

VODAFONE GROUP PUBLIC LTD CO

Form 6-K

February 05, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**Form 6-K**

**Report of Foreign Private Issuer**

**Pursuant to Rules 13a-16 or 15d-16 under  
the Securities Exchange Act of 1934**

Dated February 5, 2010

Commission File Number: 001-10086

**VODAFONE GROUP  
PUBLIC LIMITED COMPANY**

(Translation of registrant's name into English)

VODAFONE HOUSE, THE CONNECTION, NEWBURY, BERKSHIRE, RG14 2FN, ENGLAND

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F

Form 40-F

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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b)(1): \_\_\_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b)(7): \_\_\_\_\_

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- .

This Report on Form 6-K contains a news release issued by Vodafone Group Plc on, February 4, 2010, entitled **INTERIM MANAGEMENT STATEMENT FOR THE QUARTER ENDED 31 DECEMBER 2009** .

4 February 2010

## **INTERIM MANAGEMENT STATEMENT FOR THE QUARTER ENDED 31 DECEMBER 2009**

### **Group service revenue trend improves by 1.8(\*) percentage points:**

- Group revenue increased by 10.3% to £11.5 billion. Group service revenue increased by 11.0% to £10.7 billion; organic service revenue fell 1.2%(\*), a 1.8 percentage point improvement on the previous quarter
- In Europe service revenue fell 3.2%(\*), a 1.4 percentage point improvement on the previous quarter. Growth continued in Italy, trends improved in the UK and Germany and trends were stable in Spain. Data and fixed line revenue continued to show a strong performance. In mobile, improvements were driven by enterprise and messaging with voice usage and price trends broadly stable
- In Africa and Central Europe service revenue fell 0.5%(\*), a 3.4 percentage point improvement on the previous quarter driven by a return to service revenue growth in Turkey (+12.9%(\*)) and continued robust growth at Vodacom (+5.5%(\*)) driven by data
- Asia Pacific and Middle East delivered a 10.4%(\*) increase in service revenue; India's service revenue grew by 13.8%(\*) with strong customer growth despite a more competitive environment
- Verizon Wireless delivered another strong result with service revenue growth of 4.7%(\*) and a 7.0% pro forma increase in the mobile customer base
- Proportionate mobile customer base reached 333.0 million with 10.3 million net additions during the quarter

### **Strong progress on our strategic priorities data revenue exceeded £1 billion:**

- Group data revenue exceeded £1 billion for the first time, up 17.7%(\*) year on year, with increased take up of data-enabled smartphones across Europe where active data users now exceed 30 million. Data as a percentage of service revenue in Europe

was 11%, increasing for the sixth consecutive quarter

- Fixed line revenue grew by 10.0%(\*) to £862 million in the quarter with strong broadband customer growth; the European broadband customer base now exceeds five million; revenue grew by 4.1%(\*) in Germany, 22.3%(\*) in Italy and 10.7%(\*) in Spain

**Outlook for the 2010 financial year free cash flow range upgraded(1):**

- Adjusted operating profit is now expected to be in the range of £11.4 billion to £11.8 billion(1); cost reduction programmes on track; third quarter EBITDA trends in line with management expectations
- Strong free cash flow of £5.8 billion(1) year to date; upgrading free cash flow range by £0.5 billion to between £6.5 billion and £7.0 billion

**Vittorio Colao, Chief Executive, commented:**

Service revenue trends have improved with continuing growth in our data and fixed line revenue. Free cash flow guidance has been raised reflecting the impact of our cost and working capital reduction programmes. We are on track to deliver on our strategic priorities in the current financial year.

Notes:

(\*) 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.

(1) Reflects assumptions of foreign exchange rates for the 2010 financial year of approximately £1: 1.12 and £1:US\$1.50.

