

Vodafone Group Plc

Q3 Results

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3 February 2009



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Agenda

- Key revenue trends
- Business review
- Update on cost reduction programme
- Financial position, foreign exchange and liquidity
- Q&A



Summary

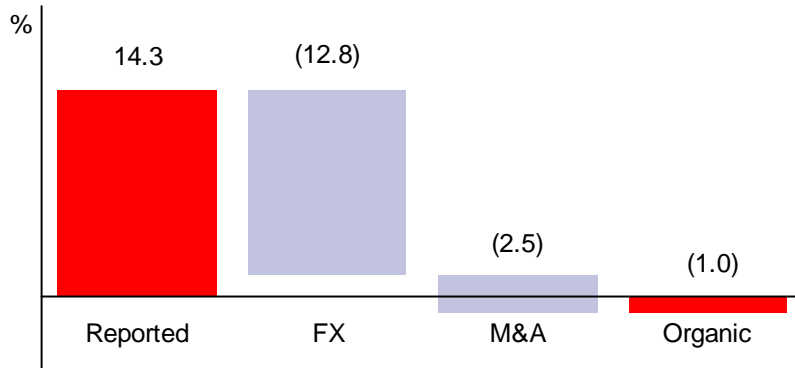
	Total revenue		
	Q3 08/09	Growth	Pro forma service revenue growth ¹
Group	£10.5bn	14.3%	1.4%
Europe	£7.5bn	13.5%	(1.4)%
Africa & Central Europe	£1.4bn	6.9%	2.3%
Asia Pacific & Middle East	£1.5bn	26.9%	17.8%
Data	£0.8bn	45.6%	25.3% ²
Proportionate customers	289m	+ 9.5m	

¹Assumes the Group owned India for both years and at constant exchange rates. Adjusted to exclude £30m UK VAT refund received in Q2 07/08. ²Organic

