Shareholder information

Investor calendar

Ex-dividend date for final dividend	6 June 2012
Record date for final dividend	8 June 2012
Interim management statement 30 June 2012	20 July 2012
Annual general meeting	24 July 2012
Final dividend payment	1 August 2012
Half-year financial results	13 November 2012
Ex-dividend date for interim dividend	21 November 2012[1]
Record date for interim dividend	23 November 2012[1]
Interim dividend payment	6 February 2013[1]

Note:
1 Provisional dates.

Dividends

Details on the dividend amount per share can be found on page 55.

Payment of dividends by direct credit

The Company pays cash dividends by mandate electronically to shareholders' bank or building society accounts. The advantages of electronic payments are secure delivery and dividend payments credited to shareholders' bank or building society account on the same day of payment. A consolidated tax voucher covering both the interim and final dividends paid during the financial year is sent to shareholders at the time of the interim dividend in February.

ADS holders may alternatively have their cash dividends paid by cheque.

Overseas dividend payments

Holders of ordinary shares 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. The sterling/euro exchange rate will be determined by us in accordance with the Company's articles of association up to 13 business days' prior to the payment date.

Holders resident outside the UK and eurozone automatically receive dividends in pounds sterling but may elect to receive dividends in local currency directly into their bank account by registering for our registrars' Global Payments Service. For further information, visit www.investorcentre.co.uk for details and terms and conditions.

Cash dividends to ADS holders will be paid by the ADS depositary 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.

Further information about 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 plan

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.

Managing your shares via Investor Centre

Investor Centre is a portfolio service operated by Computershare, for investors, which gives holders of the Company's ordinary shares online access to information about their investments as well as a facility to help manage their holdings online, such as:

- update dividend mandate bank instructions and review dividend payment history;
- update member details and address changes; and
- register to receive Company communications electronically.

Computershare also offer an internet and telephone share dealing service to existing shareholders.

The service can be obtained on www.investorcentre.co.uk. Shareholders with any queries regarding their holding should contact Computershare. Their contact details can be found on page 150.

Shareholders may also find the investors section of our corporate website, www.vodafone.com/investor, useful for general queries and information about the Company.

Shareholder communications

A growing number of our shareholders have opted to receive their communications from the Company electronically using email and web-based communications. The use of electronic communications, rather than printed paper documents, means information about the Company can be received as soon as it is available and has the added benefit of reducing costs and our impact on the environment. Each time the Company issues a shareholder communication, shareholders registered for electronic communications will be sent an email alert containing a link to the relevant documents.

If you still receive paper communications from us, we would encourage you to sign up for this service by providing us with an email address. You can register your e-address via our registrar at www.investorcentre.co.uk or contact them via the telephone number provided on page 150. Further information about this service is available on the investor page of our website.

Annual general meeting

The twenty-eighth AGM of the Company will be held at the Grange Tower Bridge Hotel, 45 Prescot Street, London E1 8GP on 24 July 2012 at 11.00 a.m.

The AGM will be transmitted via a live webcast which 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.

Shareholder information (continued)

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.

Further details about ShareGift can be obtained from its website at www.ShareGift.org or by calling +44 (0)20 7930 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.

Warning to shareholders ("Boiler room" scams)

Over recent years we have become aware of investors who have received unsolicited calls or correspondence, in some cases purporting to have been issued by the Company, concerning investment matters. These typically make claims of highly profitable opportunities in UK or US investments which turn out to be worthless or simply do not exist. Approaches such as these are usually made by unauthorised companies and individuals and are commonly known as "boiler room" scams. Investors are advised to be wary of any unsolicited advice or offers to buy shares. If it sounds too good to be true, it often is.

More detailed information about this or similar activity can be found on the FSA website www.fsa.gov.uk/consumer.

Registrars and transfer office

The registrars
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) Ltd
PO Box 9742
Dublin 18, Ireland
Telephone: +353 (0)818 300 999
www.investorcentre.co.uk/contactus

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

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.

The closing share price at 31 March 2012 was 172.2 pence (31 March 2011: 176.5 pence). The closing share price on 21 May 2012 was 165.0 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 ADS listing from the NYSE to NASDAQ on 29 October 2009.

	London Stock Exchange Pounds per ordinary share		NYSE/NASDAQ Dollars per ADS	
Year ended 31 March	High	Low	High	Low
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
2011	1.85	1.27	32.70	18.21
2012	1.84	1.54	29.46	24.31

	London Stock Exchange Pounds per ordinary share		NYSE/NASDAQ Dollars per ADS	
Quarter	High	Low	High	Low
2010/2011				
First quarter	1.53	1.27	23.79	18.21
Second quarter	1.65	1.36	25.80	20.71
Third quarter	1.80	1.57	28.52	28.84
Fourth quarter	1.85	1.67	32.70	26.34
2011/2012				
First quarter	1.83	1.58	29.46	25.67
Second quarter	1.75	1.54	28.75	24.31
Third quarter	1.84	1.63	29.28	25.42
Fourth quarter	1.82	1.65	28.37	26.00
2012/2013				
First quarter[1]	1.77	1.64	28.39	26.00

Note:
1 Covering period up to 21 May 2012.

Month	London Stock Exchange Pounds per ordinary share High	Low	NASDAQ Dollars per ADS High	Low
November 2011	1.84	1.64	29.28	25.63
December 2011	1.80	1.71	28.11	26.78
January 2012	1.82	1.71	28.37	26.59
February 2012	1.79	1.69	28.28	27.04
March 2012	1.76	1.65	28.03	26.00
April 2012	1.77	1.68	28.39	26.83
May 2012[1]	1.75	1.64	28.26	26.00

Note:
1 Covering period up to 21 May 2012.

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 2012.

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 US.

Currency (=£1)	31 March 2012	2011	% Change
Average:			
Euro	1.16	1.18	(1.7)
US dollar	1.60	1.56	2.6
At 31 March:			
Euro	1.20	1.13	6.2
US dollar	1.60	1.61	(0.6)

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
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
2011	1.61	1.56	1.64	1.43
2012	1.60	1.60	1.67	1.53

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

Month	High	Low
November 2011	1.61	1.54
December 2011	1.57	1.54
January 2012	1.58	1.53
February 2012	1.59	1.57
March 2012	1.60	1.56
April 2012	1.62	1.58

Markets

Ordinary shares of Vodafone Group Plc are traded on the London Stock Exchange and in the form of ADSs on NASDAQ. The Company had a total market capitalisation of approximately £81.4 billion at 21 May 2012 making it the second largest listing in The Financial Times Stock Exchange 100 index and the 26th 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 152.

