2,231</td>
</tr>
<tr>
<td>Associates</td>
<td>(8)</td>
<td>(550)</td>
</tr>
<tr>
<td>Adjusted financing costs/income</td>
<td>(415)</td>
<td>(799)</td>
</tr>
<tr>
<td>Adjusted tax expense</td>
<td>(410)</td>
<td>(394)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(133)</td>
<td>(238)</td>
</tr>
<tr>
<td><strong>Adjusted earnings</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td>1,176</td>
<td>250</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>(3,495)</td>
<td>-</td>
</tr>
<tr>
<td>India</td>
<td>(3,535)</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation of brand assets/other</td>
<td>(317)</td>
<td>(232)</td>
</tr>
<tr>
<td>Other income and expense</td>
<td>(256)</td>
<td>(872)</td>
</tr>
<tr>
<td>Other&lt;sup&gt;2&lt;/sup&gt;</td>
<td>(402)</td>
<td>(125)</td>
</tr>
<tr>
<td>Restructuring</td>
<td>(95)</td>
<td>(163)</td>
</tr>
<tr>
<td>Taxation excluded from adjusted earnings</td>
<td>(1,010)</td>
<td>(986)</td>
</tr>
<tr>
<td><strong>Profit/(loss) for the period</strong></td>
<td>(7,934)</td>
<td>(2,128)</td>
</tr>
<tr>
<td>Weighted average number of shares&lt;sup&gt;3&lt;/sup&gt; (m)</td>
<td>27,462</td>
<td>29,410</td>
</tr>
<tr>
<td>Adjusted earnings per share (euro cents)&lt;sup&gt;1&lt;/sup&gt;</td>
<td>4.28</td>
<td>0.85</td>
</tr>
</tbody>
</table>

1. Reported excluding impairment losses, the loss on disposal of Vodafone India, restructuring costs, significant one-off items and amortisation of acquired intangible customer bases and brand intangible assets
2. Other includes non-operating income and expenses, mark to market losses/(gains), foreign exchange losses and non controlling interests excluded from adjusted EPS
3. Weighted average number of shares outstanding includes a weighted impact of 2,594 million shares (H1 2018: 765 million shares) following the issue in March 2019 of £1.72 billion mandatory convertible bonds with a 2 year maturity date in 2021 and £1.72 billion with a 3 year maturity date in 2022 (September 2018: £1.4 billion of mandatory convertible bonds issued in February 2016 and maturing in February 2019).

- Vodafone Idea included for whole of H1
- Includes Liberty Global financing costs
- Group effective tax rate **27.5%**, expected to be mid-20s going forward
- Provision for AGR ruling offsetting gain on NZ disposal
- 26,816 excl. MCBs
- Greater losses in India & higher financing costs
Back to organic service revenue growth

- H2 expected to improve compared to Q2
- Tough Q3 comparison in Italy, reflecting prior year price increase

1. Excluding the impact of a German legal settlement in Q4 18

---

Group

<table>
<thead>
<tr>
<th></th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19'</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.0</td>
<td>0.3</td>
<td>(0.7)</td>
<td>(0.2)</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Europe

<table>
<thead>
<tr>
<th></th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19'</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1.7)</td>
<td>(1.1)</td>
<td>(2.1)</td>
<td>(1.4)</td>
<td>(1.7)</td>
</tr>
</tbody>
</table>

Rest of World

<table>
<thead>
<tr>
<th></th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7.3</td>
<td>5.4</td>
<td>5.7</td>
<td>5.3</td>
<td>8.9</td>
</tr>
</tbody>
</table>

- Europe: gradual improvement despite regulatory drag
- RoW: absolute growth in H1 of 6% in Euro-terms

---

1. Excluding the impact of a German legal settlement in Q4 18
On-track to reach €1.2bn net opex reduction target in Europe

Key drivers:
- 12% reduction in Care
- 11% reduction in Retail
- 12% VSS role reduction

Already being executed

50% delivered

1. Europe and common functions opex
Top quartile operating efficiency achieved

Cost efficiency ranking\(^1\)
Benchmark (total cost as % revenue)

- All big EU4 markets now top quartile
- €900m (45%) reduction in benchmark gap since FY 16

Efficiency score\(^2\)

- Italy and Spain – 75% of processes are top quartile
- Significant opportunities remain in Germany and UK