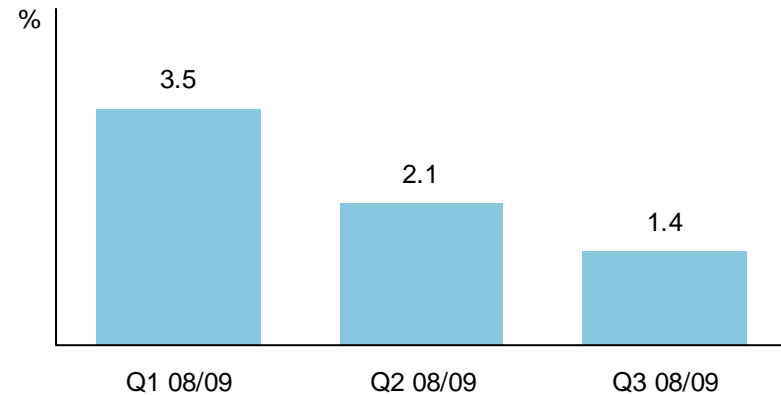


Group

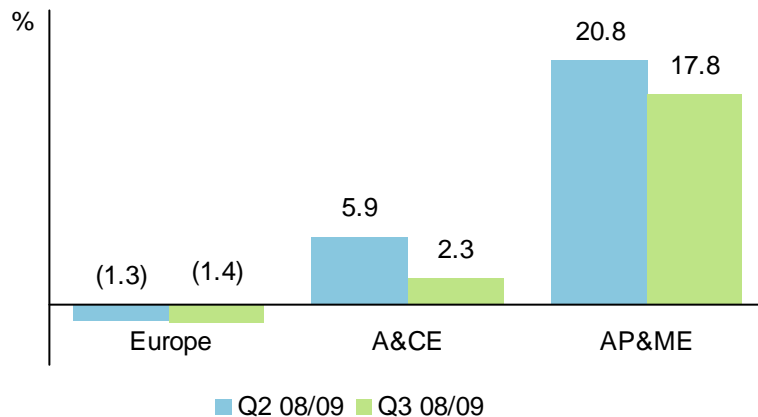
Total revenue growth



Quarterly pro forma service revenue¹



Regional trends pro forma service revenue¹



Business trends

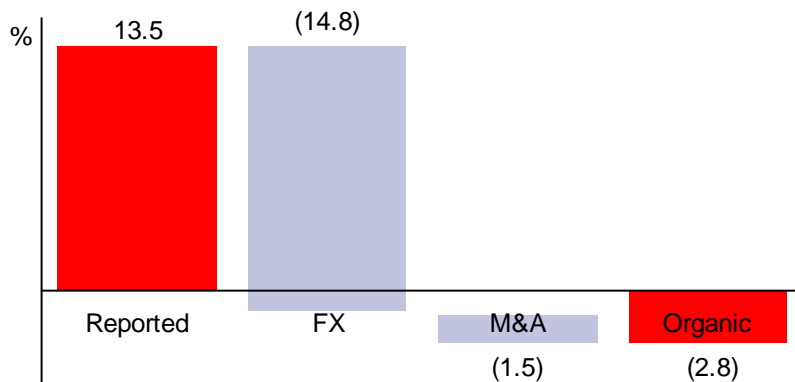
- Substantial foreign exchange contribution
- Q2 trends essentially continue
- Data revenue +25%
- Outgoing voice usage +13%
- Strategy implementation

¹Assumes the Group owned India for both years at constant exchange rates. Adjusted to exclude £30m UK VAT refund received in Q2 07/08

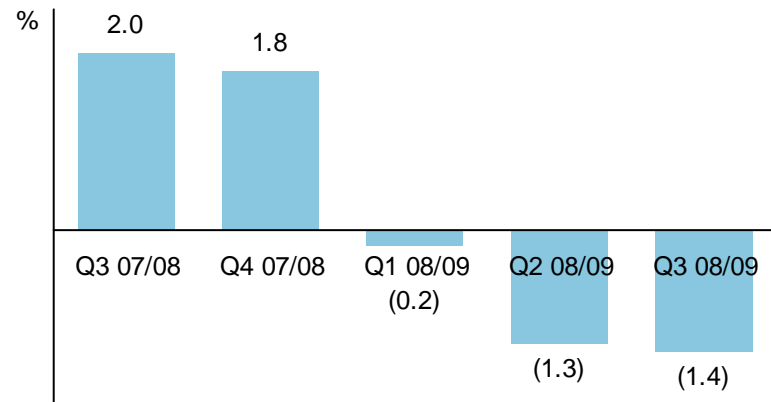


Europe

Total revenue growth



Quarterly organic service revenue growth¹



Revenue drivers

- Substantial boost from foreign exchange
- Lower equipment revenue
- Service revenue drivers:
 - Deteriorating economic environment
 - Continued outgoing voice pressure
 - Offers drive increased volumes
 - Sustained data growth

Country organic service revenue trends

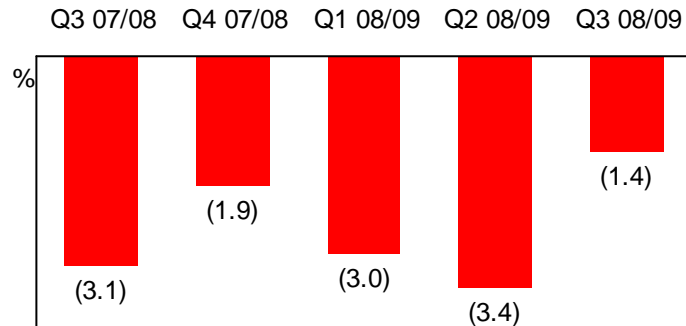
- Improved trends in 3 key markets
 - Germany +2.0pp
 - UK +1.0pp
 - Italy +0.6pp
- Offset by decline in Spain -3.6pp in worsening market environment

