Shareholder information

Financial calendar for the 2011 financial year

Interim management statement	23 July 2010
Half-year financial results announcement	9 November 2010

Further details will be published at www.vodafone.com/investor as they become available. Results announcements are available online at www.vodafone.com/investor – we do not publish them in the press.

Dividends

Full details on the dividend amount per share can be found on page 40. Set out below is information relevant to the final dividend for the year ended 31 March 2010.

Ex-dividend date	2 June 2010
Record date	4 June 2010
Dividend reinvestment plan last election date	16 July 2010
Dividend payment date(1)	6 August 2010

Note:
(1) Payment date for both ordinary shares and american depositary shares ('ADSs').

Dividend payment methods

Currently holders of ordinary shares and ADSs can:

- have cash dividends paid direct to a bank or building society account; or
- elect to use the cash dividends to purchase more Vodafone ordinary shares under the dividend reinvestment plan (see below) or, in the case of ADSs, have the dividends reinvested to purchase additional Vodafone ADSs.

ADS holders can, in addition to the above, have their cash dividends paid in the form of a cheque.

Holders of ordinary shares:

- resident in the UK automatically receive their dividends in pounds sterling provided that UK bank details have been provided to the Company;
- resident in the eurozone (defined for this purpose as a country that has adopted the euro as its national currency) automatically receive their dividends in euros provided that euro bank details have been provided to the Company; or
- resident outside the UK and eurozone automatically receive dividends in pounds sterling by lodging UK bank account details but may elect to receive dividends in local currency into their bank account directly via our registrars' global payments service. Visit www.investorcentre.co.uk for details and terms and conditions.

For dividend payments in euros, the sterling/euro exchange rate will be determined by us shortly before the payment date in accordance with the Company's articles of association.

We will pay the ADS depositary, BNY Mellon, its dividend in US dollars. The sterling/US dollar exchange rate for this purpose will be determined by us up to ten New York and London business days prior to the payment date. Cash dividends to ADS holders will be paid by the ADS depositary in US dollars.

Further information about the dividend payments can be found at www.vodafone.com/dividends or, alternatively, please contact our registrars or the ADS depositary, as applicable, for further details.

Dividend reinvestment

We offer a dividend reinvestment plan which allows holders of ordinary shares, who choose to participate, to use their cash dividends to acquire additional shares in the Company. These are purchased on their behalf by the plan administrator through a low cost dealing arrangement.

For ADS holders BNY Mellon maintains a Global BuyDIRECT Plan which is a direct purchase and sale plan for depositary receipts with a dividend reinvestment facility.

Telephone share dealing

A telephone share dealing service operated by our registrars is available for holders of ordinary shares. The service is available from 8.00 am to 4.30 pm, Monday to Friday, excluding bank holidays, on telephone number +44 (0)870 703 0084. Detailed terms and conditions are available on request by calling the above number.

Registrars and transfer office

If private shareholders have any enquiries about their holding of ordinary shares, such as a change of address, change of ownership or dividend payments, they should contact our registrars at the address or telephone number below. Computershare Investor Services PLC maintain the Company's share register and holders of ordinary shares can visit the registrars' investor centre at www.investorcentre.co.uk to view and update details of their shareholding.

ADS holders should address any queries or instructions regarding their holdings to the depositary bank for the Company's ADR programme at the address or telephone number below. At www.bnymellon.com/shareowner ADS holders can view their account information, make changes and conduct many other transactions.

The Registrar
Computershare Investor Services PLC
The Pavilions
Bridgwater Road, Bristol BS99 6ZZ, England
Telephone: +44 (0)870 702 0198
www.investorcentre.co.uk/contactus

Holders of ordinary shares resident in Ireland:
Computershare Investor Services (Ireland) Limited
PO Box 9742
Dublin 18, Ireland
Telephone: 0818 300 999
www.investorcentre.co.uk/contactus

ADS depositary
BNY Mellon
BNY Mellon Shareowner Services
PO Box 358516
Pittsburgh, PA 15252-8516, USA
Telephone: +1 800 233 5601 (toll free) or, for calls outside the USA, +1 201 680 6837 (not toll free) and enter company number 2160
Email: shrrelations@bnymellon.com

Shareholder information continued

Internet share dealing

An internet share dealing service is available for holders of ordinary shares who want either to buy or sell ordinary shares. Further information about this service can be obtained from our registrars on +44 (0)870 702 0198 or by logging onto www.computershare.com/dealing/uk.

Online shareholder services

We provide a number of shareholder services online at www.vodafone.com/investor where shareholders may:

- register to receive electronic shareholder communications. Benefits to shareholders include faster receipt of communications, such as annual reports, with cost and time savings for the Company. Electronic shareholder communications are also more environmentally friendly;
- update registered address or dividend bank mandate instructions;
- view a live webcast of the AGM of the Company on 27 July 2010. A recording will be available to view after that date;
- view and/or download the 2010 annual report;
- check the current share price;
- calculate dividend payments; and
- use interactive tools to calculate the value of shareholdings, look up the historic price on a particular date and chart Vodafone ordinary share price changes against indices.

Shareholders and other interested parties can also receive company press releases, including London Stock Exchange announcements, by registering for Vodafone news via the website at www.vodafone.com/media. Registering for Vodafone news will enable users to:

- access the latest news from their mobile; and
- have news automatically e-mailed to them.

Annual general meeting

The twenty-sixth AGM of the Company will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1 on 27 July 2010 at 11.00 a.m.

A combined review of the year and notice of AGM, including details of the business to be conducted at the AGM, will be circulated to shareholders or can be viewed on our website at www.vodafone.com/agm. Shareholders who have registered to receive communications electronically will receive an email notification when the document is available to view on the website.

The AGM will be transmitted via a live webcast or can be viewed on the website at www.vodafone.com/agm on the day of the meeting and a recording will be available to view after that date.

ShareGift

We support ShareGift, the charity share donation scheme (registered charity number 1052686). Through ShareGift shareholders who have only a very small number of shares, which might be considered uneconomic to sell, are able to donate them to charity. Donated shares are aggregated and sold by ShareGift, the proceeds being passed on to a wide range of UK charities. Donating shares to charity gives rise neither to a gain nor a loss for UK capital gains tax purposes and UK taxpayers may also be able to claim income tax relief on the value of the donation.

ShareGift transfer forms specifically for our shareholders are available from our registrars, Computershare Investor Services PLC, and even if the share certificate has been lost or destroyed, the gift can be completed. The service is generally free. However there may be an indemnity charge for a lost or destroyed share certificate where the value of the shares exceeds £100. Further details about ShareGift can be obtained from its website at www.ShareGift.org or at 17 Carlton House Terrace, London SW1Y 5AH (telephone: +44 207 930 3737).

Asset Checker Limited

We participate in Asset Checker, the online service which provides a search facility for solicitors and probate professionals to quickly and easily trace UK shareholdings relating to deceased estates. For further information visit www.assetchecker.co.uk or call 0870 707 4004.

Share price history

Upon flotation of the Company on 11 October 1988 the ordinary shares were valued at 170 pence each. When the Company was finally demerged on 16 September 1991 the base cost of Racal Electronics Plc shares for UK taxpayers was apportioned between the Company and Racal Electronics Plc for Capital Gains Tax purposes in the ratio of 80.036% and 19.964% respectively. Opening share prices on 16 September 1991 were 332 pence for each Vodafone share and 223 pence for each Racal share.

On 21 July 1994 the Company effected a bonus issue of two new shares for every one then held and on 30 September 1999 it effected a bonus issue of four new shares for every one held at that date. The flotation and demerger share prices therefore may be restated as 11.333 pence and 22.133 pence respectively.

On 31 July 2006 the Group returned approximately £9 billion to shareholders in the form of a B share arrangement. As part of this arrangement, and in order to facilitate historical share price comparisons, the Group's share capital was consolidated on the basis of seven new ordinary shares for every eight ordinary shares held at this date. Share prices in the five year data table below have not been restated to reflect this consolidation.

The closing share price at 31 March 2010 was 152.0 pence (31 March 2009: 122.8 pence). The closing share price on 17 May 2010 was 136.4 pence.

The following tables set out, for the periods indicated, i) the reported high and low middle market quotations of ordinary shares on the London Stock Exchange, and ii) the reported high and low sales prices of ADSs on the New York Stock Exchange ("NYSE")/NASDAQ. The Company transferred its ADSs from the NYSE to NASDAQ on 29 October 2009.

	London Stock Exchange Pounds per ordinary share		NYSE/NASDAQ(1) Dollars per ADS	
Year ended 31 March	High	Low	High	Low
2006	1.55	1.09	28.04	19.32
2007	1.54	1.08	29.85	20.07
2008	1.98	1.36	40.87	26.88
2009	1.70	0.96	32.87	15.30
2010	1.54	1.11	24.04	17.68

	London Stock Exchange Pounds per ordinary share		NYSE/NASDAQ(1) Dollars per ADS	
Quarter	High	Low	High	Low
2008/2009				
First quarter	1.70	1.40	32.87	27.72
Second quarter	1.58	1.18	31.21	21.01
Third quarter	1.41	0.96	23.06	15.30
Fourth quarter	1.48	1.13	21.88	15.46
2009/2010				
First quarter	1.33	1.11	20.08	17.68
Second quarter	1.44	1.12	23.85	18.25
Third quarter	1.45	1.32	24.04	21.10
Fourth quarter	1.54	1.32	23.32	21.32
2010/2011				
First quarter(2)	1.53	1.32	23.79	19.41

	London Stock Exchange Pounds per ordinary share		NYSE/NASDAQ(1) Dollars per ADS	
Month	High	Low	High	Low
November 2009	1.40	1.33	23.61	21.86
December 2009	1.45	1.38	24.04	22.21
January 2010	1.44	1.32	23.31	21.42
February 2010	1.44	1.34	22.51	21.39
March 2010	1.54	1.42	23.32	21.32
April 2010	1.53	1.40	23.79	21.58
May 2010(2)	1.48	1.32	22.61	19.41

Notes:
(1) The Company transferred its ADSs from the NYSE to NASDAQ on 29 October 2009.
(2) Covering period up to 17 May 2010.