\(^1\) Based on an external cost benchmarking survey
\(^2\) Efficiency score is calculated as 1 minus the gap to best in class as a proportion of total costs
Digital First: a systematic transformation of our operating model

Acquisition
Digital Marketing

Base Management
Always On Marketing

Channels
The Future of Retail
MyVodafone App

Customer Services
Digital Care

Enablers
Technology

Automation/AI everywhere

... with an addressable cost base of €7.5bn

All costs based on FY 19 on an IAS 17/18 basis incl. NZ and excl. Liberty Global assets
1. Commissions paid to 3rd parties
2. Retail opex
3. Customer operations opex
4. Technology and support operations opex (incl. VSS)
Digital First: driving structural cost reduction

**Achieved:**

- **Acquisition:** ✔ c.20% sales in digital channels
- **Base Management:**
  - >40% sales via digital channels by the end FY 21
- **Channels:**
  - ✔ 5% reduction in store footprint
  - ✔ New MyVodafone app launched in 4 markets
  - ✔ 40% transformed by FY 23
  - ✔ 40% reduction in contact frequency by FY 21
- **Customer Services:**
  - ✔ 15% reduction in FOC\(^1\)
  - ✔ c.20% of contacts handled by TOBi in Europe

**Targets:**

- **Technology:**
  - ✔ 50% of IT apps in the Cloud
- **Automation/AI everywhere:**
  - ✔ 2,600 roles reduced in Shared Services

**Enablers:**

- High single digit net opex decline p.a.

---

1. Frequency of contact
A fifth consecutive year of EBITDA margin expansion

Group adjusted EBITDA margin (%)

- Excluding LBTY assets
- Reported

<table>
<thead>
<tr>
<th>Period</th>
<th>Excluding LBTY assets</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 15</td>
<td>28.5%</td>
<td></td>
</tr>
<tr>
<td>H1 16</td>
<td>28.6%</td>
<td></td>
</tr>
<tr>
<td>H1 17</td>
<td>29.5%</td>
<td></td>
</tr>
<tr>
<td>H1 18</td>
<td>30.8%</td>
<td></td>
</tr>
<tr>
<td>H1 19</td>
<td>31.0%</td>
<td></td>
</tr>
<tr>
<td>H1 20</td>
<td>31.9%</td>
<td></td>
</tr>
<tr>
<td>H1 20 (32.4%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Achieving on average 70bps of margin improvement per annum

IAS 18 basis

IFRS 15/16 basis
Fast start on Liberty Global integration

Commercial and financial performance

- Synergies fully validated
- Timeline:
  **First 2 months:**
  - Integrated management teams
  - Commenced cross selling & DSL migration activities
  - Centralised procurement (VSS)
  **Next 6 months:**
  - Rebrand the business
  - Start migrating TV base onto Vodafone platform
  **FY 21 onwards:**
  - Merge network backbone infrastructure
  - Consolidate & simplify IT and billing platforms

Confident on delivering €535m of annual savings

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1. Standalone performance of the Liberty Global assets
2. Based on proforma financials and on a Vodafone accounting basis
3. Annual cost and capex savings targeted by the fifth full year post completion
## Free cash flow

<table>
<thead>
<tr>
<th>(€m)</th>
<th>H119</th>
<th>H1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>6,915</td>
<td>7,105</td>
</tr>
<tr>
<td>Capital additions</td>
<td>(3,067)</td>
<td>(3,000)</td>
</tr>
<tr>
<td>Working capital</td>
<td>(2,362)</td>
<td>(2,952)</td>
</tr>
<tr>
<td>Net interest</td>
<td>(369)</td>
<td>(412)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(395)</td>
<td>(483)</td>
</tr>
<tr>
<td>Dividends received from associates &amp; investments</td>
<td>305</td>
<td>63</td>
</tr>
<tr>
<td>Dividends to non-controlling interests</td>
<td>(185)</td>
<td>(169)</td>
</tr>
<tr>
<td>Other&lt;sup&gt;1&lt;/sup&gt;</td>
<td>52</td>
<td>242</td>
</tr>
<tr>
<td><strong>Free cash flow (pre-spectrum)</strong></td>
<td>894</td>
<td>394</td>
</tr>
<tr>
<td>Spectrum</td>
<td>(231)</td>
<td>(58)</td>
</tr>
<tr>
<td>Restructuring</td>
<td>(97)</td>
<td>(302)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>566</td>
<td>34</td>
</tr>
</tbody>
</table>