¹Adjusted to exclude £30m UK VAT refund received in Q2 07/08

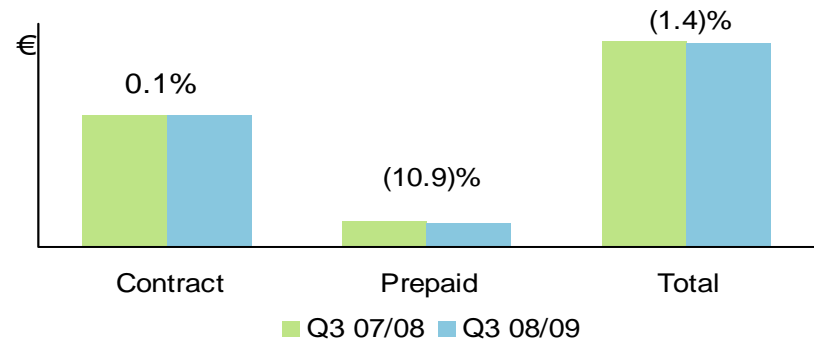


Germany¹

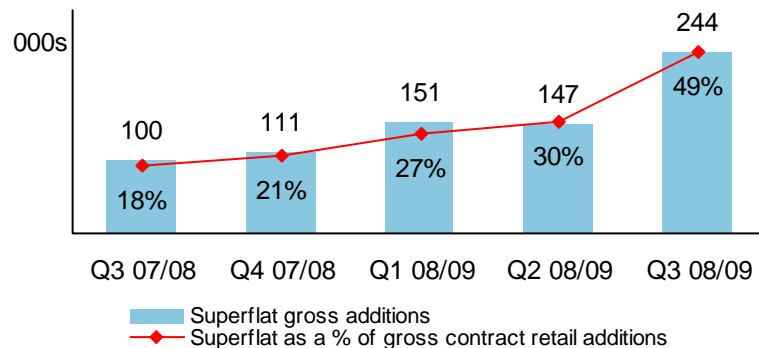
Organic service revenue growth



Organic contract and prepaid growth



Superflat gross additions



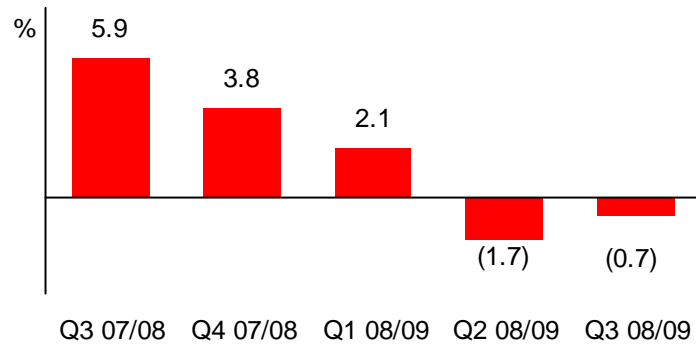
Business trends

- Contract: improved net additions, Superflat
- Prepaid: competitive pressure still strong, good take up of 5/15 tariff
- Strong data revenue growth (+24%)
- Robust market share performance in DSL
- 0.9pp benefit from MTR timing and lower service provider discounts

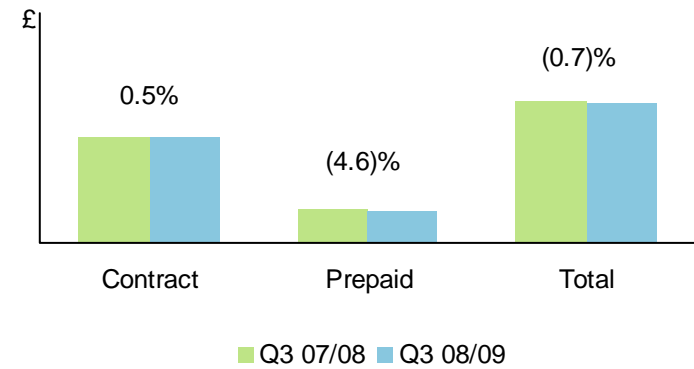
¹Germany and Arcor are now presented as one segment following the acquisition of the remaining 26.4% of Arcor