The current authorised share capital comprises 68,250,000,000 ordinary shares of 11³⁄₇ US cents each and 50,000 7% cumulative fixed rate shares of £1.00 each and 38,563,935,574 B shares of 15 pence each and 28,036,064,426 deferred shares of 15 pence each.

Inflation and foreign currency translation

Inflation

Inflation has not had a significant effect on the Group's results of operations and financial condition during the three years ended 31 March 2010.

Foreign currency translation

The following table sets out the pounds sterling exchange rates of the other principal currencies of the Group, being: "euros", "€" or "eurocents", the currency of the European Union ('EU') Member states which have adopted the euro as their currency, and "US dollars", "US$", "cents" or "¢", the currency of the United States.

Currency (=£1)	31 March 2010	31 March 2009	% change
Average:			
Euro	1.13	1.20	(5.8)
US dollar	1.60	1.72	(7.0)
At 31 March:			
Euro	1.12	1.08	3.7
US dollar	1.52	1.43	6.3

The following table sets out, for the periods and dates indicated, the period end, average, high and low exchanges rates for pounds sterling expressed in US dollars per £1.00.

Year ended 31 March	31 March	Average	High	Low
2006	1.74	1.79	1.92	1.71
2007	1.97	1.89	1.98	1.74
2008	1.99	2.01	2.11	1.94
2009	1.43	1.72	2.00	1.37
2010	1.52	1.60	1.70	1.44

Month	High	Low
November 2009	1.68	1.64
December 2009	1.67	1.59
January 2010	1.64	1.59
February 2010	1.60	1.52
March 2010	1.54	1.48
April 2010	1.55	1.52

Markets

Ordinary shares of Vodafone Group Plc are traded on the London Stock Exchange and with effect from 29 October 2009 its listing of ADSs was transferred from the NYSE to NASDAQ. The Company had a total market capitalisation of approximately £71.8 billion at 17 May 2010 making it the third largest listing in The Financial Times Stock Exchange 100 index and the 38th largest company in the world based on market capitalisation at that date.

ADSs, each representing ten ordinary shares, are traded on NASDAQ under the symbol 'VOD'. The ADSs are evidenced by ADRs issued by BNY Mellon, as depositary, under a deposit agreement, dated as of 12 October 1988, as amended and restated on 26 December 1989, 16 September 1991, 30 June 1999, 31 July 2006 and 30 July 2009 between the Company, the depositary and the holders from time to time of ADRs issued thereunder.

ADS holders are not members of the Company but may instruct BNY Mellon on the exercise of voting rights relative to the number of ordinary shares represented by their ADSs. See "Articles of association and applicable English law – Rights attaching to the Company's shares – Voting rights" on page 128.

Shareholders at 31 March 2010

Number of ordinary shares held	Number of accounts	% of total issued shares
1 – 1,000	435,142	0.21
1,001 – 5,000	80,280	0.31
5,001 – 50,000	26,783	0.58
50,001 – 100,000	1,130	0.14
100,001 – 500,000	1,066	0.43
More than 500,000	1,663	98.33
	546,064	**100.00**

Geographical analysis of shareholders

At 31 March 2010 approximately 48.8% of the Company's shares were held in the UK, 27.4% in North America, 16.4% in Europe (excluding the UK) and 7.4% in the rest of the world.

Major shareholders

BNY Mellon, as custodian of the Company's ADR programme, held approximately 14% of the Company's ordinary shares of 11³⁄₇ US cents each at 17 May 2010 as nominee. The total number of ADRs outstanding at 17 May 2010 was 740,793,229. At this date 1,313 holders of record of ordinary shares had registered addresses in the United States and in total held approximately 0.006% of the ordinary shares of the Company. At 17 May 2010 the following percentage interests in the ordinary share capital of the Company, disclosable under the Disclosure and Transparency Rules, (DTR 5), have been notified to the directors:

Shareholder	Shareholding
Black Rock Inc	5.74%
Legal & General Group Plc	4.07%

The rights attaching to the ordinary shares of the Company held by these shareholders are identical in all respects to the rights attaching to all the ordinary shares of the Company. The directors are not aware, at 17 May 2010, of any other interest of 3% or more in the ordinary share capital of the Company. The Company is not directly or indirectly owned or controlled by any foreign government or any other legal entity. There are no arrangements known to the Company that could result in a change of control of the Company.

Articles of association and applicable English law

The following description summarises certain provisions of the Company's articles of association and applicable English law. This summary is qualified in its entirety by reference to the Companies Act 2006 of England and Wales and the Company's articles of association. Information on where shareholders can obtain copies of the articles of association is provided under "Documents on display" on page 129.

The Company is a public limited company under the laws of England and Wales. The Company is registered in England and Wales under the name Vodafone Group Public Limited Company with the registration number 1833679.

All of the Company's ordinary shares are fully paid. Accordingly, no further contribution of capital may be required by the Company from the holders of such shares.

English law specifies that any alteration to the articles of association must be approved by a special resolution of the shareholders.

Articles of association

Pursuant to the Companies Act 2006, a company can remove the object clauses which become part of its articles of association and as a result the company's objects will be unrestricted.

A special resolution will be proposed at the 2010 AGM to i) remove the Company's object clause together with all other provisions of its memorandum which, by virtue of the Companies Act 2006, are treated as forming part of the Company's articles of association and ii) adopt new articles of association in order to update the Company's existing articles of association to take account of the implementation on 3 August 2009 of the Shareholders' Rights Regulations and the implementation of the remaining parts of the Companies Act 2006.

Shareholder information continued

Directors

The Company's articles of association provide for a Board of directors, consisting of not fewer than three directors, who shall manage the business and affairs of the Company.

The directors are empowered to exercise all the powers of the Company subject to any restrictions in the articles of association, the Companies Act (as defined in the articles of association) and any special resolution.

Under the Company's articles of association a director cannot vote in respect of any proposal in which the director, or any person connected with the director, has a material interest other than by virtue of the director's interest in the Company's shares or other securities. However this restriction on voting does not apply to resolutions i) giving the director or a third party any guarantee, security or indemnity in respect of obligations or liabilities incurred at the request of or for the benefit of the Company, ii) giving any guarantee, security or indemnity to the director or a third party in respect of obligations of the Company for which the director has assumed responsibility under an indemnity or guarantee, iii) relating to an offer of securities of the Company in which the director is entitled to participate as a holder of shares or other securities or in the underwriting of such shares or securities, iv) concerning any other company in which the director (together with any connected person) is a shareholder or an officer or is otherwise interested, provided that the director (together with any connected person) is not interested in 1% or more of any class of the Company's equity share capital or the voting rights available to its shareholders, v) relating to the arrangement of any employee benefit in which the director will share equally with other employees and vi) relating to any insurance that the Company purchases or renews for its directors or any group of people including directors.

The directors are empowered to exercise all the powers of the Company to borrow money, subject to the limitation that the aggregate amount of all liabilities and obligations of the Group outstanding at any time shall not exceed an amount equal to 1.5 times the aggregate of the Group's share capital and reserves calculated in the manner prescribed in the articles of association unless sanctioned by an ordinary resolution of the Company's shareholders.

The Company can make market purchases of its own shares or agree to do so in the future provided it is duly authorised by its members in a general meeting and subject to and in accordance with Section 701 of the Companies Act 2006.

At each AGM all directors who were elected or last re-elected at or before the AGM held in the third calendar year before the current year shall automatically retire. In 2005 the Company reviewed its policy regarding the retirement and re-election of directors and, although it is not intended to amend the Company's articles of association in this regard, the Board has decided in the interests of good corporate governance that all of the directors wishing to continue in office should offer themselves for re-election annually.

No person is disqualified from being a director or is required to vacate that office by reason of attaining a maximum age.

Directors are not required under the Company's articles of association to hold any shares of the Company as a qualification to act as a director, although executive directors participating in long-term incentive plans must comply with the Company's share ownership guidelines. In accordance with best practice in the UK for corporate governance, compensation awarded to executive directors is decided by a remuneration committee consisting exclusively of non-executive directors.

In addition, as required by The Directors' Remuneration Report Regulations, the Board has, since 2003, prepared a report to shareholders on the directors' remuneration which complies with the regulations (see pages 57 to 67). The report is also subject to a shareholder vote.

Rights attaching to the Company's shares

At 31 March 2010 the issued share capital of the Company was comprised of 50,000 7% cumulative fixed rate shares of £1.00 each and 52,663,134,573 ordinary shares (excluding treasury shares) of 11 3/7 US cents each.

Dividend rights

Holders of 7% cumulative fixed rate shares are entitled to be paid in respect of each financial year, or other accounting period of the Company, a fixed cumulative preferential dividend of 7% per annum on the nominal value of the fixed rate shares. A fixed cumulative preferential dividend may only be paid out of available distributable profits which the directors have resolved should be distributed. The fixed rate shares do not have any other right to share in the Company's profits.

Holders of the Company's ordinary shares may, by ordinary resolution, declare dividends but may not declare dividends in excess of the amount recommended by the directors. The Board of directors may also pay interim dividends. No dividend may be paid other than out of profits available for distribution. Dividends on ordinary shares can be paid to shareholders in whatever currency the directors decide, using an appropriate exchange for any currency conversions which are required.

