

Notes to the consolidated financial statements continued

3. Segment analysis

The Group has a single group of related services and products being the supply of communications services and products. Segment information is provided on the basis of geographic areas, being the basis on which the Group manages its worldwide interests. Revenue is attributed to a country or region based on the location of the Group company reporting the revenue. Inter-segment sales are charged at arm's length prices.

During the year ended 31 March 2011 the Group changed its organisation structure to enable continued improvement in the delivery of the Group's strategic goals. The Europe region now consists of all existing controlled businesses in Europe plus the Group's interests in Czech Republic, Hungary, Romania and Turkey. The Africa, Middle East and Asia Pacific region includes the Group's interests in Egypt, India, Ghana, Kenya, Qatar and Vodacom as well as Australia, New Zealand and Fiji. Non-Controlled Interests and Common Functions includes Verizon Wireless, SFR and Polkomtel as well as central Group functions. The tables below present segment information on the revised basis, with prior years amended to conform to the current year presentation.

	Segment revenue £m	Intra-region revenue £m	Regional revenue £m	Inter-region revenue £m	Group revenue £m	EBITDA ⁽¹⁾ £m
31 March 2011						
Germany	7,900	(51)	7,849	(2)	7,847	2,952
Italy	5,722	(31)	5,691	(3)	5,688	2,643
Spain	5,133	(62)	5,071	(2)	5,069	1,562
UK	5,271	(50)	5,221	(7)	5,214	1,233
Other Europe	8,253	(70)	8,183	(3)	8,180	2,433
Europe	32,279	(264)	32,015	(17)	31,998	10,823
India	3,855	(1)	3,854	(11)	3,843	985
Vodacom	5,479	–	5,479	(8)	5,471	1,844
Other Africa, Middle East and Asia Pacific	3,971	–	3,971	(27)	3,944	1,170
Africa, Middle East and Asia Pacific	13,305	(1)	13,304	(46)	13,258	3,999
Non-Controlled Interests and Common Functions	659	–	659	(31)	628	(152)
Group	46,243	(265)	45,978	(94)	45,884	14,670
Verizon Wireless	18,711 ⁽²⁾					7,313
31 March 2010						
Germany	8,008	(41)	7,967	(8)	7,959	3,122
Italy	6,027	(40)	5,987	(2)	5,985	2,843
Spain	5,713	(81)	5,632	(2)	5,630	1,956
UK	5,025	(47)	4,978	(10)	4,968	1,141
Other Europe	8,357	(88)	8,269	(5)	8,264	2,582
Europe	33,130	(297)	32,833	(27)	32,806	11,644
India	3,114	(1)	3,113	(20)	3,093	807
Vodacom	4,450	–	4,450	(7)	4,443	1,528
Other Africa, Middle East and Asia Pacific	3,526	–	3,526	(30)	3,496	977
Africa, Middle East and Asia Pacific	11,090	(1)	11,089	(57)	11,032	3,312
Non-Controlled Interests and Common Functions	667	–	667	(33)	634	(221)
Group	44,887	(298)	44,589	(117)	44,472	14,735
Verizon Wireless	17,222 ⁽²⁾					6,689
31 March 2009						
Germany	7,847	(59)	7,788	(9)	7,779	3,225
Italy	5,547	(39)	5,508	(3)	5,505	2,565
Spain	5,812	(95)	5,717	(2)	5,715	2,034
UK	5,392	(48)	5,344	(8)	5,336	1,368
Other Europe	8,514	(102)	8,412	(3)	8,409	2,920
Europe	33,112	(343)	32,769	(25)	32,744	12,112
India	2,689	(2)	2,687	(18)	2,669	717
Vodacom	1,778	–	1,778	–	1,778	606
Other Africa, Middle East and Asia Pacific	3,258	–	3,258	(32)	3,226	1,072
Africa, Middle East and Asia Pacific	7,725	(2)	7,723	(50)	7,673	2,395
Non-Controlled Interests and Common Functions	614	–	614	(14)	600	(17)
Group	41,451	(345)	41,106	(89)	41,017	14,490
Verizon Wireless	14,085 ⁽²⁾					5,543

Notes:

(1) The Group's measure of segment profit, EBITDA, excludes the Group's share of results in associates. The Group's share of results in associates, by segment, for the year ended 31 March 2011 is Other Europe Enil (2010: Enil; 2009: £(3) million), Vodacom Enil (2010: £(2) million; 2009: £(1) million), Other Africa, Middle East and Asia Pacific £51 million (2010: £56 million; 2009: £31 million) and Non-Controlled Interests and Common Functions £5,008 million (2010: £4,688 million; 2009: £4,064 million).

(2) Values shown for Verizon Wireless, which is an associate, are not included in the calculation of Group revenue or EBITDA.

A reconciliation of EBITDA to operating profit is shown below. For a reconciliation of operating profit to profit before taxation, see the consolidated income statement on page 80.

	2011 £m	2010 £m	2009 £m
EBITDA	14,670	14,735	14,490
Depreciation, amortisation and loss on disposal of fixed assets	(7,967)	(8,011)	(6,824)
Share of results in associates	5,059	4,742	4,091
Impairment losses	(6,150)	(2,100)	(5,900)
Other income and expense	(16)	114	—
Operating profit	5,596	9,480	5,857

	Non-current assets ⁽¹⁾ £m	Capital expenditure ⁽²⁾ £m	Other expenditure on intangible assets £m	Depreciation and amortisation £m	Impairment (reversal)/ loss £m
31 March 2011					
Germany	20,764	824	1,214	1,361	—
Italy	16,645	590	12	732	1,050
Spain	9,596	517	—	641	2,950
UK	6,665	516	—	874	—
Other Europe	11,438	1,230	59	1,406	2,150
Europe	65,108	3,677	1,285	5,014	6,150
India	9,882	870	1,851	973	—
Vodacom	7,382	572	19	1,013	—
Other Africa, Middle East and Asia Pacific	4,797	754	2	793	—
Africa, Middle East and Asia Pacific	22,061	2,196	1,872	2,779	—
Non-Controlled Interests and Common Functions	1,570	346	9	83	—
Group	88,739	6,219	3,166	7,876	6,150

31 March 2010					
Germany	20,211	766	18	1,422	—
Italy	17,941	610	60	732	—
Spain	12,746	543	—	638	—
UK	6,977	494	—	963	—
Other Europe	13,883	1,282	228	1,467	(200)
Europe	71,758	3,695	306	5,222	(200)
India	8,665	853	—	848	2,300
Vodacom	7,783	520	—	1,005	—
Other Africa, Middle East and Asia Pacific	5,062	694	—	683	—
Africa, Middle East and Asia Pacific	21,510	2,067	—	2,536	2,300
Non-Controlled Interests and Common Functions	1,632	430	19	152	—
Group	94,900	6,192	325	7,910	2,100

31 March 2009					
Germany		750	16	1,378	—
Italy		521	—	735	—
Spain		632	—	606	3,400
UK		446	—	1,010	—
Other Europe		1,013	21	1,441	2,250
Europe		3,362	37	5,170	5,650
India		1,351	—	746	—
Vodacom		237	—	231	—
Other Africa, Middle East and Asia Pacific		581	1,101	527	250
Africa, Middle East and Asia Pacific		2,169	1,101	1,504	250
Non-Controlled Interests and Common Functions		378	—	140	—
Group		5,909	1,138	6,814	5,900

Notes:

(1) Comprises goodwill, other intangible assets and property, plant and equipment.

(2) Includes additions to property, plant and equipment and computer software, reported within intangible assets.