Shareholders at 31 March 2012

Number of ordinary shares held	Number of accounts	% of total issued shares
1 – 1,000	425,559	0.22
1,001 – 5,000	79,267	0.34
5,001 – 50,000	28,303	0.66
50,001 – 100,000	1,116	0.15
100,001 – 500,000	1,025	0.43
More than 500,000	1,563	98.20
	536,833	**100.00**

Geographical analysis of shareholders at 31 March 2012

Region	% of total issued shares
UK	42.3
North America	30.4
Europe (excluding the UK)	12.2
Rest of the world	15.1

Major shareholders

BNY Mellon, as custodian of the Company's ADR programme, held approximately 19% of the Company's ordinary shares of 11³⁄₇ US cents each at 21 May 2012 as nominee. The total number of ADRs outstanding at 21 May 2012 was 938,044,545. At this date 1,401 holders of record of ordinary shares had registered addresses in the US and in total held approximately 0.007% of the ordinary shares of the Company.

At 31 March 2012 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. No changes in the interests disclosed to the Company have been notified between 31 March 2012 and 21 May 2012.

Shareholder	Shareholding
Black Rock, Inc.	5.99%
Legal & General Group Plc	4.04%

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 21 May 2012, 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 154.

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.

Shareholder information (continued)

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

By a special resolution passed at the 2010 AGM the Company removed its object clause together with all other provisions of its memorandum of association which, by virtue of the Companies Act 2006, are treated as forming part of the Company's articles of association. Accordingly, the Company's articles of association do not specifically restrict the objects of the Company.

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.

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 74 to 87). The report is also subject to a shareholder vote.

Rights attaching to the Company's shares

At 31 March 2012 the issued share capital of the Company was comprised of 50,000 7% cumulative fixed rate shares of £1.00 each and 49,645,940,182 ordinary shares (excluding treasury shares) of 11³⁄₇ 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 rate 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. The articles of association also allow persons appointed as proxies by two or more shareholders entitled to vote at general meetings to vote for and against a resolution on a show of hands.

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 nominee 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 specified in the relevant resolution 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 pre-emptive offer up to an amount specified by the shareholders and free of the pre-emption restriction in section 561. At the AGM in 2011 the amount of relevant securities fixed by shareholders under (i) above and the amount of equity securities specified by shareholders under (ii) above were both in line with corporate governance guidelines. The directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise. In order to retain such maximum flexibility, the directors propose to renew the authorities granted by shareholders in 2011 at this year's AGM. Further details of such proposals are provided in the 2012 notice of AGM.

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 from 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 21 days' notice in writing. Subject to obtaining shareholder approval on an annual basis, the Company may call other general meetings on 14 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 21 days before the date the relevant notice is sent. The notice may also specify the record date, the time of which shall be determined in accordance with the articles of association and 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 publication on the Company's website and 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.

Shareholder information (continued)

Electronic communications

The Company has previously passed a resolution allowing it to communicate all shareholder information by electronic means, including making such information available on the Company's website. Those shareholders who have positively elected for website communication (or are deemed to have consented to receive electronic communication in accordance with the Companies Act 2006) will receive written notification whenever shareholder documentation is made 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 ordinary 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 our website at www.vodafone.com/governance or from the Company's registered office.

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$4.2 billion and €4.2 billion credit facilities which are discussed under "Financial position and resources" on page 58.

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.

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 US;
- 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 US 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.

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, this section is based on the assumption that a holder of ADRs evidencing ADSs will be treated as the owner of the shares in the Company represented by those ADSs. Investors should note that a recent ruling by the first-tier tax tribunal in the UK has cast doubt on this view, but HMRC have stated that they will continue to apply their longstanding practice of regarding the holder of such ADRs as holding the beneficial interest in the underlying shares. Investors should note, however, that this is an area of some uncertainty that may be subject to further developments in the future. 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 page 156).

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 2013 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 2013 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.

Shareholder information (continued)

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 ruling by the European Court of Justice has determined that the 1.5% SDRT charges on issue of shares to a clearance service is contrary to EU law. As a result of that ruling, HMRC 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. Subsequently, a recent decision by the first-tier tax tribunal in the UK extended this ruling to the issue of shares (or, where it is integral to the raising of new capital, the transfer of shares) to depositary receipts systems wherever located. HMRC have stated that they will not seek to appeal this decision and, as such, will no longer seek to impose 1.5% SDRT on the issue of shares (or, where it is integral to the raising of new capital, the transfer of shares) to a clearance service or to a depositary, wherever located. Investors should, however, be aware that this area may be subject to further developments in the future.

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.

Backup withholding and information reporting

Payments of dividends and other proceeds to a US holder with respect to shares or ADSs, by a US paying agent or other US intermediary will be reported to the Internal Revenue Service ('IRS') and to the US holder as may be required under applicable regulations. Backup withholding may apply to these payments if the US holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its US federal income tax returns. Certain US holders are not subject to backup withholding. US holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Foreign financial asset reporting

Recently enacted legislation imposes new reporting requirements on US holders with respect to the holding of certain foreign financial assets, including equity of foreign entities, if the aggregate value of all of these assets exceeds US$50,000. The shares and ADSs are expected to constitute foreign financial assets subject to these requirements unless the shares and ADSs are held in an account at a financial institution (in which case, the account may be reportable if maintained by a foreign financial institution). US holders should consult their tax advisors regarding the application of this legislation.

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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 share 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 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 businesses 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;
- on 8 May 2007 we acquired companies with controlling interests in Vodafone India Limited ('VIL'), formerly Vodafone Essar Limited, for US$10.9 billion (£5.5 billion); and
- on 20 April 2009 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.

Other transactions that have occurred since 31 March 2009 are as follows:

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.

10 September 2010 – China Mobile Limited: We sold our entire 3.2% interest in China Mobile Limited for cash consideration of £4.3 billion.