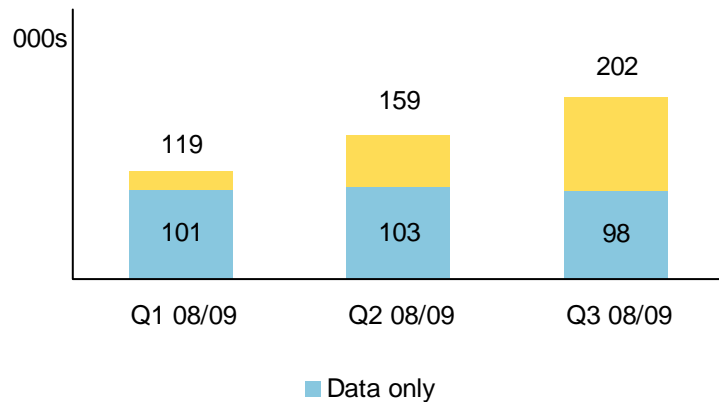
Organic service revenue growth¹



Organic contract and prepaid growth



Net contract additions



Business trends

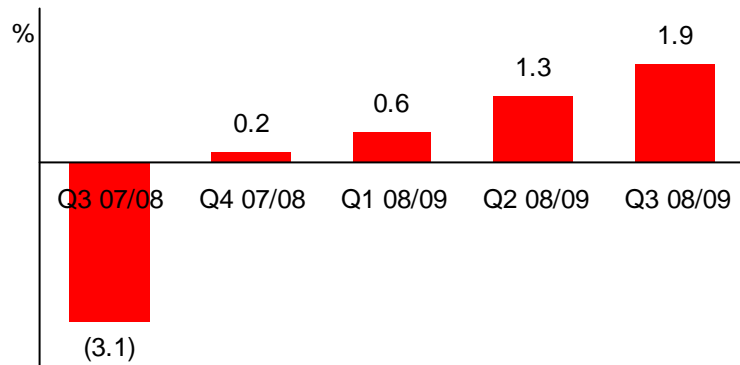
- Strong net contract additions drives improved service revenue trend
- Prepaid: usage decline, loyalty top-up schemes introduced
- Sustained data revenue growth (+31%)
- Strong wholesale revenues

¹Adjusted to exclude £30m UK VAT refund received in Q2 07/08

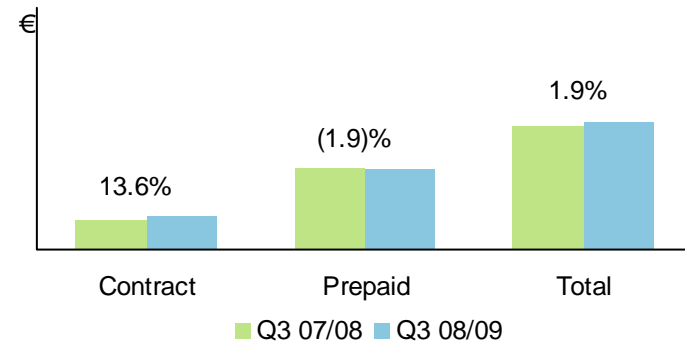


Italy

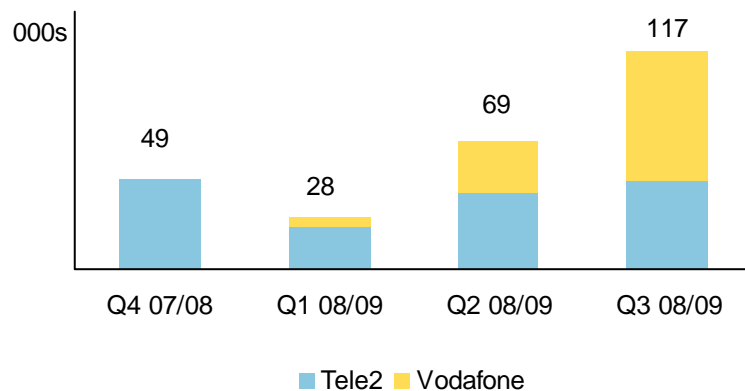
Organic service revenue growth



Organic contract and prepaid growth



Broadband net additions¹



Business trends

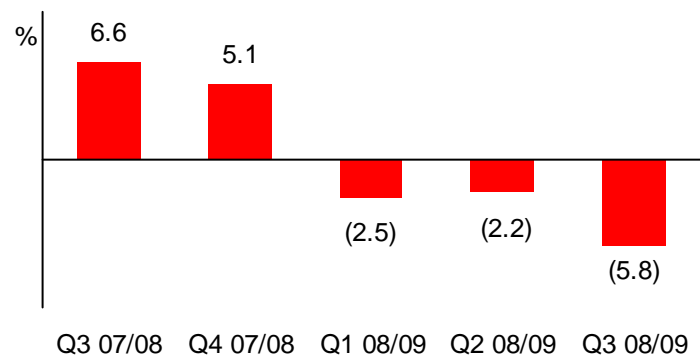
- Continuing strong consumer and enterprise contract additions (contract base +31% yoy)
- ARPU enhancement and churn reduction initiatives delivering
- Strong data performance (+24%) sustained by PC Connectivity (+57%)
- DSL: successful launch of Vodafone Station

¹Vodafone DSL net additions benefiting from instant activation of DSL Vodafone Station