1. Relates to non-cash movements including IFRS 16 related accounting adjustments, share based payments and disposal of capital assets

- **Timing differences**
- **Expected to be c.€1.2bn** for FY 20
- **Expected to be c.€1.1bn** for FY 20
- **No dividends received from Indus Towers**
- **Reorganisations in Italy and Spain**
Proforma leverage expected to be c.3.0x (pre INWIT) at year end

1. Includes fair value adjustment on acquired debt
2. Includes: €0.2bn pre-funding interest costs in relation to the acquisition of Liberty Global’s assets, €0.3bn of restructuring (principally in Spain & Italy), €0.3bn mark-to-market movements, €0.2bn interest accruals (IFRS16 related) & €0.2bn FX/Other
We have based guidance for the financial year ending 31 March 2020 on our current assessment of the global macroeconomic outlook and assume foreign exchange rates of €1:£0.87, €1:ZAR 16.4, €1:TRY 6.4 and €1:EGP 19.7. Guidance excludes the impact of licence and spectrum payments, material one-off tax-related payments, restructuring payments, and any fundamental structural change to the Eurozone. It also assumes no material change to the current structure of the Group. Actual foreign exchange rates may vary from the foreign exchange rate assumptions used.
Capital intensity and FCF outlook

- FY 20-22 capital intensity expected to be c.17%
- Network sharing & synergy opportunities longer-term

Capital expenditure as a % of revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20e</th>
<th>IFRS 15 impact</th>
<th>Acquired Liberty Global assets</th>
<th>Adjusted guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15.7%</td>
<td>16.0%</td>
<td>c.16%</td>
<td>+c.0.5%</td>
<td>+c0.5%</td>
<td>c.17%</td>
</tr>
</tbody>
</table>

Free cash flow guidance (€bn)

- Original FY 20 guidance: >5.4
- India: (0.25)
- Net impact of LBTY acqns & NZ disposal: 0.1
- New FY 20 guidance: c.5.4

- FY 20 free cash flow guidance now c.€5.4bn
Strategy update

Nick Read
Group Chief Executive
We connect for a better future

Deeper customer engagement

Europe Consumer

Vodafone Business

Emerging Consumer

Our purpose

Our strategy

Scaled platforms & partner of choice

Best Gigabit Network

Digital First

Radically Simpler

Service revenue mix (%)

Europe Consumer

Emerging Consumer

Business

30%

17%

11%

16%

13%

13%

13%

10%

9%

Other RoW

Vodacom

Spain

Other EU

UK

Italy

Germany
Best Gigabit network: Europe’s largest NGN and 5G network

Europe NGN homes coverage mix¹

- On-net
- Strategic partnership
- NGN Wholesale

<table>
<thead>
<tr>
<th></th>
<th>H1 19</th>
<th>H1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-net</td>
<td>67</td>
<td>62</td>
</tr>
<tr>
<td>Strategic</td>
<td>36</td>
<td>54</td>
</tr>
<tr>
<td>Partnership</td>
<td>8</td>
<td>11</td>
</tr>
</tbody>
</table>

Vodafone on-net Gigabit homes (m)¹

<table>
<thead>
<tr>
<th></th>
<th>H1 19</th>
<th>H1 20</th>
<th>H1 21e</th>
<th>H1 22e</th>
<th>FY 23e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of homes</td>
<td>17</td>
<td>24</td>
<td>41</td>
<td>50</td>
<td></td>
</tr>
</tbody>
</table>

5G footprint

- Commercial launches in 7 markets
- 58 cities live
- 5G roaming launched across EU4

1. Includes VodafoneZiggo
Digital First: a systematic transformation of our operating model

**Acquisition**
Digital Marketing

- Data
- Vodafone tech stack

**Base Management**
Always On Marketing

- Machine Learning
- A.L.M.O

**Channels**
The Future of Retail
MyVodafone App

**Customer Services**
Digital Care

**Technology**

**Enablers**

Automation/AI everywhere
Digital First: improving commercial performance

Acquisition: Digital marketing case study
Active base growth (000)

- Real time multi channel digital campaigns around Love Island, reaching 38m hits across 8 platforms
- High customer satisfaction; NPS +62pt (Q2)

**Ambition:** >40% sales via digital channels by end FY 21

Base management, 'Always On Marketing' case study

- Predictive, relevant and personalised offers optimised for customer lifetime value
- Upsell: +120% YoY uplift in activations in Q2