30/31 March 2011 – India: The Essar Group exercised its underwritten put option over 22.0% of VIL, following which we exercised our call option over the remaining 11.0% of VIL owned by the Essar Group. The total consideration due under these two options is US$5 billion (£3.1 billion).

16 June 2011 – SFR: We sold our entire 44% interest in SFR to Vivendi for a cash consideration of €7.75 billion (£6.8 billion) and received a final dividend from SFR of €200 million (£176 million).

1 June/1 July 2011 – India: We acquired an additional 22% stake in VIL from the Essar Group for a cash consideration of US$4.2 billion (£2.6 billion) including withholding tax.

18 August 2011 – India: Piramal Healthcare Limited ('Piramal') purchased 5.5% of VIL from the Essar Group for a cash consideration of INR 28.6 billion (£368 million).

9 November 2011 – Poland: We sold our entire 24.4% interest in Polkomtel in Poland for cash consideration of approximately €920 million (£784 million) before tax and transaction costs.

8 February 2012 – India: Piramal purchased a further 5.5% of VIL from the Essar Group for a cash consideration of approximately INR 30.1 billion (£399 million) taking Piramal's total shareholding in VIL to approximately 11%.

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.

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')

The European Commission (the 'Commission') is reviewing the future scope and nature of universal service provision 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. The Commission has indicated that it would be reluctant to extend the scope of these funds to include very high speed broadband deployment and that additional financing for such projects should instead be sought from general taxation. The Commission has also published a broadband strategy which proposes that the European Investment Bank offer support for broadband infrastructure projects which fulfil certain criteria and proposes to use €9 billion (£7.5 billion) of the "Connecting Europe Facility" to fund broadband networks and digital services from 2014.

Roaming

The current roaming regulation (the 'roaming regulation') entered into force in July 2009 and requires mobile operators to supply voice and text roaming services under retail price caps. Wholesale price caps also apply to voice, text and data roaming services. In March 2012 the Commission, European Parliament and Council provisionally agreed a new roaming regulation which will replace the current roaming regulation upon its expiry in July 2012. Final adoption is expected by June 2012. The new roaming regulation proposes to retain retail price caps for voice and text roaming services and to introduce a new retail cap for data roaming services. These caps will be set at 29 eurocents per minute for retail outbound voice calls, 9 eurocents per retail text and 70 eurocents per megabyte for retail data from 1 July 2012. These will reduce annually until July 2014 when outbound retail voice calls will be set at 19 eurocents per minute, retail texts at 6 eurocents per text and retail data at 20 eurocents per megabyte. The caps will apply until at least 2016 but would be removed thereafter if competition were deemed by the Commission to be sufficiently effective. The Commission also proposes to retain wholesale price caps for voice, text and data roaming services which will reduce annually until July 2014, apply until at least 2018 and could be removed thereafter. The new roaming regulation will expire in 2022.

The Commission also proposed a number of measures which are intended to increase competition in the retail market for roaming (and thereby facilitate the withdrawal of price caps). These include a requirement that users be able, from July 2014, to purchase roaming services from a provider other than their current domestic provider and to retain the same phone number when roaming.

Call termination

National regulators are required to take utmost account of the Commission's existing recommendation on the regulation of fixed and mobile termination rates published in 2009. This recommendation requires mobile termination rates ('MTRs') to be set using a long run incremental cost methodology by December 2012.

At 31 March 2012 the MTRs effective for our subsidiaries within the EU, which differs from those in our Europe region, ranged from 2.70 eurocents per minute (2.25 pence) to 5.30 eurocents per minute (4.42 pence), at the relevant 31 March 2012 foreign exchange rates.

Fixed network regulation

In October 2011 the Commission consulted on proposals for guidelines to national regulators on the setting of access prices for fixed networks, recognising that prices for copper services will influence incentives for investment in, and demand for, fibre based networks. Further details are expected during 2012.

Spectrum

In February 2012 the Commission adopted its radio spectrum policy programme ('RSPP'), following agreement with the European Parliament and Council. The decision, which came into force in March 2012, requires Member States to make 800 MHz ('digital dividend') spectrum available for mobile use by 1 January 2013 and the Commission to report, by January 2015, on the need for further spectrum for mobile use.

In February 2012 the World Radiocommunications Conference agreed to consider the allocation of additional frequency bands for future mobile use at the next conference in 2015 and in particular the 694–790 MHz band in Europe and Africa.

Net neutrality

In December 2011 national regulators sent questionnaires to European operators seeking details of traffic management practices, including blocking of services or throttling of bandwidth. Our companies responded in January 2012 and the results are expected to inform a review of network management activities by the Commission during 2012.

Europe region

Germany

Our current MTR was reduced in December 2010 to 3.36 eurocents per minute, effective until 30 November 2012.

In December 2011 the national regulator enquired about the demand for 900/1800 MHz spectrum beyond 2016 when current licences expire. It is expected that the national regulator will ask for formal applications later in 2012.

In February 2012 the German Parliament adopted a new telecommunications law to implement amendments to the European regulatory framework, including certain new measures to protect consumers.

Italy

In September 2011 we acquired 2x10 MHz of 800 MHz spectrum, 2x5 MHz of 1800 MHz spectrum and 2x15 MHz of 2.6 GHz spectrum for a cost of €1.26 billion (£1.1 billion). The licences are valid until 2030.

In November 2011 the national regulator adopted a decision to cut our MTRs to 0.98 eurocents by July 2013, which we are appealing.

In January 2012 the national regulator issued the final decision concerning obligations to be imposed on Telecom Italia in relation to its fibre network, placing an obligation on Telecom Italia to give unbundled access, where technically feasible, and "end to end" access services.

In February 2012 the national regulator issued a questionnaire to operators on the SMS termination market.

Spain

In February 2012 the national regulator published proposals to reduce our MTRs to 1.09 eurocents per minute by January 2014. The Commission expressed serious doubts about the proposals and on 30 March 2012 the national regulator withdrew its proposals and instead confirmed that MTRs will reduce to 1.09 eurocents by 1 July 2013.

The national regulator has determined that our contributions to universal service costs should be €17 million (£14.2 million) and €47 million (£39.2 million) for 2008 and 2009 respectively. We are appealing both decisions.