**OPERATING REVIEW****Group**

	2009(1)	Quarter ended 31 December 2008	Reported	% change Organic(2)
	£m	£m		
Europe	<b>7,207</b>	7,013	2.8	(3.2)
Africa and Central Europe	<b>1,990</b>	1,290	54.3	(0.5)
Asia Pacific and Middle East	<b>1,570</b>	1,402	12.0	10.4
Eliminations	<b>(33)</b>	(34)		
<b>Service revenue</b>	<b>10,734</b>	9,671	<b>11.0</b>	(1.2)
Other revenue	<b>812</b>	799	1.6	(10.7)
<b>Revenue</b>	<b>11,546</b>	10,470	<b>10.3</b>	(2.0)
<b>Capital expenditure</b>	<b>1,349</b>	1,371	<b>(1.6)</b>	
<b>Free cash flow</b>	<b>1,807</b>	1,563	<b>15.6</b>	

Notes:

(1) Reflects average exchange rates of £1: 1.11 and £1:US\$1.63.

(2) Organic growth includes India and Vodacom (except the results of Gateway) at the current level of ownership but excludes Australia following the merger with Hutchison 3G Australia on 9 June 2009.

Group revenue increased by 10.3% to £11.5 billion and Group service revenue increased by 11.0% to £10.7 billion; organic service revenue declined by 1.2%(\*), an improvement of 1.8 percentage points on the previous quarter. Improved service revenue trends were recorded in each of the Group's regions.

In Europe service revenue fell 3.2%(\*), a 1.4 percentage point improvement on the previous quarter with continued growth in Italy, improved trends in Germany and the UK and stable trends in Spain. Voice usage growth was similar to the previous two quarters with overall price declines continuing at similar double digit rates. Organic messaging revenue growth was flat, an improvement of 3.8%(\*), percentage points on the previous quarter with a particularly strong customer response to unlimited bundles and promotions generating growth in Italy and the UK. Fixed line revenue increased by 10.0%(\*), with revenue growth in Germany doubling to 4.1%(\*). Fixed broadband customers reached 5.2 million with 267,000 net additions and a strong net additions share in Italy and Spain. Data revenue grew by 16.3%(\*), with mobile internet revenue increasing by 27.0%(\*), due to an increase in the proportion of data plans sold with smartphones and good PC connectivity sales across the region. Enterprise revenue was down 3.8%(\*), reflecting continued economic pressure on customers, but declined at a lower rate than the previous two quarters with noticeable improvements in roaming activity.

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In Africa and Central Europe service revenue fell by 0.5%(\*), a 3.4 percentage point improvement on the previous quarter driven by a return to growth in Turkey, where service revenue increased by 12.9%(\*), and continued robust growth at Vodacom, where service revenue grew by 5.5%(\*) in part as a result of another good quarter for data revenue in South Africa. In Central Europe revenue continued to decline reflecting the challenging economic conditions in these markets but the rate of decline was broadly stable when compared with the previous quarter.

In Asia Pacific and Middle East service revenue increased by 10.4%(\*). India's service revenue increased by 13.8%(\*), half of which was delivered by the network sharing joint venture Indus Towers with the remaining growth driven by a 51.0% increase in average mobile customers and a 35.1% increase in voice usage offset in part by declining average voice rates. India's organic service revenue increased sequentially compared to the previous quarter. In Egypt service revenue returned to growth at 2.7%(\*) and in Australia the joint venture is delivering cost synergies in line with management's expectations.

The Group's EBITDA margin decline during the quarter was consistent with management's expectations underlying the guidance for the current financial year. Capital expenditure of £1.3 billion was at a similar level to the same quarter last year reflecting continued investment in Europe to support network quality and data growth and targeted lower investment in India consistent with previous guidance.

Free cash flow increased by 15.6% to £1.8 billion driven, in part, by Verizon Wireless dividends. Group net debt decreased by £2.3 billion in the quarter to £31.7 billion reflecting free cash flow generated and a £0.6 billion beneficial impact of exchange rate movements on non-sterling denominated debt.

## OPERATING REVIEW

### Outlook for the 2010 financial year

The Group is trading in line with management's expectations with stronger cash generation.

Cumulative free cash flow for the first three quarters of the financial year was £5.8 billion with the increase driven by working capital, timing of the Verizon Wireless dividend which in the prior year had been deferred and the increase in Verizon Wireless dividend agreed at the time of the Alltel acquisition. Given the likely benefit of the working capital improvement programme and other factors, free cash flow is now expected to be higher than anticipated and will be in the range £6.5 billion to £7.0 billion.