**Ambition:** 11 markets live today, 16 markets by FY 21
Digital First: deepening customer engagement through direct channels

Channels: MyVodafone 10

- Usage & billing: 50%
- Sales & multi-product management: 15%
- Discovery & rewards: 15%
- Help via TOBi: 10%
- Everything else: 10%

- Frequency strategy supported by loyalty programme
- Targeting end-to-end mobile first capability

Ambition: 16 markets\(^1\) to launch by end of FY 20

Channels: The future of retail

- Increase from <100
- Reduce 7,500 to 4,000
- Increase <100 to >2,000

- 10%
- 60%
- 30%

- Flagship
- Standard
- Express formats

- AI driven footprint & logistics

Ambition: 15% store reduction, 40% transformed by FY 23

1. Includes partner markets (Qatar and NZ)
Europe Consumer: radically simpler, unlimited/speed tiered plans

Unlimited customer base (m)

- Q1 20: 0.6
- Q2 20: 1.8

- Launched in 7 markets
- Focused on base migration

Unlimited data usage across EU3 (GB)

- Lite 2 mbps: 8-10
- Medium 10 mbps: 15-20
- Max Ultd: 20-30

- 20-30%
- 40-50%
- 20-30%

NPS uplift (pt)

- IT: 15
- UK: 20
- ES: 7

- Typically ARPU accretive

100-150% increase in usage
Europe Consumer: penetration of multi-product bundles

Drive fixed growth and increase on-net penetration (%)

- Germany: 32%
- Spain: 20%
- Italy: 15%
- Portugal: 22%
- Ireland: 16%
- Greece: 4%
- CEE markets: 27%
- Netherlands: 46%

Evolve our propositions towards multi-product bundles

- TV & entertainment: 22m customers
- Secure Net: 20m customers
- Content: 16 providers across 12 markets
- Super Wi-Fi: Launched in ES EU4 by year end
- Consumer IoT: 8 markets, launching new product range

52% of service revenue
Vodafone Business: total communications driving growth

H1 service revenue growth (%)

<table>
<thead>
<tr>
<th>Service</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>0.8</td>
</tr>
<tr>
<td>Mobile¹</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Fixed²</td>
<td>2.7</td>
</tr>
<tr>
<td>IoT</td>
<td>5.4</td>
</tr>
<tr>
<td>Cloud &amp; Hosting</td>
<td>16.2</td>
</tr>
</tbody>
</table>

1. Mobile including IoT; excluding IoT, mobile was -0.9%
2. Fixed including Cloud & Hosting; excluding Cloud & Hosting fixed was +1.3%

- Mobile only consumer tariff
- Mobile only with differentiated business services
- €30-€60 Converged
- €40-€80 Converged and digital services
- Mobile ARPA increasing
- Decreasing churn

- SoHo contributes 25% of Business service revenue
- Only c.20% of SoHo customers are on business plans

Migrate SoHo customers onto business converged plans
Vodafone Business: accelerate SD-WAN and leverage IoT leadership

Accelerate SD-WAN growth
Vodafone WAN revenue

- Leader in Gartner Magic Quadrant
- Launched in VGE and UK
- 150 SD-WAN opportunities in the pipeline
- Targeting 20% WAN market share by FY 23 (13% today)

Leverage our leading global IoT platform
YoY SIM growth (%)

- Automotive: 37%
- Insurance: 12%
- Healthcare: 22%
- Logistics: 25%
- Digital building: 35%

- 94m SIMs (+22% YoY), driving connectivity revenue +9.2%
- Extended our global reach with recent partnership with America Movil in Latin America

1. Last 12 months annualised revenue run-rate
2. Q2 20 YoY performance

1. €0.9bn
2. €0.8bn

FY 17 FY 18 FY 19 FY 20e FY 23e
Legacy IP-VPN SD-WAN
Emerging Consumer: M-Pesa and digital services driving growth

M-Pesa: Africa’s leading platform
H1 YoY organic service revenue growth (%)

- Kenya 18%
- Tanzania 16%
- Mozambique 68%
- DRC 44%
- Lesotho 30%

Financial and digital services opportunities in South Africa

Financial services
- 9.9m Airtime advanced customers
- 1.6m Insurance policies
- +37% YoY Service revenue growth

Digital services
- 1m Video Play customers
- 14.8m Video on demand purchases over 6 months
- 1.9m App downloads
- 5.6m Music subscribers