In July 2011 we acquired 2x10 MHz of 800 MHz spectrum and 2x20 MHz of 2.6 GHz spectrum for a cost of €517 million (£431 million).

The licences will expire in 2030. Our 900 MHz licence has been modified to allow refarming and we have the option to extend it until 2030. The licence currently expires in 2020. In November 2011 we acquired 2x10 MHz of 2.6 GHz TDD spectrum at a cost of €10.4 million (£8.7 million).

In December 2011 the National Competition Authority issued a draft decision which proposes that Vodafone, Telefonica and Orange have abused a collective dominant position in the provision of wholesale origination of SMS and MMS and abused an individual dominant position in the provision of SMS and MMS termination services in setting excessive prices. The Council of the National Competition Authority must now take the final decision and consider the imposition of fines.

In January 2012 the National Competition Authority informed Vodafone, Orange and Telefonica that they were investigating claims from BT Spain that the operators had engaged in an unlawful price squeeze in the market for fixed and mobile services for business users. We have since received a questionnaire, to which we have responded.

In February 2012 the government announced its intention to merge the national telecommunications regulator into a new regulatory body called the National Markets and Competition Commission.

United Kingdom

Our regulated average MTR at 31 March 2012 was 3.02 pence per minute. The national regulator proposed a glidepath with annual adjustments that would see a reduction to 0.69 pence per minute (plus inflation adjustment) by 1 April 2014. Following appeals of this decision, the rate of 0.69 pence per minute (plus inflation adjustment) will have to be reached one year earlier (by 1 April 2013). All 2G licences have been modified to allow refarming to 3G. All 3G licences will also be made indefinite rather than expiring in 2021.

The national regulator has consulted on the release of 800 MHz and 2.6 GHz spectrum, including proposals for the auction design. The auction is expected to take place in the first quarter of 2013.

Other Europe

Albania

AMC (Deutsche Telekom) launched its 3G services in the market in January 2012. The national regulator launched a public tender in February 2012 to award the third 3G licence in the market but the minimum bid price set by the Telecoms Minister was not met and the tender failed.

Czech Republic

In March 2012 the government released a consultation on the auction of 800 MHz, 1800 MHz, and 2.6 GHz spectrum, which is expected to take place in November 2012. The government proposes to reserve a portion of 1800 MHz spectrum for a new entrant and to require licensees to provide access for MVNOs.

The national regulator is currently reviewing the market for mobile origination and access to determine whether mobile operators should be obliged to provide regulated access to MVNOs.

Greece

In November 2011 we acquired 2x15 MHz of 900 MHz spectrum and 2x10 MHz of 1800 MHz spectrum for a cost of €169 million (£142 million). The licences are valid until 2026.

Hungary

In October 2010 the Hungarian Parliament adopted a law which imposes a significant additional tax burden on the telecommunications, retail and energy sectors. The law came into force in December 2010 and will apply until at least January 2013. We paid HUF 7,119,714,000 (£23 million) in relation to the 2011 financial year. In March 2012 the Commission announced that it would commence infringement proceedings in the European Court of Justice on the basis that the tax is unlawful.

We acquired an additional 2x2 MHz of 900 MHz for HUF 15.7 billion (£44 million) spectrum through an auction in January 2012. We and other operators are, however, challenging the award of certain spectrum to a new entrant during that procedure.

At the end of April 2012 the government proposed the introduction of a new end-user tax on both mobile and fixed phone traffic of HUF 2.0 per minute and per SMS/MMS. The new tax would generate tax revenue of HUF 52 billion (£147.3 million) a year, which is close to 10% of the relevant service revenue of the whole market, and would be in force from 1 July 2012.

Ireland

The national regulator is planning to auction all spectrum in the 900/1800 MHz spectrum bands at the same time as the 800 MHz band in mid 2012, with the 800 MHz spectrum awarded under the auction available in 2013. In the meantime, Vodafone's and O2's 900 MHz licences will be renewed until the commencement of the new licences in 2013.

Netherlands

Our MTR reduced to 4.20 eurocents per minute in January 2011 following a proposal by the national regulator to reduce it to 1.2 eurocents per minute by September 2012. Following an appeal, the court directed that the MTR should instead reduce to 2.4 eurocents by September 2012. The Commission has suggested that it may challenge this decision, but we do not believe it has the legal grounds to do so.

The government has announced plans to auction 800 MHz, 900 MHz, 1800 MHz, 2.1 GHz and 2.6 GHz spectrum in October 2012. The government will reserve 2x5 MHz in the 900 MHz band for new entrants, in addition to 2x10 MHz in the 800 MHz band.

In May 2012 the Dutch Parliament adopted amendments to the Telecommunications Act which are intended to limit the circumstances in which operators are able to engage in network management and to prevent operators from varying the charges to end users by reference to the type of internet service or application they wish to use. The cumulative effect of these measures is to prevent operators from blocking or otherwise charging specifically for voice over internet protocol ('VOIP') and other internet services. These measures are expected to apply from January 2013.

Portugal

The national regulator will reduce MTRs to 1.27 eurocents per minute as from 31 December 2012.

In November 2011 we acquired 2x10 MHz of 800 MHz spectrum, 2x5 MHz of 900 MHz spectrum, 2x14 MHz of 1800 MHz spectrum and 2x20 MHz of 2.6 GHz spectrum for a cost of €146 million (£123 million). The licences are valid until 2026.

Romania

The government agreed to renew our 900/1800 MHz licences for a further period of one year (until December 2012) for a fee of €6.4 million (£5.4 million). In the meantime, the government plans to offer the licences for a further 15 year term during an auction in mid-2012 which will also include the 800 MHz and 2.6 GHz bands.

In February 2011 Vodafone was fined €28 million (£23.3 million) by the competition authority in relation to an alleged refusal to interconnect with another party in 2006. We appealed this decision in April 2011. Other enquiries remain ongoing. In April 2011 we were advised that a new proceeding in relation to MTRs and on-net pricing has commenced and have since received a questionnaire, to which we intend to respond. A competition investigation regarding prepaid distribution is in the final stage of being closed without any fine.

Regulation (continued)

Turkey
Our MTRs are currently 0.0323 Lira per minute.