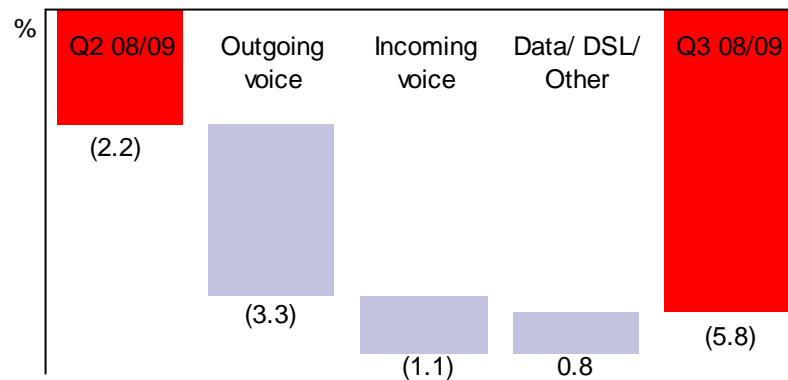


Spain

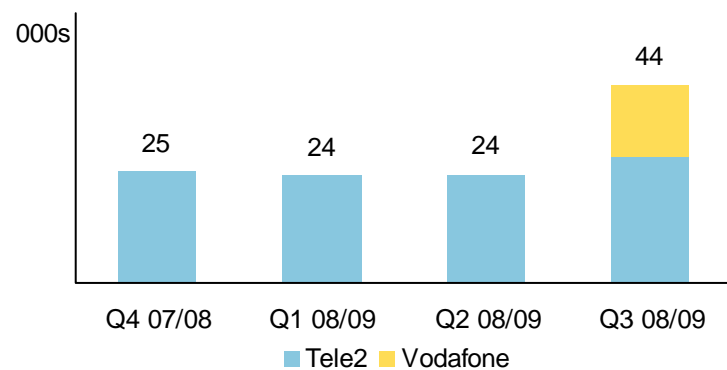
Organic service revenue growth



Organic service revenue growth analysis



Fixed broadband net additions



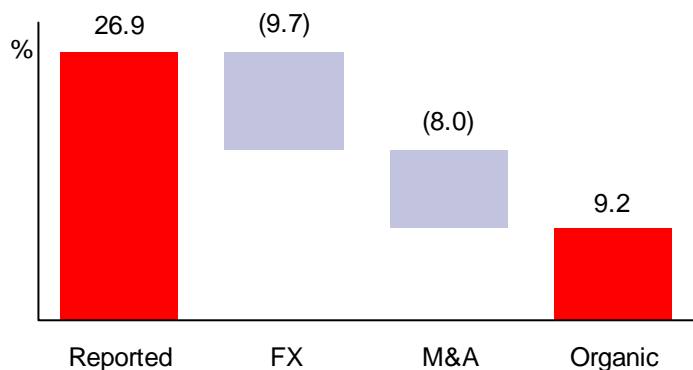
Business trends

- Challenging market environment
- Commercial actions driving usage, but at lower prices
- Improving mobile data revenue growth (+9%)
- DSL: successful launch of Vodafone Station