Taking into account the results of the first three quarters and current trading, adjusted operating profit is now expected to be in the range of £11.4 billion to £11.8 billion<sup>(1)</sup> reflecting a small improvement in underlying trading and the contribution from associates, and lower depreciation and amortisation. Depreciation and amortisation is now expected to be around £8.0 billion for the current financial year. Third quarter EBITDA trends were in line with management's expectations underlying the guidance for the current financial year and cost reduction programmes remain on track.

The outlook ranges for the 2010 financial year included full year foreign exchange assumptions of £1: 1.12 and £1:US\$1.50. The actual rates experienced during the first three quarters of the 2010 financial year were £1: 1.13 and £1:US\$1.61. On a full year basis the impact on adjusted operating profit of a 1% change in the euro/sterling exchange rate is approximately £60 million and of a 1% change in the US dollar/sterling exchange rate is approximately £40 million.

Note:

(1) The outlook has been prepared on the same basis as the outlook included on page 37 of the Group's 2009 annual report. Specifically, the outlook does not include the impact of reorganisation costs arising from the Alltel acquisition by Verizon Wireless, which are expected to be around £0.2 billion.

**OPERATING REVIEW****Europe**

<b>Revenue</b>	<b>2009</b> <b>£m</b>	Quarter ended 31 December		<b>% change</b> <b>Organic</b>
		2008 £m	Reported	
Germany	<b>1,991</b>	1,909	4.3	(2.8)
Italy	<b>1,470</b>	1,363	7.9	0.7
Spain	<b>1,328</b>	1,328		(6.8)
UK	<b>1,177</b>	1,226	(4.0)	(4.9)
Other Europe	<b>1,288</b>	1,253	2.8	(4.3)
Eliminations	<b>(47)</b>	(66)		
<b>Service revenue</b>	<b>7,207</b>	7,013	<b>2.8</b>	<b>(3.2)</b>
Other revenue	<b>459</b>	534	(14.0)	(18.2)
<b>Revenue</b>	<b>7,666</b>	7,547	<b>1.6</b>	<b>(4.3)</b>

Revenue grew by 1.6% including a 5.7 percentage point benefit arising from favourable exchange rate movements. Service revenue fell by 3.2%(\*), an improvement on the previous quarter. Strong growth in data revenue, driven by both mobile internet services and mobile broadband, combined with fixed line revenue growth partially offset lower voice revenue which continues to be impacted by market and regulatory pricing pressures. Italy and the Netherlands maintained positive organic growth in service revenue while most other markets showed an improvement on the previous quarter.

Germany

Service revenue fell by 2.8%(\*), a lower rate than the previous quarter due to improvements in both mobile and fixed revenue trends. Continued data revenue growth benefited from the take up of mobile internet devices and was partially offset by lower voice revenue, which was impacted by the termination rate cut effective from April 2009 and competitive pricing pressures. Higher fixed line revenue was driven by continued strong retail net additions and the wholesale business. The fixed broadband customer base increased to 3.4 million with an additional 0.3 million wholesale customers.

Italy

Service revenue grew by 0.7%(\*) as growth in data and fixed line services, driven by the continued success of PC connectivity and mobile internet services and strong fixed broadband customer additions, respectively, were partially offset by a decline in voice revenue. Despite the commercial success of Christmas promotions, increased competition and optimisation of spending by prepaid customers in the current economic climate led to lower voice revenue. Mobile customer additions were strong overall and the closing contract customer base was up 19%.

Spain

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The 6.8%(\*) decline in service revenue was stable compared to the previous quarter despite continued economic weakness and a high unemployment rate. Growth in data and fixed line revenue continued to benefit from Vodafone Station but was more than offset by a decline in voice revenue. Continued improvement in voice usage trends helped partially offset the termination rate cuts effective from April 2009.