In July 2011 the government announced that rural villages with populations of less than 500 which do not have GSM coverage will be provided with mobile services funded by the universal service fund. Following an agreement with the Ministry of Transport, Maritime Affairs and Communications in January 2012, 687 such villages are to be covered by Vodafone Turkey.

In August 2011 the national regulator indicated that rates for the termination of calls originated from abroad will no longer be subject to regulation.

In September 2011 the national regulator proposed enabling refarming in the 900 MHz and 1800 MHz bands and assigning additional 900MHz spectrum to Avea and 1800 MHz spectrum to Vodafone and Turkcell. Further details are expected shortly.

In October 2011 the Council of Ministers increased the taxes on handsets from 20% to 25%.

Africa, Middle East and Asia Pacific region

India
Litigation remains pending in the Telecommunications Dispute Settlement Appellate Tribunal ('TDSAT') and Supreme Court in relation to a number of significant regulatory issues including MTRs, spectrum usage charges, and 3G intra-circle roaming ('ICR').

In February 2012 the Union Minister of Communications and IT announced some aspects of the spectrum management and licensing framework, including a reduction of licence fees to a uniform fee of 8%, but deferred other aspects including possible one-off fees for spectrum above 6.2 MHz.

The Supreme Court of India issued a decision on 2 February 2012 cancelling the 122 new licences issued in 2008 with effect from June 2012 and directing the government to re-allocate the spectrum by auction. None of Vodafone's licences were affected by this decision and Vodafone is in active dialogue with the government with a view to acquiring additional spectrum through auction. The implications of these developments will be considered alongside the issues announced in February 2012 by the Union Minister of Communications and IT, the national regulator's recommendations of May 2010 and April 2012, and the Cabinet before a decision is taken.

New regulations came into force during the 2012 financial year in relation to the activation of value added services, unsolicited commercial communications, and distribution of prepaid vouchers, requiring some changes to activation procedures, capping of high volume SMS users and content of vouchers.

The current MTR is maintained at INR 0.2.

South Africa
The Ministry of Communications and the national regulator have decided to postpone the process of licensing "high demand spectrum" (2.6 GHz and 800 MHz) while the Ministry reviews its long-term policy approach to the information and communications technology ('ICT') sector. The Minister initiated a policy review process in April 2012 at the National ICT Colloquium. This process is expected to be completed in 2014.

The National Consumer Commission ('NCC'), the regulatory authority tasked with enforcing the Consumer Protection Act ('CPA'), has instituted investigations into the communications sector including consumer complaints relating to quality of service, international roaming charges, airtime and data carry-over rules, and contract terms and conditions. The NCC issued a compliance notice against Vodacom in August 2011 in relation to fixed-term consumer agreements which the NCC alleges do not comply with the CPA. Vodacom is challenging the legal validity of the compliance notice in South Africa's National Consumer Tribunal.

MTRs are currently ZAR 0.56 per minute (peak) and ZAR 0.52 (off peak) and, under a continuing glide path, are due to decrease to ZAR 0.40 (flat rate) in April 2013.

Other Africa, Middle East and Asia Pacific

Australia
Vodafone Hutchison Australia has agreed to renew its spectrum licences in the 850 MHz and 1800 MHz bands, from their expiry in 2013, for an additional period of 15 years for a fee of approximately AUS$590 million (£400 million). The government is now preparing to auction 700 MHz and 2.6 GHz spectrum in late 2012 or early 2013.

The national regulator cut MTRs to AUS$0.06 (4.05 pence) on 1 January 2012. A glide path has been set with the MTR to fall to AUS$0.036 (2.43 pence) by 1 January 2014.

Egypt
The national regulator set MTRs at 65% of each operator's average on-net retail revenue per minute in September 2008 and issued a similar decree in 2010. Mobinil obtained interim relief against this regulation and a final order is awaited. Vodafone Egypt has filed a similar case in the Administrative Court challenging the regulator's decisions regarding the applicable MTRs as well as the calculation formula. In December 2011 the Commisioner's Committee of the Administrative Court issued a non-binding opinion recommending the annulment of the regulator's decision. A final decision has not yet been made. A series of arbitrations concerning interconnection payments have been launched by Mobinil and Telecom Egypt, leading to a claim by Telecom Egypt against Vodafone Egypt relating to historic termination charges.

New Zealand
Vodafone and Telecom New Zealand have been selected to share a NZ$285 million (£146 million) government grant to roll-out and operate an open access fibre and wireless network in rural areas.

The national regulator has adopted a regulation which reduces MTRs from around 18 cents to 7.5 cents in May 2011, with further reductions to 4.0 cents from April 2012. SMS termination rates are regulated at 0.06 cents per SMS.

The government is now preparing to auction 700 MHz spectrum in late 2012 or early 2013.

The governments of New Zealand and Australia have jointly appointed consultants to investigate the costs of providing trans-tasman international roaming services as part of an ongoing enquiry.

Licences

The table below summarises the most significant mobile licences held by our operating subsidiaries and our joint venture in Italy at 31 March 2012. We present the licences by frequency band since in many markets, including the majority of Europe, they can be used for a variety of technologies including 2G, 3G and in the future LTE.

Mobile licences

Country by region	800 MHz expiry date	900 MHz expiry date	1800 MHz expiry date	2.1 GHz expiry date	2.6 GHz expiry date
Europe					
Germany	December 2025	December 2016	December 2016	December 2020	December 2025
Italy	December 2029	February 2015	February 2015[1]	December 2021	December 2029
Spain	December 2030	February 2020	December 2030	April 2020	December 2030
UK	n/a	See note[2]	See note[2]	December 2021	n/a
Albania	n/a	June 2016	June 2016	December 2025	n/a
Czech Republic	n/a	January 2021	January 2021	February 2025	n/a
Greece	n/a	September 2027[3]	December 2026[3]	August 2021	n/a
Hungary	n/a	July 2014[4]	July 2014[4]	December 2019[4]	n/a
Ireland	n/a	February 2013	December 2015	October 2022	n/a
Malta	n/a	August 2026	August 2026	August 2020	n/a
Netherlands	n/a	March 2013	March 2013	December 2016	May 2030
Portugal	March 2027	October 2021[5]	October 2021[5]	January 2016	March 2027
Romania	n/a	December 2011	December 2011	March 2020	n/a
Turkey	n/a	April 2023	–	April 2029	n/a
Africa, Middle East and Asia Pacific					
India[6]	n/a	November 2014 – December 2026	November 2014 – December 2026	September 2030	n/a
Vodacom: South Africa	n/a	See note[7]	See note[7]	See note[7]	n/a
Egypt	n/a	January 2022	January 2022	January 2022	n/a
Ghana	n/a	December 2019	December 2019	December 2023[8]	n/a
New Zealand	n/a	November 2031	March 2021	March 2021	n/a
Qatar	n/a	June 2028	June 2028	June 2028	n/a