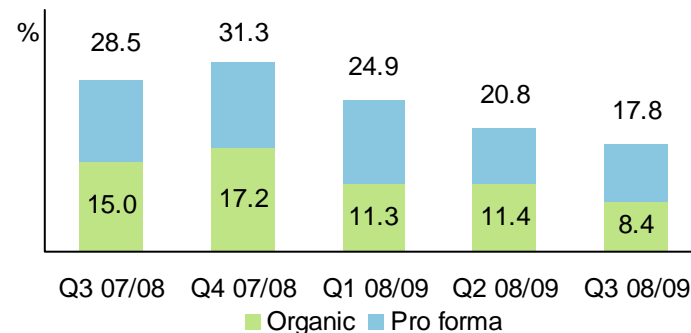


Asia Pacific & Middle East

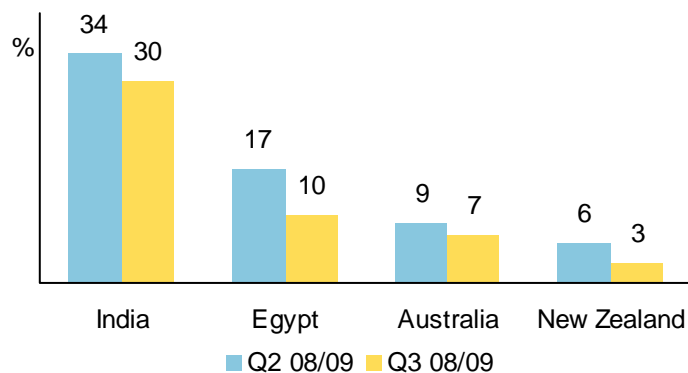
Total revenue growth analysis



Quarterly service revenue growth²



Key country organic service revenue growth¹



Business trends

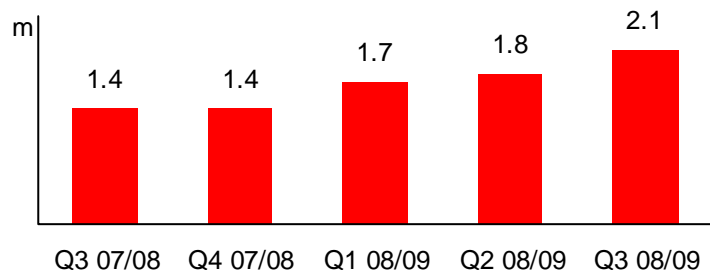
- Strong contribution from India
- Egypt: introduction of new competitive offers
- Australia: strong data growth
- New Zealand: good data and DSL growth

¹Constant currency. ²Assumes the Group owned India for both years at constant exchange rates

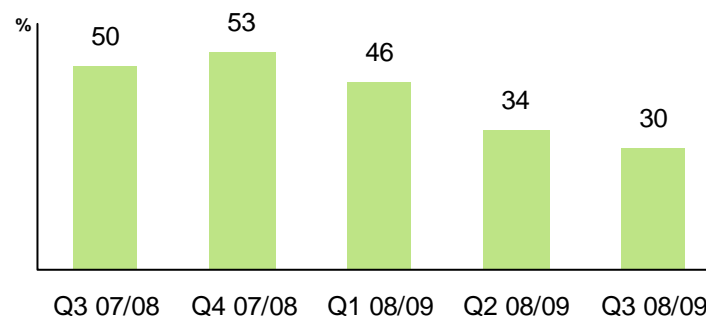


India

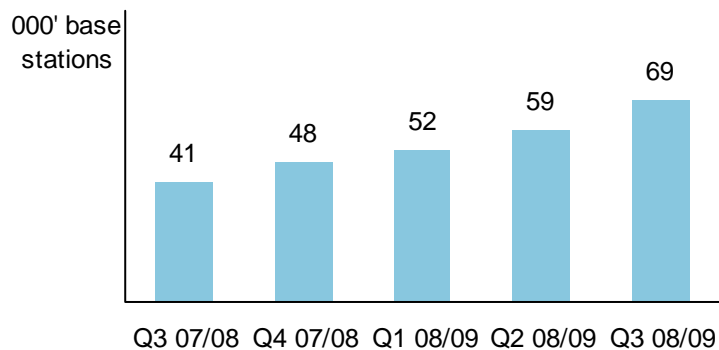
Strong monthly net additions



Pro forma service revenue growth



Network rollout



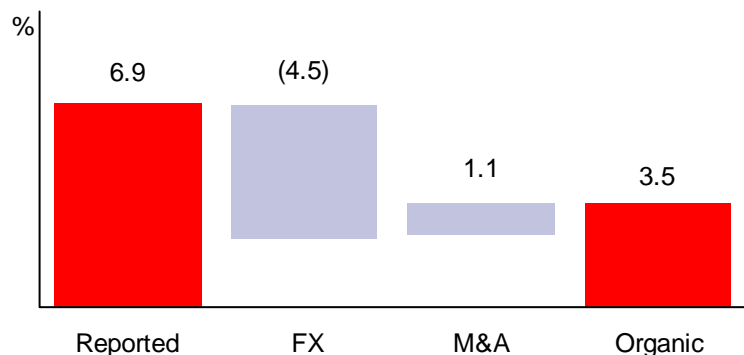
Business trends

- Record net adds, 60.9m customers (+53%)
- Market share up to 18%; 21% net adds share
- H1 price cuts and roaming pressures
- Operations commenced in 6 new circles
- Rapid network expansion continues
- Indus Towers now operational