### UK

Service revenue declined by 4.9%(\*) with the trend improving compared to the previous quarter driven by strong mobile customer additions achieved through the launch of new products and indirect distribution channels. Messaging and data revenue growth was supported by unlimited message plans and the growth in mobile internet bundles. These trends were offset by the continued fall in voice revenue, a consequence of competitive price reductions and a termination rate cut effective from July 2009.

### Other Europe

Service revenue declined by 4.3%(\*). The Netherlands maintained positive growth with all other markets improving or remaining stable compared to the previous quarter. Portugal's service revenue declined at a lower rate compared to the previous quarter driven by continued strong voice usage and reduced pressure on pricing and termination rates. Service revenue in Greece continued to be under pressure due to the economy and price declines.

**OPERATING REVIEW****Africa and Central Europe**

<b>Revenue</b>	<b>2009</b> <b>£m</b>	Quarter ended 31 December		<b>% change</b> <b>Organic(1)</b>
		<b>2008</b> <b>£m</b>	<b>Reported</b>	
Vodacom	<b>1,111</b>	391	184.1	5.5
Other Africa and Central Europe	<b>879</b>	899	(2.2)	(6.8)
<b>Service revenue</b>	<b>1,990</b>	1,290	<b>54.3</b>	<b>(0.5)</b>
Other revenue	<b>193</b>	103	87.4	(0.5)
<b>Revenue</b>	<b>2,183</b>	1,393	<b>56.7</b>	<b>(0.5)</b>

Note:

(1) Organic growth includes Vodacom (except the results of Gateway) at the current level of ownership.

Revenue increased by 56.7% benefiting from the treatment of Vodacom as a subsidiary and the full consolidation of its results in the current period. Service revenue declined by 0.5%(\*) as the 3.5 percentage point impact of termination rate cuts and lower prices offset the impact of net mobile customer additions in the quarter and good data revenue growth. Continued solid growth in Vodacom and a much improved performance in Turkey were more than offset by revenue declines in Central Europe.

Vodacom

Service revenue grew by 5.5%(\*) with continued robust performance in South Africa offsetting service revenue declines in Tanzania and the Democratic Republic of Congo. Data revenue continued to increase strongly with growth of 36.1%(\*) following increased penetration of mobile PC connectivity devices and mobile internet usage. Customer growth in the South African market continued to be impacted by customer registration requirements. Service revenue declined in Tanzania and the Democratic Republic of Congo reflecting price reductions aimed at improving competitiveness in key markets and a challenging economy in the Democratic Republic of Congo.

Other Africa and Central Europe

Service revenue declined by 6.8%(\*) as growth in Turkey was more than offset by revenue declines in other markets in the region. Turkey returned to growth this quarter with service revenue increasing by 12.9%(\*) driven by incoming mobile voice revenue and an improving trend in outgoing mobile voice revenue. Vodafone continues to be the market leader in mobile number portability which contributed to a substantial increase in the contract customer base. Turkey continued to invest in improving both network quality and coverage and significantly expanded its distribution channels. In Romania service revenue declined by 23.8%(\*), with voice revenue declining by 24.7%(\*) as competition remained intense and new promotional deals resulted in lower effective pricing.

**Asia Pacific and Middle East**

<b>Revenue</b>	<b>2009</b> <b>£m</b>	Quarter ended 31 December		<b>% change</b> <b>Organic(1)</b>
		<b>2008</b> <b>£m</b>	<b>Reported</b>	
India	<b>767</b>	674	13.8	13.8
Other Asia Pacific and Middle East	<b>803</b>	728	10.3	5.8
<b>Service revenue</b>	<b>1,570</b>	1,402	<b>12.0</b>	<b>10.4</b>
Other revenue	<b>91</b>	112	(18.8)	(20.1)
<b>Revenue</b>	<b>1,661</b>	1,514	<b>9.7</b>	<b>8.8</b>

Note:

(1) Organic growth includes India at the current level of ownership but excludes Australia following the merger with Hutchison 3G Australia on 9 June 2009.

Revenue grew by 9.7% including a 7.5 percentage point benefit from favourable exchange rate movements. Service revenue grew by 10.4%(\*) driven by 45.7% growth in the average mobile customer base and continued strong data revenue growth. India contributed around 75% of the region's organic service revenue growth.