Notes:
1 2x5 MHz of 1800 MHz spectrum will expire in 2029.
2 Indefinite licence with a five year notice of revocation.
3 2x15 MHz of the 1800 MHz spectrum will expire in August 2016.
4 Options to extend these licences.
5 2x3 MHz of 900 MHz must be released by December 2015 and 2x14 MHz of 1800 MHz spectrum does not expire until March 2027.
6 India is comprised of 22 separate service area licences with a variety of expiry dates. Option to extend 900/1800 MHz licences by ten years.
7 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 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.
8 The NRA has issued provisional licences with the intention of converting these to full licences once the NRA board has been reconvened.

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 107.

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 rate 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 reporting;
- 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 measures, operating profit and basic earnings per share, are provided in "Operating results" beginning on page 40.

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 55.

Other

Certain of the statements within the section titled "Chief Executive's review" on pages 14 to 17 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 50 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 presents 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 %	Other activity[1] pps	Foreign exchange pps	Reported change %
31 March 2012				
Group				
Service revenue	1.5	(0.4)	(0.8)	0.3
Revenue	2.2	(0.3)	(0.7)	1.2
Service revenue for the quarter ended 31 March 2012	2.3	(0.9)	(3.0)	(1.6)
Voice revenue	(4.0)	(0.4)	(1.2)	(5.6)
Messaging revenue	4.4	(0.8)	0.2	3.8
Data revenue	22.2	(0.3)	(0.2)	21.7
Fixed line revenue	5.4	–	0.9	6.3
Emerging markets service revenue	13.2	–	(8.4)	4.8
Enterprise revenue	2.2	5.1	0.8	8.1
Enterprise data revenue	18.2	6.7	1.2	26.1
Vodafone Global Enterprise revenue	11	(1)	(1)	9
EBITDA	(0.6)	(0.3)	(0.4)	(1.3)
Adjusted operating profit	2.5	(4.4)	(0.5)	(2.4)
Europe				
Service revenue excluding the impact of termination rate cuts	1.4	–	0.5	1.9
Data revenue	20.2	–	1.0	21.2
Vodafone Global Enterprise revenue	12	(1)	(4)	7
Germany – data revenue	21.3	–	1.6	22.9
Germany – enterprise revenue	5.6	–	1.6	7.2
Italy – data revenue	16.8	–	1.6	18.4
Italy – enterprise revenue	5.1	–	1.6	6.7
Spain – data revenue	18.4	–	1.9	20.3
Spain – fixed line revenue	7.3	–	1.6	8.9
UK – data revenue	14.5	–	–	14.5
Netherlands – service revenue	2.1	(0.1)	1.6	3.6
Turkey – service revenue	25.1	(1.1)	(17.8)	6.2
Percentage point reduction in EBITDA margin	(1.5)	–	0.2	(1.3)
Italy – percentage point reduction in EBITDA margin	(1.9)	0.1	–	(1.8)
Spain – percentage point reduction in EBITDA margin	(5.5)	–	0.1	(5.4)
UK – percentage point reduction in EBITDA margin	0.6	–	–	0.6
Africa, Middle East and Asia Pacific				
Vodafone Global Enterprise revenue	8	–	9	17
India – data revenue	51.3	–	(10.8)	40.5
South Africa – service revenue	4.4	–	(6.1)	(1.7)
South Africa – data revenue	24.3	–	(7.9)	16.4
Vodacom's international operations excluding Gateway and Vodacom Business Africa	31.9	–	(3.5)	28.4
Australia – service revenue	(8.8)	–	7.2	(1.6)
Egypt – service revenue	1.4	–	(6.8)	(5.4)
Ghana – service revenue	29.2	–	(14.1)	15.1
Qatar – service revenue	27.1	–	(2.8)	24.3
Safaricom – service revenue	13.6	–	(13.2)	0.4
Percentage point reduction in EBITDA margin	(0.1)	(0.1)	(0.2)	(0.4)
India – percentage point reduction in EBITDA margin	0.8	(0.1)	–	0.7
Other Africa, Middle East and Asia Pacific – percentage point reduction in EBITDA margin	(2.2)	(0.1)	(0.4)	(2.7)
Verizon Wireless[2]				
Service revenue	7.3	(0.1)	(2.6)	4.6
Revenue	10.6	–	(2.7)	7.9
EBITDA	7.9	(0.1)	(2.7)	5.1
Group's share of result of Verizon Wireless	9.3	(0.1)	(2.7)	6.5

Non-GAAP information (continued)