If a dividend has not been claimed for one year after the date of the resolution passed at a general meeting declaring that dividend or the resolution of the directors providing for payment of that dividend, the directors may invest the dividend or use it in some other way for the benefit of the Company until the dividend is claimed. If the dividend remains unclaimed for 12 years after the relevant resolution either declaring that dividend or providing for payment of that dividend, it will be forfeited and belong to the Company.

Voting rights

The Company's articles of association provide that voting on substantive resolutions (i.e. any resolution which is not a procedural resolution) at a general meeting shall be decided on a poll. On a poll, each shareholder who is entitled to vote and is present in person or by proxy has one vote for every share held. Procedural resolutions (such as a resolution to adjourn a General Meeting or a resolution on the choice of Chairman of a general meeting) shall be decided on a show of hands, where each shareholder who is present at the meeting has one vote regardless of the number of shares held, unless a poll is demanded. In addition, the articles of association allow persons appointed as proxies of shareholders entitled to vote at general meetings to vote on a show of hands, as well as to vote on a poll and attend and speak at general meetings.

Under English law two shareholders present in person constitute a quorum for purposes of a general meeting unless a company's articles of association specify otherwise. The Company's articles of association do not specify otherwise, except that the shareholders do not need to be present in person and may instead be present by proxy to constitute a quorum.

Under English law shareholders of a public company such as the Company are not permitted to pass resolutions by written consent.

Record holders of the Company's ADSs are entitled to attend, speak and vote on a poll or a show of hands at any general meeting of the Company's shareholders by the depositary's appointment of them as corporate representatives with respect to the underlying ordinary shares represented by their ADSs. Alternatively holders of ADSs are entitled to vote by supplying their voting instructions to the depositary or its nominee who will vote the ordinary shares underlying their ADSs in accordance with their instructions.

Employees are able to vote any shares held under the Vodafone Group Share Incentive Plan and 'My ShareBank' (a vested share account) through the respective plan's trustees.

Holders of the Company's 7% cumulative fixed rate shares are only entitled to vote on any resolution to vary or abrogate the rights attached to the fixed rate shares. Holders have one vote for every fully paid 7% cumulative fixed rate share.

Liquidation rights

In the event of the liquidation of the Company, after payment of all liabilities and deductions in accordance with English law, the holders of the Company's 7% cumulative fixed rate shares would be entitled to a sum equal to the capital paid up on such shares, together with certain dividend payments, in priority to holders of the Company's ordinary shares. The holders of the fixed rate shares do not have any other right to share in the Company's surplus assets.

Pre-emptive rights and new issues of shares
Under Section 549 of the Companies Act 2006 directors are, with certain exceptions, unable to allot the Company's ordinary shares or securities convertible into the Company's ordinary shares without the authority of the shareholders in a general meeting. In addition, Section 561 of the Companies Act 2006 imposes further restrictions on the issue of equity securities (as defined in the Companies Act 2006 which include the Company's ordinary shares and securities convertible into ordinary shares) which are, or are to be, paid up wholly in cash and not first offered to existing shareholders. The Company's articles of association allow shareholders to authorise directors for a period up to five years to allot i) relevant securities generally up to an amount fixed by the shareholders and ii) equity securities for cash other than in connection with a rights issue up to an amount specified by the shareholders and free of the pre-emption restriction. In accordance with institutional investor guidelines, the amount of relevant securities to be fixed by shareholders is normally restricted to one third of the existing issued ordinary share capital and the amount of equity securities to be issued for cash other than in connection with a rights issue is restricted to 5% of the existing issued ordinary share capital.

Disclosure of interests in the Company's shares
There are no provisions in the articles of association whereby persons acquiring, holding or disposing of a certain percentage of the Company's shares are required to make disclosure of their ownership percentage although such requirements exist under rules derived by the Disclosure and Transparency Rules ('DTRs').

The basic disclosure requirement upon a person acquiring or disposing of shares that are admitted to trading on a regulated market and carrying voting rights is an obligation to provide written notification to the Company, including certain details as set out in DTR 5, where the percentage of the person's voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (falling within DTR 5.3.1R) reaches or exceeds 3% and reaches, exceeds or falls below each 1% threshold thereafter.

Under Section 793 of the Companies Act 2006 the Company may, by notice in writing, require a person that the Company knows or has reasonable cause to believe is, or was during the preceding three years, interested in the Company's shares to indicate whether or not that is correct and, if that person does or did hold an interest in the Company's shares, to provide certain information as set out in the Companies Act 2006. DTR 3 deals with the disclosure by persons "discharging managerial responsibility" and their connected persons of the occurrence of all transactions conducted on their account in the shares of the Company. Part 28 of The Companies Act 2006 sets out the statutory functions of the Panel on Takeovers & Mergers (the 'Panel'). The Panel is responsible for issuing and administering the Code on Takeovers & Mergers which includes disclosure requirements on all parties to a takeover with regard to dealings in the securities of an offeror or offeree company and also on their respective associates during the course of an offer period.

General meetings and notices
Subject to the articles of association, annual general meetings are held at such times and place as determined by the directors of the Company. The directors may also, when they think fit, convene other general meetings of the Company. General meetings may also be convened on requisition as provided by the Companies Act 2006.

An annual general meeting needs to be called by not less than twenty-one days' notice in writing. Subject to obtaining shareholder approval on an annual basis, the Company may call other general meetings on 14 clear days' notice. The directors may determine that persons entitled to receive notices of meetings are those persons entered on the register at the close of business on a day determined by the directors but not later than twenty-one days before the date the relevant notice is sent. The notice may also specify the record date, which shall not be more than forty-eight hours before the time fixed for the meeting (non-working days must be excluded, pursuant to the Companies Act 2006).

Shareholders must provide the Company with an address or (so far as the Companies Act 2006 allows) an electronic address or fax number in the United Kingdom in order to be entitled to receive notices of shareholders' meetings and other notices and documents. In certain circumstances the Company may give notices to shareholders by advertisement in newspapers in the United Kingdom. Holders of the Company's ADSs are entitled to receive notices under the terms of the Deposit Agreement relating to the ADSs.

Under Section 336 of the Companies Act 2006 the annual general meeting of shareholders must be held each calendar year and within six months of the Company's year end.

Electronic communications
The Company may, subject to and in accordance with the Companies Act 2006, communicate all shareholder information by electronic means, including by making such information available on a website, with notification that such information shall be available on the website.

Variation of rights
If at any time the Company's share capital is divided into different classes of shares, the rights attached to any class may be varied, subject to the provisions of the Companies Act 2006, either with the consent in writing of the holders of three quarters in nominal value of the shares of that class or at a separate meeting of the holders of the shares of that class.

At every such separate meeting all of the provisions of the articles of association relating to proceedings at a general meeting apply, except that i) the quorum is to be the number of persons (which must be at least two) who hold or represent by proxy not less than one third in nominal value of the issued shares of the class or, if such quorum is not present on an adjourned meeting, one person who holds shares of the class regardless of the number of shares he holds, ii) any person present in person or by proxy may demand a poll, and iii) each shareholder will have one vote per share held in that particular class in the event a poll is taken. Class rights are deemed not to have been varied by the creation or issue of new shares ranking equally with or subsequent to that class of shares in sharing in profits or assets of the Company or by a redemption or repurchase of the shares by the Company.

Limitations on voting and shareholding
As far as the Company is aware there are no limitations imposed on the transfer, holding or voting of the Company's shares other than those limitations that would generally apply to all of the shareholders. No shareholder has any securities carrying special rights with regard to control of the Company.

Documents on display
The Company is subject to the information requirements of the Exchange Act applicable to foreign private issuers. In accordance with these requirements the Company files its annual report on Form 20-F and other related documents with the SEC. These documents may be inspected at the SEC's public reference rooms located at 100 F Street, NE Washington, DC 20549. Information on the operation of the public reference room can be obtained in the US by calling the SEC on +1-800-SEC-0330. In addition, some of the Company's SEC filings, including all those filed on or after 4 November 2002, are available on the SEC's website (www.sec.gov). Shareholders can also obtain copies of the Company's articles of association from the Vodafone website at www.vodafone.com/governance or from the Company's registered office.

Debt securities
Pursuant to an Agreement of Resignation, Appointment and Acceptance, dated as of 24 July 2007, by and among the Company, BNY Mellon and Citibank N.A, BNY Mellon became the successor trustee to Citibank N.A. under the Company's Indenture dated as of 10 February 2000.

Material contracts
At the date of this annual report the Group is not party to any contracts that are considered material to the Group's results or operations except for its US$9.1 billion credit facilities which are discussed under "Financial position and resources" on page 43.

Exchange controls
There are no UK government laws, decrees or regulations that restrict or affect the export or import of capital, including but not limited to, foreign exchange controls on remittance of dividends on the ordinary shares or on the conduct of the Group's operations except as otherwise set out under "Taxation" on the following page.

Taxation

As this is a complex area investors should consult their own tax advisor regarding the US federal, state and local, the UK and other tax consequences of owning and disposing of shares and ADSs in their particular circumstances.

This section describes, primarily for a US holder (as defined below), in general terms, the principal US federal income tax and UK tax consequences of owning or disposing of shares or ADSs in the Company held as capital assets (for US and UK tax purposes). This section does not however cover the tax consequences for members of certain classes of holders subject to special rules including officers of the Company, employees and holders that, directly or indirectly, hold 10% or more of the Company's voting stock.

A US holder is a beneficial owner of shares or ADSs that is for US federal income tax purposes:

- a citizen or resident of the United States;
- a US domestic corporation;
- an estate, the income of which is subject to US federal income tax regardless of its source; or
- a trust, if a US court can exercise primary supervision over the trust's administration and one or more US persons are authorised to control all substantial decisions of the trust.

If a partnership holds the shares or ADSs, the US federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the shares or ADSs should consult its tax advisor with regard to the US federal income tax treatment of an investment in the shares or ADSs.