India

Service revenue grew by 13.8%(\*), including a 6.9 percentage point benefit from the revenue stream generated by the network sharing joint venture Indus Towers. The growth rate was lower than the previous quarter primarily due to pressure on voice pricing in what is becoming an increasingly competitive market. The impact of the 51.0% increase in average mobile customers was largely offset by lower effective prices. Indus Towers continued to show improved performance with tenancy rates up to an average of 1.7 operators per site.

## OPERATING REVIEW

### Other Asia Pacific and Middle East

Service revenue increased by 5.8%(\*) driven primarily by the growth in Qatar and Egypt. Having launched services in July 2009 Qatar more than doubled its mobile customer base in the quarter to 354,000 customers at 31 December 2009, representing 22% of the population. In Egypt service revenue increased by 2.7%(\*) following an increase in the average mobile customer base and strong data revenue growth resulting from increased penetration of mobile internet devices. These factors were partially offset by aggressive competition and pricing deregulation in the market. The Group's joint venture in Australia is performing well and delivering cost synergies in line with management's expectations.

### **Verizon Wireless**

In the United States Verizon Wireless reported 2.2 million net mobile customer additions during the quarter bringing the closing mobile customer base to 91.2 million, up 7.0% on a pro forma basis compared to the same quarter last year. Service revenue growth of 4.7%(\*) was driven by the expanding customer base and robust data revenue derived from growth in mobile broadband products.

### **Other transactions and developments**

Since 30 September 2009 the Group has completed or announced the transactions listed below. Sterling equivalents are based on exchange rates on the date of announcement or completion.

In December 2009 the Group acquired a 49% interest in each of two companies that hold indirect equity interests in Vodafone Essar Limited ( Vodafone India ) following the partial exercise of options which are described on page 44 of the Group's 2009 annual report. As a result the Group increased its aggregate direct and indirect equity interest in Vodafone India from 51.58% to 57.59%.

On 17 December 2009 the UK Supreme Court refused Vodafone 2 permission to appeal against a Court of Appeal decision with regard to the legal issue of compatibility of the UK's CFC legislation with EU law. As a result the Court of Appeal's judgement, that under specific circumstances dictated by European Law the UK CFC rules may be applied, resolves this legal issue initially pursued by Vodafone. Attention will now turn to the facts and circumstances of the case. For further information on the background to this case, please refer to the information under the heading 'Legal proceedings' on pages 114 and 115 of the Group's 2009 annual report.

## ADDITIONAL INFORMATION

### Service revenue quarter ended 31 December

	Group		Europe		Africa and Central Europe		Asia Pacific and Middle East	
	2009 £m	2008 £m	2009 £m	2008 £m	2009 £m	2008 £m	2009 £m	2008 £m
Voice revenue	7,138	6,779	4,402	4,609	1,538	1,039	1,196	1,130
Messaging revenue	1,261	1,149	967	918	165	121	130	110
Data revenue	1,053	786	792	642	147	67	114	77
Fixed line revenue	862	695	775	656	64	26	23	14
Other service revenue	420	262	271	188	76	37	107	71
<b>Service revenue</b>	<b>10,734</b>	<b>9,671</b>	<b>7,207</b>	<b>7,013</b>	<b>1,990</b>	<b>1,290</b>	<b>1,570</b>	<b>1,402</b>

	Group		% change		Africa and Central Europe		Asia Pacific and Middle East	
	Reported	Organic	Reported	Organic	Reported	Organic	Reported	Organic
Voice revenue	(5.3)	(6.4)	(4.5)	(9.9)	48.0	(2.9)	5.8	6.2
Messaging revenue	9.7	0.3	5.3		36.4	(0.5)	18.2	5.9
Data revenue	34.0	17.7	23.4	16.3	119.4	24.9	48.1	21.7
Fixed line revenue	24.0	10.0	18.1	10.0	146.2	(72.2)	64.3	40.9
Other service revenue	60.3	41.8	44.1	33.6	105.4	25.1	50.7	61.6
<b>Service revenue</b>	<b>11.0</b>	<b>(1.2)</b>	<b>2.8</b>	<b>(3.2)</b>	<b>54.3</b>	<b>(0.5)</b>	<b>12.0</b>	<b>10.4</b>