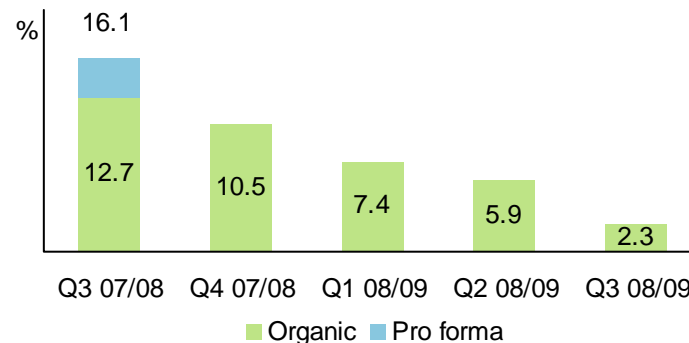


Africa & Central Europe

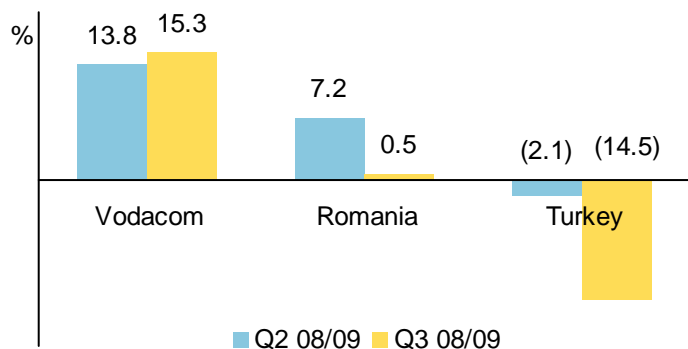
Total revenue growth analysis



Quarterly service revenue growth²



Key country organic service revenue growth¹



Business trends

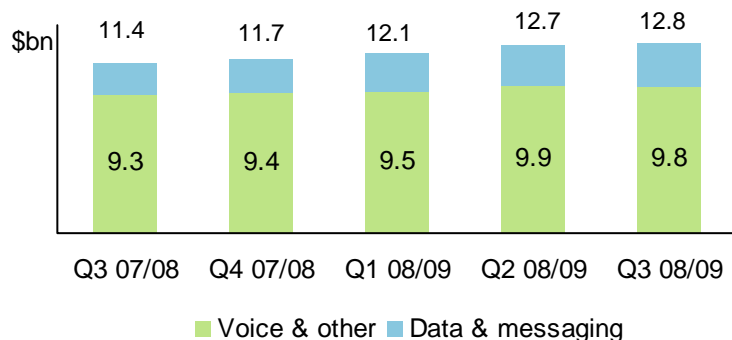
- Vodacom: Good growth across portfolio
Data revenue story continues
- Romania: Impact of competition, MTRs
- Turkey: Higher churn and lower activity
Focus on network, IT, distribution, brand
- Ghana: Focus on management, network, distribution

¹Constant currency

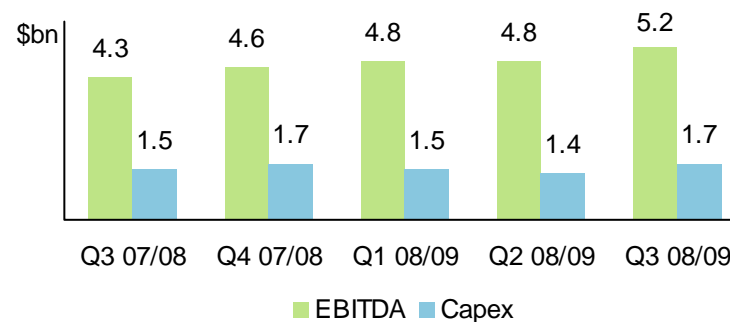


Verizon Wireless

Revenue¹



EBITDA and capex¹



Business trends

- 12% revenue growth mainly driven by customer acquisition and data
- EBITDA margin 40.7%
- Cash flow generation remains strong

Alltel transaction

- Completed 9 January 09
- \$9bn NPV after integration costs
- VZW now largest wireless operator with nationwide coverage

¹Financial highlights based on a 100% constant currency IFRS basis



Cost efficiency programme – recent actions

Commercial

- Wholesale roaming organisation has been established. 1st contract migration will take place in April 09

Technology

- IT transformation programme ahead of schedule
- New activities launched: application simplification, streamline process/organisation