This section is based on the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, and on the tax laws of the United Kingdom and the Double Taxation Convention between the United States and the United Kingdom (the 'treaty'), all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

This section is further based in part upon the representations of the depositary and assumes that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms.

Based on this assumption, for purposes of the treaty and the US-UK double taxation convention relating to estate and gift taxes (the 'Estate Tax Convention'), and for US federal income tax and UK tax purposes, a holder of ADRs evidencing ADSs will be treated as the owner of the shares in the Company represented by those ADSs. Generally exchanges of shares for ADRs and ADRs for shares will not be subject to US federal income tax or to UK tax other than stamp duty or stamp duty reserve tax (see the section on these taxes on the following page).

Taxation of dividends

UK taxation

Under current UK tax law no withholding tax will be deducted from the dividends we pay. Shareholders who are within the charge to UK corporation tax will be subject to corporation tax on the dividends we pay unless the dividends fall within an exempt class and certain other conditions are met. It is expected that the dividends we pay would generally be exempt.

A shareholder in the Company who is an individual resident for UK tax purposes in the United Kingdom is entitled, in calculating their liability to UK income tax, to a tax credit on cash dividends we pay on our shares or ADSs and the tax credit is equal to one-ninth of the cash dividend.

US federal income taxation

Subject to the PFIC rules described below, a US holder is subject to US federal income taxation on the gross amount of any dividend we pay out of our current or accumulated earnings and profits (as determined for US federal income tax purposes). Dividends paid to a non-corporate US holder in tax years beginning before 1 January 2011 that constitute qualified dividend income will be taxable to the holder at a maximum tax rate of 15% provided that the ordinary shares or ADSs are held for more than 60 days during the 121 day period beginning 60 days before the ex-dividend date and the holder meets other holding period requirements. Dividends paid by us with respect to the shares or ADSs will generally be qualified dividend income.

A US holder is not subject to a UK withholding tax. The US holder includes in gross income for US federal income tax purposes only the amount of the dividend actually received from us and the receipt of a dividend does not entitle the US holder to a foreign tax credit.

Dividends must be included in income when the US holder, in the case of shares, or the depositary, in the case of ADSs, actually or constructively receives the dividend and will not be eligible for the dividends-received deduction generally allowed to US corporations in respect of dividends received from other US corporations. Dividends will be income from sources outside the United States. For the purpose of the foreign tax credit limitation, foreign source income is classified in one or two baskets and the credit for foreign taxes on income in any basket is limited to US federal income tax allocable to that income. Generally the dividends we pay will constitute foreign source income in the passive income basket.

In the case of shares, the amount of the dividend distribution to be included in income will be the US dollar value of the pound sterling payments made determined at the spot pound sterling/US dollar rate on the date of the dividend distribution regardless of whether the payment is in fact converted into US dollars. Generally any gain or loss resulting from currency exchange fluctuations during the period from the date the dividend payment is to be included in income to the date the payment is converted into US dollars will be treated as ordinary income or loss. Generally the gain or loss will be income or loss from sources within the United States for foreign tax credit limitation purposes.

Taxation of capital gains

UK taxation

A US holder may be liable for both UK and US tax in respect of a gain on the disposal of our shares or ADSs if the US holder is:

- a citizen of the United States resident or ordinarily resident for UK tax purposes in the United Kingdom;
- a citizen of the United States who has been resident or ordinarily resident for UK tax purposes in the United Kingdom, ceased to be so resident or ordinarily resident for a period of less than five years of assessment and who disposed of the shares or ADSs during that period (a 'temporary non-resident'), unless the shares or ADSs were also acquired during that period, such liability arising on that individual's return to the UK;
- a US domestic corporation resident in the United Kingdom by reason of being centrally managed and controlled in the United Kingdom; or
- a citizen of the United States or a US domestic corporation that carries on a trade, profession or vocation in the United Kingdom through a branch or agency or, in the case of US domestic companies, through a permanent establishment and that has used the shares or ADSs for the purposes of such trade, profession or vocation or has used, held or acquired the shares or ADSs for the purposes of such branch or agency or permanent establishment.

Under the treaty capital gains on dispositions of the shares or ADSs are generally subject to tax only in the country of residence of the relevant holder as determined under both the laws of the United Kingdom and the United States and as required by the terms of the treaty. However individuals who are residents of either the United Kingdom or the United States and who have been residents of the other jurisdiction (the US or the UK, as the case may be) at any time during the six years immediately preceding the relevant disposal of shares or ADSs may be subject to tax with respect to capital gains arising from the dispositions of the shares or ADSs not only in the country of which the holder is resident at the time of the disposition but also in that other country (although, in respect of UK taxation, generally only to the extent that such an individual comprises a temporary non-resident).

US federal income taxation

Subject to the PFIC rules described below a US holder that sells or otherwise disposes of our shares or ADSs will recognise a capital gain or loss for US federal income tax purposes equal to the difference between the US dollar value of the amount realised and the holder's tax basis, determined in US dollars, in the shares or ADSs. Generally a capital gain of a non-corporate US holder that is recognised in tax years beginning before 1 January 2011 is taxed at a maximum rate of 15% provided the holder has a holding period of more than one year. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. The deductibility of losses is subject to limitations.

Additional tax considerations

UK inheritance tax

An individual who is domiciled in the United States (for the purposes of the Estate Tax Convention) and is not a UK national will not be subject to UK inheritance tax in respect of our shares or ADSs on the individual's death or on a transfer of the shares or ADSs during the individual's lifetime, provided that any applicable US federal gift or estate tax is paid, unless the shares or ADSs are part of the business property of a UK permanent establishment or pertain to a UK fixed base used for the performance of independent personal services. Where the shares or ADSs have been placed in trust by a settlor they may be subject to UK inheritance tax unless, when the trust was created, the settlor was domiciled in the United States and was not a UK national. Where the shares or ADSs are subject to both UK inheritance tax and to US federal gift or estate tax, the estate tax convention generally provides a credit against US federal tax liabilities for UK inheritance tax paid.

UK stamp duty and stamp duty reserve tax

Stamp duty will, subject to certain exceptions, be payable on any instrument transferring our shares to the custodian of the depositary at the rate of 1.5% on the amount or value of the consideration if on sale or on the value of such shares if not on sale. Stamp duty reserve tax ('SDRT'), at the rate of 1.5% of the price or value of the shares, could also be payable in these circumstances and on issue to such a person but no SDRT will be payable if stamp duty equal to such SDRT liability is paid. A recent ruling by the European Court of Justice has determined that the 1.5% SDRT charge on issue to a clearance service is contrary to EU law. HMRC have indicated that where new shares are first issued to a clearance service or to a depositary within the European Union, the 1.5% SDRT charge will not be levied. However to the extent that the clearance service or depositary is located outside the European Union, HMRC have indicated that such charge would still apply. In accordance with the terms of the deposit agreement, any tax or duty payable on deposits of shares by the depositary or the custodian of the depositary will be charged to the party to whom ADSs are delivered against such deposits.

No stamp duty will be payable on any transfer of our ADSs provided that the ADSs and any separate instrument of transfer are executed and retained at all times outside the United Kingdom. A transfer of our shares in registered form will attract ad valorem stamp duty generally at the rate of 0.5% of the purchase price of the shares. There is no charge to ad valorem stamp duty on gifts.

SDRT is generally payable on an unconditional agreement to transfer our shares in registered form at 0.5% of the amount or value of the consideration for the transfer, but is repayable if, within six years of the date of the agreement, an instrument transferring the shares is executed or, if the SDRT has not been paid, the liability to pay the tax (but not necessarily interest and penalties) would be cancelled. However an agreement to transfer our ADSs will not give rise to SDRT.

PFIC rules

We do not believe that our shares or ADSs will be treated as stock of a passive foreign investment company ('PFIC') for US federal income tax purposes. This conclusion is a factual determination that is made annually and thus is subject to change. If we are treated as a PFIC, any gain realised on the sale or other disposition of the shares or ADSs would in general not be treated as capital gain unless a US holder elects to be taxed annually on a mark-to-market basis with respect to the shares or ADSs. Otherwise a US holder would be treated as if he or she has realised such gain and certain "excess distributions" rateably over the holding period for the shares or ADSs and would be taxed at the highest tax rate in effect for each such year to which the gain was allocated. An interest charge in respect of the tax attributable to each such year would also apply. Dividends received from us would not be eligible for the preferential tax rate applicable to qualified dividend income for certain non-corporate holders.

History and development

The Company was incorporated under English law in 1984 as Racal Strategic Radio Limited (registered number 1833679). After various name changes, 20% of Racal Telecom Plc capital was offered to the public in October 1988. The Company was fully demerged from Racal Electronics Plc and became an independent company in September 1991, at which time it changed its name to Vodafone Group Plc.

Since then we have entered into various transactions which consolidated our position in the United Kingdom and enhanced our international presence. The most significant of these transactions were as follows:

- the merger with AirTouch Communications, Inc. which completed on 30 June 1999. The Company changed its name to Vodafone AirTouch plc in June 1999 but then reverted to its former name, Vodafone Group Plc, on 28 July 2000;
- the acquisition of Mannesmann AG which completed on 12 April 2000. Through this transaction we acquired subsidiaries in Germany and Italy and increased our indirect holding in SFR;
- through a series of business transactions between 1999 and 2004 we acquired a 97.7% stake in Vodafone Japan. This was then disposed of on 27 April 2006; and
- on 8 May 2007 we acquired companies with interests in Vodafone Essar for US$10.9 billion (£5.5 billion), following which we control Vodafone Essar.

Other transactions that have occurred since 31 March 2007 are as follows:

9 May 2007 – India: A Bharti group company irrevocably agreed to purchase our 5.60% direct shareholding in Bharti Airtel Limited.