	Germany		Italy		Spain		UK		Vodacom		India	
	2009 £m	2008 £m	2009 £m	2008 £m	2009 £m	2008 £m	2009 £m	2008 £m	2009 £m	2008 £m	2009 £m	2008 £m
Voice revenue	994	1,017	923	909	967	994	648	787	858	332	630	588
Messaging revenue	201	191	233	214	107	114	267	239	69	24	28	23
Data revenue	264	209	135	105	122	102	150	123	96	25	42	38
Fixed line revenue	499	445	141	107	81	68	8	8	42			
Other service revenue	33	47	38	28	51	50	104	69	46	10	67	25
<b>Service revenue</b>	<b>1,991</b>	<b>1,909</b>	<b>1,470</b>	<b>1,363</b>	<b>1,328</b>	<b>1,328</b>	<b>1,177</b>	<b>1,226</b>	<b>1,111</b>	<b>391</b>	<b>767</b>	<b>674</b>

	Germany		Italy		% change		UK		Vodacom		India	
	Reported	Organic	Reported	Organic	Reported	Organic	Reported	Organic	Reported	Organic	Reported	Organic
<b>Service revenue</b>	<b>4.3</b>	<b>(2.8)</b>	<b>7.9</b>	<b>0.7</b>		<b>(6.8)</b>	<b>(4.0)</b>	<b>(4.9)</b>	<b>100+</b>	<b>5.5</b>	<b>13.8</b>	<b>13.8</b>



**ADDITIONAL INFORMATION****Mobile customers(1) quarter ended 31 December 2009**

<b>COUNTRY (in thousands)</b>	<b>AT 1 OCT 2009</b>	<b>NET ADDITIONS</b>	<b>OTHER MOVEMENTS(2)</b>	<b>AT 31 DEC 2009</b>	<b>PREPAID</b>
<u>Europe</u>					
Germany(3)	34,540	85		<b>34,625</b>	53.5%
Italy	22,403	563		<b>22,966</b>	86.3%
Spain	17,069	(159)		<b>16,910</b>	39.1%
UK	18,704	410		<b>19,114</b>	56.0%
	92,716	899		<b>93,615</b>	61.3%
<u>Other Europe</u>					
Albania	1,619	56		<b>1,675</b>	94.1%
Greece	6,255	301		<b>6,556</b>	74.1%
Ireland	2,119	26		<b>2,145</b>	68.2%
Malta	220	4		<b>224</b>	84.9%
Netherlands	4,708	92		<b>4,800</b>	39.3%
Portugal	5,813	95		<b>5,908</b>	80.1%
	20,734	574		<b>21,308</b>	69.0%
<b>Europe</b>	113,450	1,473		<b>114,923</b>	62.7%
<u>Africa and Central Europe</u>					
Vodacom(4)	41,587	(78)	(1,055)	<b>40,454</b>	88.3%
Czech Republic	2,984	22		<b>3,006</b>	47.9%
Ghana	2,604	106		<b>2,710</b>	99.6%
Hungary	2,518	84		<b>2,602</b>	55.8%
Poland	3,451	(27)		<b>3,424</b>	50.4%
Romania	9,535	128		<b>9,663</b>	61.9%
Turkey	15,683	(18)		<b>15,665</b>	85.6%
	78,362	217	(1,055)	<b>77,524</b>	76.9%
<u>Asia Pacific and Middle East</u>					
India	82,846	8,556		<b>91,402</b>	93.9%
Australia	3,274	135		<b>3,409</b>	45.8%
Egypt	22,065	1,260		<b>23,325</b>	95.9%
Fiji	340	15		<b>355</b>	96.3%
New Zealand	2,484	9		<b>2,493</b>	70.7%
Qatar	151	203		<b>354</b>	90.6%
	111,160	10,178		<b>121,338</b>	91.2%
<b>Group</b>	302,972	11,868	(1,055)	<b>313,785</b>	77.0%
<u>Reconciliation to proportionate</u>					
Group	302,972	11,868	(1,055)	<b>313,785</b>	
Minority interests in above(5)	(55,767)	(3,765)	705	<b>(58,827)</b>	
Associates and investments:					
Verizon Wireless	40,056	965	41	<b>41,062</b>	8.0%
Other	35,770	1,193		<b>36,963</b>	97.3%
	75,826	2,158	41	<b>78,025</b>	
<b>Proportionate(5)</b>	323,031	10,261	(309)	<b>332,983</b>	83.8%
<b>Europe</b>	122,281	1,540		<b>123,821</b>	59.4%