General & Administration

- Property rationalisation: office space optimisation of German properties

Phasing of £1.0bn savings

FY 09/10
50%



FY 10/11
100%

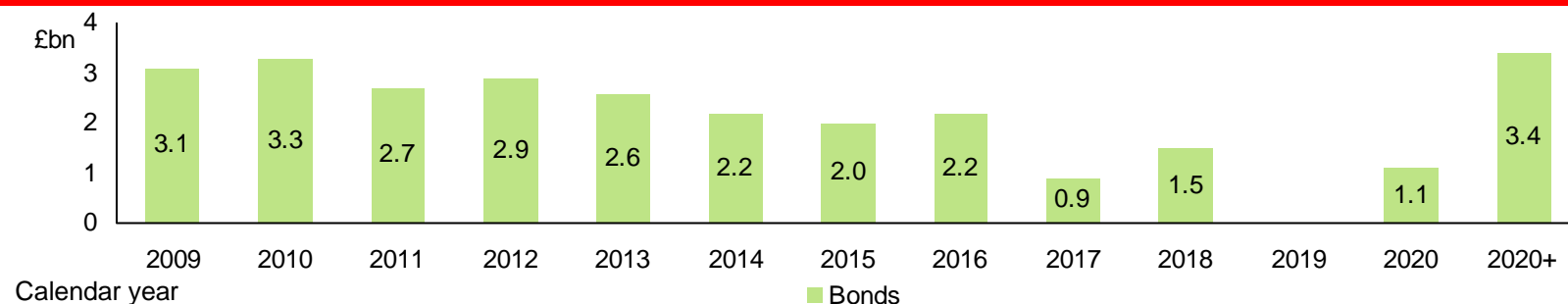


Liquidity

Improved liquidity

- £2.9bn bond issuance at competitive spreads since half year results
- Over \$3.3bn commercial paper matured and reissued since September 08
- \$9.1bn 3 & 4 year undrawn committed bank facilities

Bond maturity profile



Financial position

- FX causing increase in net debt
 - Approximate debt mix € 70%, \$ 40%, Other 10%, £ (20%) – broadly reflecting Vodafone asset composition
 - Pro forma impact at 30 September + £5.7bn based on 30 January FX rates
 - More than offset by increase in value of our international portfolio



Foreign exchange impact on guidance

FY 08/09 £bn	Previous guidance	FX ³	Updated guidance
Revenue	38.8 – 39.7	1.8	40.6 – 41.5
Adjusted operating profit¹	11.0 – 11.5	0.5	11.5 – 12.0
Capitalised fixed asset additions²	5.2 – 5.7	0.3	5.5 – 6.0
Free cash flow²	5.2 – 5.7	0.3	5.5 – 6.0

¹Excludes non-operating income (including associates), impairment losses and other income and expense, and impact of the acquisition of Alltel. ²Excludes licence and spectrum payments. ³Q4 rate assumed €1.09; \$1.45



Summary

Strong headline results reflect continuing foreign exchange benefit

Group trends broadly similar, despite weak economic environment

Strategy in implementation, continued focus on cost reduction

Good liquidity position enhanced by recent issuance

Guidance increased for foreign exchange benefit



Forward looking statements

This document 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 statements with respect to expectations regarding the Group’s financial condition, results of operations and future performance generally; expectations regarding the economic and operating environment and market conditions and trends, including customer mix and usage, competitive pressures and price trends; intentions and expectations regarding the development and launch of products, services and technologies introduced by Vodafone or by Vodafone in conjunction with third parties; anticipated benefits to the Group from cost reduction or efficiency programmes; growth in customers and usage; growth in mobile data, enterprise and broadband; growth in emerging markets, especially India and Africa; expectations regarding foreign exchange rates and interest rates, expectations regarding revenue, revenue growth, adjusted operating profit, capitalised fixed asset additions, free cash flows, net debt and costs; expectations regarding capital expenditures; expectations regarding liquidity and debt maturities; expectations regarding the integration or performance of current and future investments, associates, joint ventures and newly acquired businesses; and the impact of regulatory and legal proceedings involving Vodafone and of scheduled or potential regulatory changes.

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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 under the heading “Other Information—Forward-Looking Statements” in our results announcement for the six months ended 30 September 2008 and under the heading “Principal Risk Factors and Uncertainties” in our Annual Report for the year ended 31 March 2008.. 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 document will be realised. Neither Vodafone nor any of its affiliates intends to update these forward-looking statements.