3 December 2007 – Italy and Spain: Acquired Tele2 Italia SpA and Tele2 Telecommunications Services SLU from Tele2 AB Group for €747 million (£532 million).

11 December 2007 – Qatar: A consortium comprising Vodafone and The Qatar Foundation was named as the successful applicant in the auction to become the second mobile operator in Qatar.

19 May 2008 – Arcor: We increased our stake in Arcor for €460 million (£366 million) and now own 100% of Arcor.

17 August 2008 – Ghana: We acquired 70.0% of Ghana Telecommunications for cash consideration of £486 million.

18 December 2008 – Poland: We increased our stake in Polkomtel S.A. by 4.8% to 24.4% for net cash consideration of €186 million (£171 million).

9 January 2009 – Verizon Wireless: Verizon Wireless completed its acquisition of Alltel Corp. for approximately US$5.9 billion (£3.9 billion).

20 April 2009 – South Africa: We acquired an additional 15.0% stake in Vodacom for cash consideration of ZAR 20.6 billion (£1.6 billion). On 18 May 2009 Vodacom became a subsidiary following the listing of its shares on the Johannesburg Stock Exchange and concurrent termination of the shareholder agreement with Telkom SA Limited, the seller and previous joint venture partner (see note 26 to the consolidated financial statements).

10 May 2009 – Qatar: Vodafone Qatar completed a public offering of 40.0% of its authorised share capital raising QAR 3.4 billion (£0.6 billion). The shares were listed on the Qatar Exchange on 22 July 2009. Qatar launched full services on its network on 7 July 2009.

9 June 2009 – Australia: Vodafone Australia merged with Hutchison 3G Australia to form a 50:50 joint venture, Vodafone Hutchison Australia Pty Limited (see note 26 to the consolidated financial statements).

Regulation

Our operating companies are generally subject to regulation governing the operation of their business activities. Such regulation typically takes the form of industry specific law and regulation covering telecommunications services and general competition (antitrust) law applicable to all activities. Some regulation implements commitments made by governments under the Basic Telecommunications Accord of the World Trade Organisation to facilitate market entry and establish regulatory frameworks.

The following section describes the regulatory frameworks and the key regulatory developments at the global and regional level and in selected countries in which we have significant interests. Many of the regulatory developments reported in the following section involve ongoing proceedings or consideration of potential proceedings that have not reached a conclusion. Accordingly, we are unable to attach a specific level of financial risk to our performance from such matters.

European Union ('EU')

In November 2007 the European Commission (the 'Commission') published proposals to amend the EU framework. These new rules were approved by the European Parliament and the Council of Member States (the 'Council') in November 2009 and became EU law following their publication in the Official Journal of the European Union on 18 December 2009. The new rules consist of the Better Regulation Directive and the Citizens' Rights Directive which will need to be transposed into national laws of the 27 EU Member States by June 2011. The new rules include:

- the creation of a new European Telecoms Authority called the Body of European Regulators for Electronic Communications ('BEREC') effective from 7 January 2010;
- changes to the licensing of spectrum, introducing a multi-year spectrum policy programme, more flexibility, trading and market-based approaches;
- adjustments to the Article 7 process in which regulatory decisions are reviewed by the Commission and BEREC;
- the addition of functional separation as a remedy which may be imposed by national regulatory authorities ('NRAs') subject to certain conditions being fulfilled;
- provisions to safeguard "net neutrality" to address the concerns that the services of some internet service providers will be blocked or otherwise discriminated against by network operators;
- an obligation to complete number portability in one day on all networks in the EU and various other measures regarding consumer protection and user rights;
- various measures regarding network security; and
- obligations for telecommunication providers to register any serious data breaches and to inform NRAs and their customers.

The Commission's Competition Directorate General has indicated that it is not currently pursuing its investigation into the provision of voice over internet protocol ('VOIP') and other internet services over mobile networks.

The Commission has begun to consult on future obligations to provide universal services in the EU. Current obligations generally involve the provision of a fixed connection allowing access to voice and simple data services. In some countries those operators responsible for providing universal services receive compensation from a fund to which we and others are required to make a financial contribution. Future obligations could extend to the provision of broadband data services, whether by mobile or fixed means.

Roaming

A revised roaming regulation (the 'roaming regulation') entered into force in July 2009 amending and extending the requirements on mobile operators to supply voice roaming by means of a euro-tariff (from which customers may opt out) under which the cost of making and receiving calls within the EU is capped. New caps for making calls are set at 39 eurocents and 35 eurocents and new caps for the costs of receiving calls at 15 eurocents and 11 eurocents effective July 2010 and July 2011 respectively. The revised regulation requires roaming voice charges to be levied in per second units although operators may establish certain initial charges for making calls.

The roaming regulations also regulate roaming text messages and data roaming including a retail cap of 11 eurocents, a wholesale cap of 4 eurocents on roaming text messages and an average wholesale price cap for data roaming services of €1 per megabyte. This price cap reduces to 80 eurocents in July 2010 and to 50 eurocents in July 2011. In addition, the regulation sets out a number of transparency measures to be fully implemented by July 2010. The Commission is required to publish an interim report on developments in international roaming during 2010.

Call termination

Call termination rates are subject to regulation by the appropriate NRA in all of our EU subsidiaries and joint ventures. The Commission adopted a recommendation in May 2009 on the treatment of termination rates from 31 December 2012 (or later under certain circumstances) aimed at achieving further convergence of termination rates in Europe. The recommendation states that NRAs should set symmetric rates for all mobile network operators using an incremental cost methodology. NRAs are required to take utmost account of the recommendation but may depart from it in justified circumstances.

In December 2009 the European Regulators Group, now incorporated into BEREC, conducted a consultation on the potential adoption of zero termination rates ("bill and keep") for voice call termination. Responses have not yet been published.

At 31 March 2010 the termination rates effective for our subsidiaries and joint ventures within the EU, which differs from our Europe region, ranged from 4.3 eurocents per minute (3.9 pence) to 9.0 eurocents per minute (8.0 pence), at the relevant 31 March 2010 exchange rate.

Fixed network regulation

In June 2009 the Commission published the second draft of proposals for a recommendation on the future regulation of fibre 'next generation' broadband access networks. A final recommendation is expected to be published during 2010.

In September 2009 the Commission adopted Guidelines on the application of EC Treaty state aid rules to the public funding of broadband networks. Virtually all European governments have stated their intent to stimulate the provision of, partially fund or provide, fast and superfast broadband networks. The Commission has proposed a target of making broadband available to all households by 2013 and being available with at least 30 Mbps by 2020, with at least 50% of households able to subscribe to speeds of 100 Mbps or more.

Spectrum

In February 2007 the Commission published a communication on its plans to introduce greater flexibility in the use of spectrum in selected bands, including 2G and 3G bands, through the use of decisions agreed with the Radio Spectrum Committee (an EU level committee comprising the Commission and member states). In July 2009 the Council adopted the amended GSM directive allowing the use of the 900 MHz and 1800 MHz GSM bands for UMTS technology ('refarming') and, in the future, other technologies. It must be implemented by member states by May 2010.

In November 2007 the Commission made a policy announcement on part of the UHF band known as the 800 MHz 'digital dividend' spectrum (to be released following the transition from analogue to digital TV) and urged the member states to identify new harmonised bands of spectrum for mobile broadband services and mobile TV. In December 2009 the Commission published a draft decision on the technical harmonisation of the digital dividend 790-862 MHz sub-band. Final adoption is expected in 2010. The decision does not oblige a member state to open the sub-band for new uses other than broadcasting, but if and when a member state does so, it will have to follow the common technical parameters.

Europe region

Germany

The current termination rates of 6.59 eurocents per minute will remain effective until 30 November 2010. Proposals for future rates are expected in October 2010.

The rates that access seekers have to pay in order to unbundle Deutsche Telekom's VDSL network were set by the NRA on 26 March 2010. We have appealed against these rates.

The auction for 800 MHz (digital dividend), 1800 MHz, 2.1 GHz and 2.6 GHz spectrum began on 12 April 2010.

Regulation continued

Italy

In July 2008 the NRA reduced our termination rate to 8.85 eurocents per minute and in July 2009 to 7.70 eurocents. The NRA foresees further reductions to 6.60 eurocents in July 2010, 5.30 eurocents in July 2011 and 4.50 eurocents in July 2012 subject to the findings of its cost model analysis.

Following the auction of 2.1 GHz spectrum in June 2009 we and two of the other existing network operators (Telecom Italia and Wind) each acquired an additional 2x5MHz of spectrum at 2.1GHz. We paid €90 million for this additional spectrum. The NRA also reorganised the 900 MHz spectrum during the 2009 calendar year and as a result we increased our 900 MHz spectrum assignment to 12 MHz.

Spain

The NRA reduced our termination rate to 7.87 eurocents per minute in October 2008 and to 7.00 eurocents in April 2009. The NRA has adopted a glide path of termination rate reductions from 6.13 eurocents in October 2009 to 4.00 eurocents by October 2011 (on a per second charging basis).

The National Competition Authority ('NCA') issued a statement of objections in the procedure opened for an alleged anti-competitive practice in January 2007, concerning alleged concerted practice by Vodafone and others to establish the same call set-up charges. The NCA has decided to close the file.

After an initial decision determining the net cost and industry contributions corresponding to universal service provision in the years 2003 to 2005, the NRA has adopted new decisions with the same principles for years 2006 and 2007. In its decision for 2006 it declared an amount of €75.3 million payable by the industry. We have been held liable for between approximately 15% and 20% of the industry total for the years 2003 to 2006 with a decision for 2007 pending.

The Spanish Government removed advertising from state television and radio services in September 2009 but sought to replace advertising revenue through imposition of a new tax on revenue earned by Spanish telecommunication operators. In January 2010 the European Commission announced that it had initiated an enquiry as to whether these provisions breach European laws on State Aid.