• 5.8bn transactions (+10% YoY) in H1
• Evolve the proposition with smartphone penetration

1. Last 12 months annualised revenue run-rate
Summary

- More consistent commercial performance
- Service revenue returned to growth
- 50% of our €1.2bn FY 21 Europe net opex target delivered
- Fast start on Liberty Global integration, reconfirming synergies
- H2 performance expected to build on H1
- Good progress on network sharing deals, active discussions in Germany
- On track to operationalise European TowerCo by May 20, monetisation over the next 15 months
Q&A
Appendix
Spectrum update

5G spectrum costs will now be phased over time\(^1\)

1. NPV of future spectrum costs are included in net debt
European NGN footprint

Household coverage (m)

- Owned
- Strategic partnership
- Wholesale
- Household coverage

Households passed with NGN (incl. wholesale): 127m (76% Coverage)

Households passed with own NGN: 54m (32% Coverage)

1. As at the end of September 2019. Excludes 4.5m wholesale & self built NGN homes passed in Greece and Ireland
2. Of the 4.4m homes passed by Open Fiber, 4.2m were marketable by Vodafone at the end of September 2019
Forward-looking statement

This presentation, along with any oral statements made in connection therewith, contains "forward-looking statements" including within the meaning of the US Private Securities Litigation Reform Act of 1995 with respect to the Vodafone Group’s financial condition, results of operations and businesses and certain of the Vodafone Group’s plans and objectives.

In particular, such forward-looking statements include, but are not limited to, statements with respect to: expectations regarding the Vodafone Group’s financial condition or results of operations; expectations for the Vodafone Group’s future performance generally; expectations regarding the Vodafone Group’s operating environment and market conditions and trends; intentions and expectations regarding the development, launch and expansion of products, services and technologies, including the Vodafone Group’s Digital First transformational strategy; growth in customers and usage, including on-net penetration; expectations regarding spectrum licence acquisitions; and expectations regarding service revenue, adjusted EBITDA, free cash flow, operating expense, capital intensity, net interest, net debt, taxation, shareholder returns and capital expenditure.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "plans", "targets" "gain", "grow", "continue", "retain" or "accelerate" (including in their negative form). 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 may or may not 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: external cyber-attacks, insider threats or supplier breaches; changes in general economic or political conditions in markets served by the Vodafone Group, including as a result of Brexit, and changes to the associated legal, regulatory and tax environments; increased competition; increased disintermediation; the impact of investment in network capacity and the deployment of new technologies, products and services; rapid changes to existing products and services and the inability of new products and services to perform in accordance with expectation; the ability of the Vodafone Group to integrate new technologies, products and services with existing networks, technologies, products and services; the Vodafone Group’s ability to grow and generate revenue; a lower than expected impact of new or existing products, services or technologies on the Vodafone Group’s future revenue, cost structure and capital expenditure outlays; slower than expected customer growth and reduced customer retention; changes in the spending patterns of new and existing customers and increased pricing pressure; the Vodafone Group’s ability to expand its spectrum position or renew or obtain necessary licences and realise expected synergies and associated benefits; the Vodafone Group’s ability to secure the timely delivery of high-quality 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 Vodafone Group of, or the rates the Vodafone Group may charge for, terminations and roaming minutes; the impact of a failure or significant interruption to the Vodafone Group’s telecommunications, networks, IT systems or data protection systems; changes in foreign exchange rates, as well as changes in interest rates; the Vodafone Group’s ability to realise benefits from entering into acquisitions, partnerships or joint ventures and entering into service franchising, brand licensing and platform sharing or other arrangements with third parties; acquisitions and divestments of Vodafone Group businesses and assets and the pursuit of new, unexpected strategic opportunities; the Vodafone Group’s ability to integrate acquired businesses or assets; the extent of any future write-downs or impairment charges on the Vodafone Group’s assets; or restructuring charges incurred as a result of an acquisition or disposition; the impact of legal or other proceedings against the Vodafone Group or other companies in the mobile telecommunications industry; loss of suppliers or disruption of supply chains; developments in the Vodafone Group’s financial condition, earnings and distributable funds and other factors that the Board takes into account when determining levels of dividends; the Vodafone Group’s ability to satisfy working capital and other requirements; and/or changes in statutory tax rates and profit mix.

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For definitions of terms please see https://investors.vodafone.com/glossary

Upcoming dates

- **Q3 Results**
  - February 5, 2020

- **FY 20 Results**
  - May 12, 2020