	Organic change %	M&A activity pps	Foreign exchange pps	Reported change %
31 March 2011				
Group				
Service revenue				
H2 2011	2.5	0.2	(1.5)	1.2
H1 2011	1.7	1.5	0.5	3.7
Change	0.8	(1.3)	(2.0)	(2.5)
Revenue	2.8	0.8	(0.4)	3.2
Service revenue	2.1	0.9	(0.6)	2.4
Data revenue	26.4	1.2	(1.2)	26.4
Emerging markets service revenue	11.8	3.4	6.8	22.0
EBITDA	(0.7)	1.4	(1.1)	(0.4)
Adjusted operating profit	1.8	2.5	(1.2)	3.1
Europe				
Service revenue for the six months ended 31 March 2011	(0.3)	0.2	(3.5)	(3.6)
Enterprise revenue	0.5	0.2	(3.2)	(2.5)
Germany – data revenue	27.9	–	(5.1)	22.8
Germany – enterprise revenue	3.6	–	(4.2)	(0.6)
Italy – data revenue	21.5	–	(4.8)	16.7
Spain – data revenue	14.8	–	(4.8)	10.0
Greece – service revenue	(19.4)	–	(3.2)	(22.6)
Turkey – service revenue	28.9	3.6	2.7	35.2
Africa, Middle East and Asia Pacific				
South Africa – data revenue[3]	41.8	9.5	15.6	66.9
Egypt – service revenue	(0.8)	–	(1.0)	(1.8)
Ghana – service revenue	21.0	–	1.6	22.6
Indus Towers – contribution to India service revenue growth	1.7	–	0.1	1.8
Percentage point reduction in EBITDA margin	(0.6)	1.0	(0.2)	0.2
Verizon Wireless[2]				
Revenue	6.0	–	2.6	8.6
Service revenue	5.8	–	2.6	8.4
EBITDA	6.7	(0.1)	2.7	9.3
Group's share of result of Verizon Wireless	8.5	(0.1)	2.7	11.1
31 March 2010				
Group				
Data revenue	19.3	6.9	6.8	33.0
Emerging markets service revenue	7.9	31.3	7.9	47.1

Notes:
1 "Other activity" includes the impact of M&A activity and the revision to intra-group roaming recharges from 1 October 2012.
2 Organic growth rates include the impact of a non-cash revenue adjustment which was recorded to properly defer previously recognised data revenue that will be earned and recognised in future periods. Excluding this the equivalent growth rates for service revenue, revenue, adjusted EBITDA and the Group's share of result in Verizon Wireless would have been 6.8%*, 10.1%*, 6.7%* and 7.5%* (2011: 6.4%*, 6.6%*, 8.2%* and 10.8%*) respectively.
3 Data revenue in South Africa grew by 41.8%*. Excluding the impact of reclassifications between messaging and data revenue during the year, data revenue grew by 35.9%*.

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 2012 filed with the SEC (the "2012 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 2012 Form 20-F or incorporated by reference into any filings by us under the Securities Act. Please see "Documents on display" on page 154 for information on how to access the 2012 Form 20-F as filed with the SEC. The 2012 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 2012 Form 20-F.

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Note:
1 The Company financial statements, and the audit report and notes relating thereto, on pages 143 to 148 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 14 to 17, the Group's 7% dividend per share growth target, and the guidance statement for the 2013 financial year and the medium-term free cash flow guidance on page 50 of this document, and the performance of joint ventures, associates, including Verizon Wireless and VHA, 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 M-Pesa money transfer system, M2M connections, the operator billing service, tablets and an increase in download speeds and 3G services;
- expectations regarding the global economy and the Group's operating environment and market position, including future market conditions, growth in the number of worldwide mobile phone users and other trends, including increased mobile data usage and increased mobile penetration in emerging markets;
- revenue and growth expected from the Group's enterprise and total communications strategy, including data revenue growth, and its expectations with respect to long-term shareholder value growth;
- mobile penetration and coverage rates, mobile termination rate cuts, the Group's ability to acquire spectrum, expected growth prospects in the Europe, Africa, Middle East and Asia Pacific regions and growth in customers and usage generally;
- anticipated benefits to the Group from cost efficiency programmes;
- possible future acquisitions, including increases in ownership in existing investments, the timely completion of pending acquisition transactions and pending offers for investments, including licence and spectrum acquisitions, and the expected funding required to complete such acquisitions or investments;
- expectations regarding the Group's future revenue, operating profit, EBITDA, EBITDA margin, free cash flow, capital intensity, depreciation and amortisation charges, foreign exchange rates, tax rates and capital expenditure;
- expectations regarding the Group's access to adequate funding for its working capital requirements and share buyback programmes, 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 the Group 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, platform sharing 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 takes into account in determining the level of dividends;
- the Group's ability to satisfy working capital requirements through borrowing in capital markets, bank facilities and operations;
- changes in foreign exchange rates, including particularly the exchange rate of pounds sterling to the euro and the US dollar;
- changes in the regulatory framework in which the Group operates, including the commencement of legal or regulatory action seeking to regulate the Group's permitted charging rates;
- the impact of legal or other proceedings against the Group or other companies in the 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 51 to 53 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

2G	2G networks are operated using global system for mobile ('GSM') technology which offer services such as voice, text messaging and basic data. In addition, all the Group's controlled networks support general packet radio services ('GPRS'), often referred to as 2.5G. GPRS allows mobile devices to access IP based data services such as the internet and email.
3G	A cellular technology based on wide band CDMA delivering voice and data services.
4G	4G or LTE technology offers even faster data transfer speeds than 3G/HSPA, increases network capacity and is able to deliver sustained customer throughputs of between 6 – 12 Mbps in real network conditions.
Acquisition costs	The total of connection fees, trade commissions and equipment costs relating to new customer connections.
ADR	American depositary receipts is a mechanism designed to facilitate trading in shares of non-US companies in the US stock markets. The main purpose is to create an instrument which can easily be settled through US stock market clearing systems.
ADS	American depositary shares are shares evidenced by American depositary receipts. ADSs are issued by a depositary bank and represent one or more shares of a non-US issuer held by the depositary bank. The main purpose of ADSs is to facilitate trading in shares of non-US companies in the US markets and, accordingly, ADRs which evidence ADSs are in a form suitable for holding in US clearing systems.
AGM	Annual general meeting.
AOP	Adjusted operating profit. Group adjusted operating profit excludes non-operating income of associates, impairment losses, and other income and expense.
Applications ('apps')	Apps are software applications usually designed to run on a smartphone or tablet device and provide a convenient means for the user to perform certain tasks. They cover a wide range of activities including banking, ticket purchasing, travel arrangements, social networking and games. For example the My Vodafone app lets customers check their bill totals on their smartphone and see the minutes, texts and data allowance remaining.
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 ('capex')	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.
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.
Depreciation and other amortisation	This measure includes the profit or loss on disposal of property, plant and equipment and computer software.
Direct costs	Direct costs include interconnect costs and other direct costs of providing services.
Enterprise	The Group's business customer segment.
EBITDA	Operating profit excluding share in results of associates, depreciation and amortisation, gains/losses on the disposal of fixed assets, impairment losses and other operating income and expense.
Emerging markets	Vodafone entities are India, Vodacom, Egypt, Turkey, Ghana, Qatar and Fiji.
Fixed broadband customer	A fixed broadband customer is defined as a physical connection or access point to a fixed line network.
FRC	Financial Reporting Council.
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 but before licence and spectrum payments. For the year ended 31 March 2012 payments in respect of a tax case settlement, tax relating to the disposal of our 24.4% interest in Polkomtel, the income dividend received from Verizon Wireless in January 2012 and the return of the court deposit made in respect of the India tax case are also excluded. For the year ended 31 March 2011 other items excluded included tax relating to the disposal of China Mobile Limited, the SoftBank disposal and a court deposit made in respect of the India tax case.
FSA	Financial Services Authority.
Impairment	A downward revaluation of an asset.
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.
ICT	Information and communications technology.
IP	Internet protocol ('IP') is the method by which data is sent from one computer to another on the internet.
LTE	Long-term evolution ('LTE') is 4G technology which offers even faster data transfer speeds than 3G/HSPA, increases network capacity and is able to deliver sustained customer throughputs of between 6 – 12 Mbps in real network conditions.
M2M	Machine-to-machine. M2M communications, or telemetry, enable devices to communicate with one another via built-in mobile SIM cards.
Mark-to-market	Mark-to-market or fair value accounting refers to accounting for the value of an asset or liability based on the current market price of the asset or liability.