United Kingdom

Our regulated average termination rate from April 2008 to March 2009 was 5.75 pence per minute. From 1 April 2009 the rate declined to 4.72 pence following appeals by BT and H3G to the competition appeals tribunal. On 1 April 2010 the rate declined to 4.43 pence. The NRA is currently consulting upon the rates to apply from 1 April 2011 to 31 March 2015. It currently proposes a reduction to 0.50 pence during 2014/15.

An auction of the digital dividend spectrum in the 790-862 MHz range and 2.6 GHz spectrum is expected during 2011.

The UK Government's proposals to permit refarming, restructure 2G spectrum and determine the basis upon which existing operators could participate in the 2.6 GHz and digital dividend spectrum auctions failed to pass through Parliament before its dissolution. As part of the conditions for clearance of the merger between Orange UK and T-Mobile UK, the European Commission has required them to dispose of 15 MHz of spectrum in the 1800 MHz band.

Other Europe

Greece

In January 2009 the termination rate reduced from 9.91 eurocents to 7.86 eurocents per minute. In January 2010 the rate fell to 6.24 eurocents and a further reduction to 4.95 eurocents will take place in January 2011.

Vodafone Greece and other mobile operators have encountered difficulties in obtaining authorisations to install and maintain base stations and antennae. Operators have proposed amendments to the relevant law and have requested that the Government extend the deadline for obtaining such approvals. In May 2009 the Government set a new deadline of March 2010 which has been extended further until March 2011. Vodafone Greece is negotiating a co-location agreement to site base stations on the premises of OTE, following a regulatory decision in February 2009 mandating co-location.

Vodafone Greece continues to appeal findings and sanctions arising from the 2007 interception incident. A number of civil lawsuits are also pending in the Greek courts.

A new tax law passed by the Parliament in July 2009 has introduced a 12% levy on prepaid subscriptions and changed the method of assessment thereby increasing the levy on contract subscriptions, both of which are paid by the customer.

Mobile subscriber registration was implemented in Greece on 7 November 2009 and all prepaid subscribers should be registered by the end of July 2010. Any remaining anonymous prepaid accounts are to be disconnected by 31 July 2010.

Ireland

The NRA has proposed re-auctioning all licences in the 900MHz spectrum band on expiry of their existing term in (in our case) 2011.

Netherlands

Following an appeal by one stakeholder against the NRA's decision setting of call termination rates, Vodafone's termination rate reduced to 7.00 eurocents per minute in July 2009. This is likely to be reduced in July 2010 following a cost model analysis by the NRA which proposes reducing to 1.2 eurocents per minute by September 2012.

Auctions of 2.6 GHz spectrum concluded in April 2010. We acquired 2x10MHz of 2.6 GHz of spectrum for the reserve price of €200,000.

Portugal

The NRA has adopted a glide path of termination rate reductions from May 2010 to take the rate from 6.50 eurocents to 3.50 eurocents per minute by April 2011.

The NRA is expected to auction 2.6 GHz spectrum in 2010.

Africa and Central Europe region

South Africa

The NRA has released draft regulations proposing adoption of a uniform mobile termination rate and further reductions to ZAR 0.65 per minute in July 2010, ZAR 0.50 in July 2011 and ZAR 0.40 in July 2012.

In January 2009 the NRA published a notice that it was issuing converted licences to close the licence conversion process which commenced in 2006. Vodacom's mobile cellular telecommunications licence was transformed into two distinct licences: an individual electronic communications network service ('I ECNS') licence and an individual electronic communications services ('I ECS') licence. The NRA gazetted a further document setting out a process through which it will determine standard terms and conditions regulations, licence fees, spectrum fees and universal service obligations.

In July 2009 the NRA published proposals for the future allocation of spectrum licences including the 2.6 GHz band.

Other Africa and Central Europe

Romania

The NRA awarded us an additional 2x2.8 MHz of 1800 MHz spectrum in August 2009.

Czech Republic

The NRA awarded us an additional 2x3.8 MHz of 900 MHz spectrum in June 2009.

Hungary

Proposals to award additional 900 MHz spectrum have been delayed and are expected in 2010.

Turkey

The Government undertook an auction of four 2.1 GHz licences in November 2008. Each of the three existing operators obtained licences. Concession agreements were awarded to the successful bidders in April 2009. The fourth licence was not awarded.

The NRA adopted rules in April 2009 which require Turkcell to ensure that on-net tariffs do not fall below a level determined by reference to the prevailing mobile termination rate. In May 2009 the termination rate was reduced from Kr 9.5 per minute to Kr 6.8. A further reduction to Kr 3.2 took place in April 2010.

Ghana

In May 2009 the Government of Ghana initiated an Inter-Ministerial review of the transaction in which we acquired 70% of Ghana Telecommunications. Following this review the Government announced in October 2009 that it would not abrogate the sale and purchase agreement with us.

In December 2008 the NRA awarded Ghana Telecommunications one of five national 3G licences. The licences have been issued as provisional authorisations, pending conversion to formal licences.

Asia Pacific and Middle East region

India

The NRA announced a new interconnect charge usage regime effective 1 April 2009 under which mobile termination rates were reduced to 20 paisa per minute. Vodafone Essar and a number of other operators and industry bodies have appealed this decision to the Telecom Dispute Settlement and Appellate Tribunal which held hearings in February 2010.

An auction of 2.1 GHz and 2.3 GHz 3G and broadband wireless access spectrum commenced on 9 April 2010. From 1 April 2010 spectrum fees were increased by 1% to 2% of Vodafone Essar's adjusted gross revenue. We have appealed against this decision.

On 11 May 2010 the NRA published recommendations on a spectrum management and licensing framework. These recommendations will be reviewed by the Department of Telecommunications before a final decision on implementation is made. If implemented, these recommendations would have a significant impact on spectrum allocations and the cost of spectrum.

In September 2009 the NRA made regulations for the implementation of mobile number portability with a deadline of 31 March 2010 for its introduction. Subsequently the Department of Telecommunications has indicated that the implementation date will be delayed.

Other Asia Pacific and Middle East

Australia

The Australian Government has announced that it intends to underwrite the roll out of a national broadband network, which will provide wholesale fibre access to third parties. The Government is also undertaking a comprehensive review of the regulatory framework, including consideration of the existing arrangements for the regulation of services such as call termination, universal service arrangements (to which we currently contribute) and consumer measures. Legislation that could see the incumbent, Telstra, split its retail and wholesale businesses is expected to be put to a Senate vote by June 2010. The Government has announced that it intends to extend all existing GSM licences until 2028, subject to agreement of satisfactory financial terms.

Egypt

Applicable from the 2010 financial year Vodafone Egypt is required to pay up to 0.5% of its revenue into a universal service fund. The NRA has issued a request for information for the provision and operation of basic telecommunications services to unserved, low income areas in five regions as a preliminary step towards a universal service tender. The NRA has set termination rates at 65% of each operator's average on-net retail revenue per minute.

New Zealand

In September 2009 the New Zealand government released its final proposal for the ultra-fast broadband initiative, committing up to NZ$1.5 billion to deploy an open access, dark fibre infrastructure. We are currently exploring how to participate in this government initiative.

Qatar

We launched commercial mobile services on 7 July 2009. In April 2010 the NRA issued a fixed licence to Vodafone Qatar.

In November 2009 the Qatar NRA imposed a price floor on retail services offered by us and QTel, although only QTel is designated a dominant service provider. The NRA is expected to review this regulation by July 2010.

Licences

The table below summarises the most significant mobile licences held by our operating subsidiaries and our joint venture in Italy at 31 March 2010.

Mobile licences

Country by region	2G licence expiry date	3G licence expiry date
Europe		
Germany	December 2016	December 2020
Italy	February 2015	December 2021
Spain	July 2023[1]	April 2020
UK	See note 2	December 2021
Albania	June 2016	None issued
Greece	August 2016[3]	August 2021
Ireland	May 2011[4]	October 2022
Malta[5]	September 2010	August 2020
Netherlands	March 2013	December 2016
Portugal	October 2021	January 2016
Africa and Central Europe		
Vodacom: South Africa	Annual[6]	Annual[6]
Romania[7]	December 2011	March 2020
Turkey	April 2023	April 2029
Czech Republic[8]	January 2021	February 2025
Ghana	December 2019	December 2023[9]
Hungary	July 2014[10]	December 2019[11]
Asia Pacific and Middle East		
India[12]	November 2014 – December 2026	None issued
Egypt[13]	January 2022	January 2022
New Zealand	See note 13	March 2021[14]
Qatar	June 2028	June 2028

Notes:
(1) Date relates to 1800 MHz spectrum licence. Spain also has a separate 900 MHz spectrum licence which expires in February 2020.
(2) Indefinite licence with a one year notice of revocation.
(3) The licence granted in 1992 (900 MHz spectrum) will expire in September 2012. The licence granted in 2001 (900 and 1800 MHz spectrum) will expire in August 2016.
(4) Date refers to 900 MHz licence. Ireland also has a separate 1800 MHz spectrum licence which expires in December 2015.
(5) Malta also holds a WiMAX licence, granted in October 2005, which expires in October 2020.
(6) Vodacom's South African spectrum licences are renewed annually. As part of the migration to a new licensing regime the NRA has issued Vodacom a service licence and a network licence which will permit Vodacom to offer mobile and fixed services. The service and network licences have a 20 year duration and will expire in 2028. Vodacom also holds licences to provide 2G and/or 3G services in the Democratic Republic of Congo, Lesotho, Mozambique and Tanzania.
(7) Romania was awarded an additional 2x28 MHz of 1800 MHz spectrum in August 2009.
(8) Czech Republic was awarded an additional 2x3.8 MHz of 900 MHz spectrum in June 2009.
(9) The NRA has issued provisional licences with the intention of converting these to full licences once the NRA board has been reconvened.
(10) There is an option to extend this licence for seven years.
(11) There is an option to extend this licence.
(12) India is comprised of 23 service areas with a variety of expiry dates. There is an option to extend these licences by ten years.
(13) Egypt acquired an additional 3G carrier at 2.1 GHz (2 x 5 MHz) in July 2009 for EGP 1.1. billion.
(14) New Zealand owns two 900 MHz licences which expire in November 2011 and in June 2012. These licences are expected to be renewed until November 2031. Additionally Vodafone New Zealand owns a 1800 MHz spectrum licence and a 2100 MHz licence which expire in March 2021. All licences can be used for 2G and 3G at our discretion.

Non-GAAP information

In the discussion of our reported financial position, operating results and cash flows, information is presented to provide readers with additional financial information that is regularly reviewed by management. 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, certain information presented is derived from amounts calculated in accordance with IFRS but is not itself an expressly permitted GAAP measure. Such non-GAAP measures should not be viewed in isolation or as an alternative to the equivalent GAAP measure.

EBITDA

EBITDA is 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. We use EBITDA, in conjunction with other GAAP and non-GAAP financial measures such as adjusted operating profit, operating profit and net profit, to assess our operating performance. We believe that EBITDA is an operating performance measure, not a liquidity measure, as it includes non-cash changes in working capital and is reviewed by the Chief Executive to assess internal performance in conjunction with EBITDA margin, which is an alternative sales margin figure. We believe it is both useful and necessary to report EBITDA as a performance measure as it enhances the comparability of profit across segments.

Because EBITDA does not take into account certain items that affect operations and performance, EBITDA has inherent limitations as a performance measure. To compensate for these limitations, we analyse EBITDA in conjunction with other GAAP and non-GAAP operating performance measures. EBITDA should not be considered in isolation or as a substitute for a GAAP measure of operating performance.

A reconciliation of EBITDA to the closest equivalent GAAP measure, operating profit, is provided in note 3 to the consolidated financial statements on page 85.

Group adjusted operating profit and adjusted earnings per share

Group adjusted operating profit excludes non-operating income of associates, impairment losses and other income and expense. Adjusted earnings per share also excludes amounts in relation to equity put rights and similar arrangements and certain foreign exchange differences, together with related tax effects. We believe that it is both useful and necessary to report these measures for the following reasons:

- these measures are used for internal performance analysis;
- these measures are used in setting director and management remuneration; and
- they are useful in connection with discussion with the investment analyst community and debt rating agencies.

Reconciliations of adjusted operating profit and adjusted earnings per share to the respective closest equivalent GAAP measure, operating profit and basic earnings per share, are provided in "Operating results" beginning on page 25.

Cash flow measures

In presenting and discussing our reported results, free cash flow and operating free cash flow are calculated and presented even though these measures are not recognised within IFRS. We believe that it is both useful and necessary to communicate free cash flow to investors and other interested parties, for the following reasons:

- free cash flow allows us and external parties to evaluate our liquidity and the cash generated by our operations. Free cash flow does not include payments for licences and spectrum included within intangible assets, items determined independently of the ongoing business, such as the level of dividends, and items which are deemed discretionary, such as cash flows relating to acquisitions and disposals or financing activities. In addition, it does not necessarily reflect the amounts which we have an obligation to incur. However it does reflect the cash available for such discretionary activities, to strengthen the consolidated statement of financial position or to provide returns to shareholders in the form of dividends or share purchases;
- free cash flow facilitates comparability of results with other companies although our measure of free cash flow may not be directly comparable to similarly titled measures used by other companies;
- these measures are used by management for planning, reporting and incentive purposes; and
- these measures are useful in connection with discussion with the investment analyst community and debt rating agencies.

A reconciliation of cash generated by operations, the closest equivalent GAAP measure, to operating free cash flow and free cash flow, is provided in "Financial position and resources" on page 41.

Other

Certain of the statements within the section titled "Chief Executive's review" on pages 6 to 9 contain forward-looking non-GAAP financial information for which at this time there is no comparable GAAP measure and which at this time cannot be quantitatively reconciled to comparable GAAP financial information.

Certain of the statements within the section titled "Guidance" on page 37 contain forward-looking non-GAAP financial information which at this time cannot be quantitatively reconciled to comparable GAAP financial information.

Organic growth

All amounts in this document marked with an "(*)" represent organic growth which present performance on a comparable basis, both in terms of merger and acquisition activity and foreign exchange rates. We believe that "organic growth", which is not intended to be a substitute for or superior to reported growth, provides useful and necessary information to investors and other interested parties for the following reasons:

- it provides additional information on underlying growth of the business without the effect of certain factors unrelated to the operating performance of the business;
- it is used for internal performance analysis; and
- it facilitates comparability of underlying growth with other companies, although the term "organic" is not a defined term under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies.

Reconciliation of organic growth to reported growth is shown where used, or in the table below:

	Organic change %	M&A activity pps	Foreign exchange pps	Reported change %
31 March 2010				
Group				
Data revenue	19.3	6.9	6.8	33.0
Fixed line revenue	7.9	6.0	6.7	20.6
Service revenue	(1.6)	4.9	5.6	8.9
Europe				
Enterprise revenue	(4.1)	–	4.7	0.6
Fixed line revenue	7.7	–	6.3	14.0
Service revenue for the quarter ended 31 March 2010	(1.7)	(0.1)	(2.0)	(3.8)
Germany – service revenue for the quarter ended 31 March 2010	(1.6)	–	(2.4)	(4.0)
Germany – fixed line revenue	1.3	–	6.1	7.4
Spain – service revenue for the quarter ended 31 March 2010	(6.2)	–	(2.3)	(8.5)
Netherlands – service revenue	3.0	–	6.4	9.4
Greece – service revenue	(14.5)	–	5.6	(8.9)
Portugal – service revenue	(4.9)	–	6.1	1.2
Africa and Central Europe				
Service revenue for the quarter ended 31 March 2010	2.4	45.5	8.4	56.3
Vodacom – revenue	3.2	108.6	38.5	150.3
Vodacom – data revenue	32.9	155.3	57.3	245.5
Vodacom – service revenue for the quarter ended 31 March 2010	4.6	123.7	29.3	157.6
Romania – service revenue	(19.9)	–	5.2	(14.7)
Romania – EBITDA	(26.5)	–	4.7	(21.8)
Turkey – service revenue	5.3	–	(1.6)	3.7
Turkey – service revenue for the quarter ended 31 March 2010	31.3	–	1.5	32.8
Asia Pacific and Middle East				
Service revenue for the quarter ended 31 March 2010	5.0	(3.5)	5.1	6.6
India – service revenue for the quarter ended 31 March 2010	6.5	–	0.1	6.6
Egypt – service revenue	1.3	–	4.7	6.0
Egypt – data and fixed line revenue	64.2	–	4.4	68.6
Verizon Wireless				
Service revenue	6.3	11.7	5.6	23.6
Revenue	5.0	11.8	5.5	22.3
EBITDA	4.4	10.9	5.4	20.7
Group's share of result of Verizon Wireless	8.0	2.5	5.6	16.1
31 March 2009				
Group				
Data revenue	25.9	0.7	17.1	43.7
Service revenue	(0.3)	3.1	13.1	15.9
Pro-forma revenue	1	2	13	16
Pro-forma EBITDA	(3)	–	13	10
Europe				
Service revenue for the quarter ended 31 March 2009	(3.3)	0.1	15.7	12.5
Spain – service revenue for the quarter ended 31 March 2009	(8.6)	–	18.1	9.5
Other Europe – service revenue for the quarter ended 31 March 2009	(5.0)	(0.3)	18.8	13.5
Africa and Central Europe				
Vodacom – data revenue	59.7	–	(5.0)	54.7
Asia Pacific and Middle East				
Pro-forma revenue	19	3	10	32
Pro-forma EBITDA	7	1	10	18
India – pro-forma revenue	33	9	6	48
India – pro-forma EBITDA	6	9	5	20
Australia – service revenue	6.1	0.7	6.4	13.2
Australia – EBITDA	(16.9)	(4.3)	4.7	(16.5)
Verizon Wireless				
Service revenue	10.5	5.3	23.3	39.1
Revenue	10.4	5.2	23.3	38.9
EBITDA	13.0	4.3	23.7	41.0
Group's share of result of Verizon Wireless	21.6	(0.7)	23.8	44.7

Form 20-F cross reference guide

The information in this document that is referenced in the following table is included in our annual report on Form 20-F for 2010 filed with the SEC (the '2010 Form 20-F'). The information in this document may be updated or supplemented at the time of filing with the SEC or later amended if necessary. No other information in this document is included in the 2010 Form 20-F or incorporated by reference into any filings by us under the US Securities Act of 1933, as amended. Please see "Documents on display" on page 129 for information on how to access the 2010 Form 20-F as filed with the SEC. The 2010 Form 20-F has not been approved or disapproved by the SEC nor has the SEC passed judgement upon the adequacy or accuracy of the 2010 Form 20-F.

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Note:
(1) The Company financial statements, and the audit report and notes relating thereto, on pages 118 to 124 should not be considered to form part of the Company's annual report on Form 20-F.