Mobile broadband	Also known as mobile internet (see below).
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 internet	Browser based access to the internet or web applications using a mobile device, such as a smartphone, connected to a wireless network.
Mobile termination rate ('MTR')	A per minute charge paid by a telecommunications network operator when a customer makes a call to another mobile or fixed line network operator.
MVNO	Mobile virtual network operators, companies that provide mobile phone services but do not have their own licence of spectrum or the infrastructure required to operate a network.
Net debt	Long-term borrowings, short-term borrowings and mark-to-market adjustments on financing instruments less cash and cash equivalents.
Net promoter score ('NPS')	Net promoter score is a customer loyalty metric used to monitor customer satisfaction.
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	All amounts marked with an "*" represent organic growth which presents performance on a comparable basis, both in terms of merger and acquisition activity and foreign exchange rates. From 1 October 2012 the Group revised its intra-group roaming charges. Whilst neutral to Group revenue and profitability, these changes do have an impact on reported service revenue by country and regionally from Q3 onwards. Whilst prior period reported revenue has not been restated, to ensure comparability in organic growth rates, country and regional revenue in the prior financial year have been recalculated based on the new pricing structure to form the basis for our organic calculations.
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 reach into such markets.
Penetration	Number of SIMs 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.
Petabyte	A petabyte is a measure of data usage. One petabyte is a million gigabytes.
Pps	Percentage points.
Pro-forma growth	Pro-forma growth is organic growth adjusted to include acquired business for the whole of both periods.
Reported growth	Reported growth is based on amounts reported in pounds sterling as determined under IFRS.
RAN	Radio access network is part of a mobile telecommunication system which conceptually sits between the mobile phone and the base station.
Retention costs	The total of trade commissions, loyalty scheme and equipment costs relating to customer retention and upgrade.
Roaming	Allows our customers to make calls on other operators' mobile networks while travelling abroad.
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.
Smartphone devices	A smartphone is a mobile phone offering advanced capabilities including access to email and the internet.
Smartphone penetration	The number of smartphone devices divided by the number of registered SIMs, excluding data only SIMs.
SME	Small to medium-sized enterprises.
SoHo	Small-office-home-office.
Spectrum	The radio frequency bands and channels assigned for telecommunication services.
Tablet device	A tablet is a slate shaped, mobile or portable casual computing device equipped with a finger operated touchscreen or stylus, for example the Apple iPad.
"to the cloud"	This means the customer has little or no equipment at their premises and all the equipment and capability is run from the Vodafone network instead. This removes the need for customers to make capital investment and instead they have an operating cost model with a recurring monthly fee.
Visitor revenue	Amounts received by a Vodafone operating company when customers of another operator, including those of other Vodafone companies, roam onto its network.
VZW	Verizon Wireless, the Group's associate in the US.
VZW income dividends	Distributions (other than tax distributions) by Verizon Wireless as agreed from time to time by the Board of Verizon Wireless.
VZW tax distributions	Specific distributions made by the Cellco Partnership to its partners based on the taxable income of Verizon Wireless.

Selected financial data

At/for the year ended 31 March	2012	2011	2010	2009	2008
Consolidated income statement data (£m)					
Revenue	46,417	45,884	44,472	41,017	35,478
Operating profit	11,187	5,596	9,480	5,857	10,047
Profit before taxation	9,549	9,498	8,674	4,189	9,001
Profit for the financial year	7,003	7,870	8,618	3,080	6,756
Consolidated statement of financial position data (£m)					
Total assets	139,576	151,220	156,985	152,699	127,270
Total equity	78,202	87,561	90,810	84,777	76,471
Total equity shareholders' funds	76,935	87,555	90,381	86,162	78,043
Earnings per share[1]					
Weighted average number of shares (millions)					
– Basic	50,644	52,408	52,595	52,737	53,019
– Diluted	50,958	52,748	52,849	52,969	53,287
Basic earnings per ordinary share	13.74p	15.20p	16.44p	5.84p	12.56p
Diluted earnings per ordinary share	13.65p	15.11p	16.36p	5.81p	12.50p
Cash dividends[1 2]					
Amount per ordinary share (pence)	13.52p	8.90p	8.31p	7.77p	7.51p
Amount per ADS (pence)	135.2p	89.0p	83.1p	77.7p	75.1p
Amount per ordinary share (US cents)	21.63c	14.33c	12.62c	11.11c	14.91c
Amount per ADS (US cents)	216.3c	143.3c	126.2c	111.1c	149.1c
Other data					
Ratio of earnings to fixed charges[3]	4.3	5.7	3.6	1.2	3.9

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 2012 was proposed by the directors on 22 May 2012 and is payable on 1 August 2012 to holders of record as of 8 June 2012. The total dividends have been translated into US dollars at 31 March 2012 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, interest capitalised, interest amortised 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, interest capitalised and preferred share dividends.