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:

- the Group's expectations regarding its financial and operating performance, including statements contained within the Chief Executive's review on pages 6 to 9, the Group's 7% dividend per share growth target contained on pages 8 and 37 and the Guidance statement on page 37 of this document, and the performance of joint ventures, associates, including Verizon Wireless, other investments and newly acquired businesses;
- intentions and expectations regarding the development of products, services and initiatives introduced by, or together with, Vodafone or by third parties, including new mobile technologies, such as the introduction of 4G, the Vodafone Money Transfer System and an increase in download speeds;
- expectations regarding the global economy and the Group's operating environment, including future market conditions, growth in the number of worldwide mobile phone users and other trends;
- revenue and growth expected from the Group's total communications strategy, including data revenue growth, and its expectations with respect to long-term shareholder value growth;
- mobile penetration and coverage rates, the Group's ability to acquire spectrum, expected growth prospects in Europe, Africa and Central Europe, Asia Pacific and Middle East regions and growth in customers and usage generally;
- expected benefits associated with the merger of Vodafone Australia and Hutchison 3G Australia including receipt of deferred payments;
- anticipated benefits to the Group from cost efficiency programmes, including the recently initiated £1 billion cost reduction programme, the two-year working capital reduction programme and the outsourcing of IT functions and network sharing agreements;
- possible future acquisitions, including increases in ownership in existing investments, the timely completion of pending acquisition transactions and pending offers for investments, including licence acquisitions, and the expected funding required to complete such acquisitions or investments;
- expectations regarding the Group's future revenue, operating profit, EBITDA margin, free cash flow, capital intensity, depreciation and amortisation charges, tax rates and capital expenditure;
- expectations regarding the Group's access to adequate funding for its working capital requirements and the rate of dividend growth by the Group (including the Group's 7% dividend per share growth target) or its existing investments; and
- the impact of regulatory and legal proceedings involving Vodafone and of scheduled or potential regulatory changes.

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:

- general economic and political conditions in the jurisdictions in which the Group operates and changes to the associated legal, regulatory and tax environments;
- increased competition, from both existing competitors and new market entrants, including mobile virtual network operators;
- 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;
- 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 outlays;
- 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 3G and 4G allocations and realise expected synergies and benefits associated with 3G and 4G;
- 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 divestments 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 of directors 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 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 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.

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 "Principal risk factors and uncertainties" on pages 38 and 39 of this document. 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. Subject to compliance with applicable law and regulations, Vodafone does not intend to update these forward-looking statements and does not undertake any obligation to do so.

Definition of terms

3G broadband	3G services enabled with high speed downlink packet access ('HSDPA') technology which enables data transmission at speeds of up to 7.2 megabits per second.
ARPU	Service revenue excluding fixed line revenue, fixed advertising revenue, revenue related to business managed services and revenue from certain tower sharing arrangements divided by average customers.
Capital expenditure	This measure includes the aggregate of capitalised property, plant and equipment additions and capitalised software costs.
Churn	Total gross customer disconnections in the period divided by the average total customers in the period.
Contribution margin	The contribution margin is stated after direct costs, acquisition and retention costs and ongoing commissions.
Controlled and jointly controlled	Controlled and jointly controlled measures include 100% for the Group's mobile operating subsidiaries and the Group's proportionate share for joint ventures.
Customer costs	Customer costs include acquisition costs, being the total of connection fees, trade commissions and equipment costs relating to new customer connections, and retention costs, being the total of trade commissions, loyalty scheme and equipment costs relating to customer retention and upgrades, as well as expenses related to ongoing commissions.
Customer delight	The Group uses a proprietary 'customer delight' system to track customer satisfaction across its controlled markets and jointly controlled market in Italy. Customer delight is measured by an index based on the results of surveys performed by an external research company which cover all aspects of service provided by Vodafone and incorporates the results of the relative satisfaction of the competitors' customers. An overall index for the Group is calculated by weighting the results for each of the Group's operations based on service revenue.
Direct costs	Direct costs include interconnect costs and other direct costs of providing services.
DSL	A digital subscriber line which is a fixed line enabling data to be transmitted at high speeds.
Fixed broadband customer	A fixed broadband customer is defined as a physical connection or access point to a fixed line network.
Free cash flow	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
Handheld business device	A wireless connection device which allows access to business applications and push and pull email.
HSDPA	High speed downlink packet access is a wireless technology enabling network to mobile data transmission speeds of up to 28.8 Mbps.
HSUPA	High speed uplink packet access is a wireless technology enabling mobile to network data transmission speeds of up to 5.8 Mbps.
Interconnect costs	A charge paid by Vodafone to other fixed line or mobile operators when a Vodafone customer calls a customer connected to a different network.
Mobile customer	A mobile customer is defined as a subscriber identity module ('SIM'), or in territories where SIMs do not exist, a unique mobile telephone number, which has access to the network for any purpose, including data only usage, except telemetric applications. Telemetric applications include, but are not limited to, asset and equipment tracking, mobile payment and billing functionality, e.g. vending machines and meter readings, and include voice enabled customers whose usage is limited to a central service operation, e.g. emergency response applications in vehicles.
Mobile PC connectivity device	A connection device which provides access to 3G services to users with an active PC or laptop connection. This includes Vodafone Mobile Broadband data cards, Vodafone Mobile Connect 3G/GPRS data cards and Vodafone Mobile Broadband USB modems.
Net debt	Long-term borrowings, short-term borrowings and mark-to-market adjustments on financing instruments less cash and cash equivalents.
Operating costs	Operating expenses plus customer costs other than acquisition and retention costs.
Operating expenses	Operating expenses comprise primarily of network and IT related expenditure, support costs from HR and finance and certain intercompany items.
Operating free cash flow	Cash generated from operations after cash payments for capital expenditure (excludes capital licence and spectrum payments) and cash receipts from the disposal of intangible assets and property, plant and equipment.
Organic growth	The percentage movements in organic growth are presented to reflect operating performance on a comparable basis, both in terms of merger and acquisition activity and foreign exchange rates.
Partner markets	Markets in which the Group has entered into a partner agreement with a local mobile operator enabling a range of Vodafone's global products and services to be marketed in that operator's territory and extending Vodafone's brand reach into such new markets.
Penetration	Number of customers in a country as a percentage of the country's population. Penetration can be in excess of 100% due to customers' owning more than one SIM.
Pro-forma growth	Pro-forma growth is organic growth adjusted to include acquired business for the whole of both periods.
Proportionate mobile customers	The proportionate customer number represents the number of mobile customers in ventures which the Group either controls or in which it invests, based on the Group's ownership in such ventures.
Reported growth	Reported growth is based on amounts reported in pounds sterling as determined under IFRS.
Service revenue	Service revenue comprises all revenue related to the provision of ongoing services including, but not limited to, monthly access charges, airtime usage, roaming, incoming and outgoing network usage by non-Vodafone customers and interconnect charges for incoming calls.
Smartphones	A smartphone is a mobile phone offering advanced capabilities including access to email and the internet.
Termination rate	A per minute charge paid by a telecommunications network operator when a customer makes a call to another mobile or fixed line network operator.
Total communications	Comprises all fixed location services, data services, fixed line services, visitor revenue and other services.
Visitor revenue	Amounts received by a Vodafone operating company when customers of another operator, including those of other Vodafone companies, roam onto its network.

Selected financial data

At/for the year ended 31 March	2010	2009	2008	2007	2006
Consolidated income statement data (£m)					
Revenue	44,472	41,017	35,478	31,104	29,350
Operating profit/(loss)	9,480	5,857	10,047	(1,564)	(14,084)
Profit/(loss) before taxation	8,674	4,189	9,001	(2,383)	(14,853)
Profit/(loss) for the financial year from continuing operations	8,618	3,080	6,756	(4,806)	(17,233)
Profit/(loss) for the financial year	8,618	3,080	6,756	(5,222)	(20,131)
Consolidated statement of financial position data (£m)					
Total assets	156,985	152,699	127,270	109,617	126,502
Total equity	90,810	84,777	76,471	67,293	85,312
Total equity shareholders' funds	90,381	86,162	78,043	67,067	85,425
Earnings per share[(1)]					
Weighted average number of shares (millions)					
– Basic	52,595	52,737	53,019	55,144	62,607
– Diluted	52,849	52,969	53,287	55,144	62,607
Basic earnings/(loss) per ordinary share (pence)					
– Profit/(loss) from continuing operations	16.44p	5.84p	12.56p	(8.94)p	(27.66)p
– Profit/(loss) for the financial year	16.44p	5.84p	12.56p	(9.70)p	(32.31)p
Diluted earnings/(loss) per ordinary share					
– Profit/(loss) from continuing operations	16.36p	5.81p	12.50p	(8.94)p	(27.66)p
– Profit/(loss) for the financial year	16.36p	5.81p	12.50p	(9.70)p	(32.31)p
Cash dividends[(1)(2)]					
Amount per ordinary share (pence)	8.31p	7.77p	7.51p	6.76p	6.07p
Amount per ADS (pence)	83.1p	77.7p	75.1p	67.6p	60.7p
Amount per ordinary share (US cents)	12.62c	11.11c	14.91c	13.28c	10.56c
Amount per ADS (US cents)	126.2c	111.1c	149.1c	132.8c	105.6c
Other data					
Ratio of earnings to fixed charges[(3)]	3.6	1.2	3.9	–	–
Ratio of earnings to fixed charges deficit[(3)]	–	–	–	(4,389)	(16,520)

Notes:
(1) See note 8 to the consolidated financial statements, "Earnings per share". Earnings and dividends per ADS is calculated by multiplying earnings per ordinary share by ten, the number of ordinary shares per ADS. Dividend per ADS is calculated on the same basis.
(2) The final dividend for the year ended 31 March 2010 was proposed by the directors on 18 May 2010 and is payable on 6 August 2010 to holders of record as of 4 June 2010. The total dividends have been translated into US dollars at 31 March 2010 for purposes of the above disclosure but the dividends are payable in US dollars under the terms of the ADS depositary agreement.
(3) For the purposes of calculating these ratios, earnings consist of profit before tax adjusted for fixed charges, dividend income from associates, share of profits and losses from associates and profits and losses on ordinary activities before taxation from discontinued operations. Fixed charges comprise one third of payments under operating leases, representing the estimated interest element of these payments, interest payable and similar charges and preferred share dividends.