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<b>Africa and Central Europe</b>	65,822	289	(350)	<b>65,761</b>	80.2%
<b>Asia Pacific and Middle East</b>	94,872	7,467		<b>102,339</b>	97.8%
<b>Verizon Wireless</b>	40,056	965	41	<b>41,062</b>	8.0%

Notes:

- (1) Group customers are presented on a controlled (fully consolidated) and jointly controlled (proportionately consolidated) basis in accordance with the Group's current segments.
- (2) Other movements relate primarily to the disconnection of inactive SIM cards by Vodacom's subsidiary in the Democratic Republic of Congo in December 2009.
- (3) German customers at 1 October 2009 have been adjusted to remove 234,000 mobile data SIMs issued in conjunction with a fixed broadband offering.
- (4) Vodacom refers to the Group's interests in Vodacom Group (Pty) Limited and its subsidiaries, including those located outside of South Africa.
- (5) Proportionate customers are based on equity interests as at 31 December 2009. The calculation of proportionate customers for India also assumes the exercise of call options that could increase the Group's equity interest from 57.59% to 66.98%. These call options can only be exercised in accordance with Indian law prevailing at the time of exercise.

**ADDITIONAL INFORMATION****Annualised mobile customer churn quarter ended 31 December 2009**

<b>Country</b>	<b>Contract</b>	<b>Prepaid</b>	<b>Total</b>
Germany	17.8%	40.2%	<b>29.7%</b>
Italy	23.3%	24.9%	<b>24.7%</b>
Spain	21.7%	41.9%	<b>29.7%</b>
UK	18.1%	51.7%	<b>36.9%</b>
Vodacom(1)	14.6%	59.8%	<b>54.7%</b>
India	26.0%	38.9%	<b>38.1%</b>

Note:

- (1) The customer churn for Vodacom in the quarter ended 31 December 2009 includes the effect of 1,055,000 prepaid inactive SIM card disconnections by Vodacom's subsidiary in the Democratic Republic of Congo during December 2009. The underlying prepaid customer churn excluding this change was 48.3% and total churn was 44.5%.

**OTHER INFORMATION****Notes:**

1. Vodafone, the Vodafone logo, Vodafone Station and Vodacom are trade marks of the Vodafone Group. Other product and company names mentioned herein may be the trade marks of their respective owners.
2. All growth rates reflect a comparison to the quarter ended 31 December 2008 unless otherwise stated. References to the previous quarter are to the quarter ended 30 September 2009 unless otherwise stated.
3. 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. All relevant calculations of organic growth include Vodacom (except the results of Gateway) at the current level of ownership and exclude all results of the Group's business in Australia.
4. Reported growth is based on amounts reported in pounds sterling as determined under IFRS.
5. The Group's outlook for the 2010 financial year is contained on page 37 of the Group's 2009 annual report as updated on page 3 of the Group's half-year financial report for the six months ended 30 September 2009.
6. Quarterly historical information including customers, churn, voice usage and ARPU is provided in a spreadsheet available at [www.vodafone.com/investor](http://www.vodafone.com/investor).

**Forward-looking statements**

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This document contains forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995 which are subject to risks and uncertainties because they relate to future events. In particular, such forward-looking statements include but are not limited to: statements with respect to Vodafone's expectations as to savings from cost reduction programmes, including the working capital improvement programme; expectations as to levels of capital expenditure and operating expenditure; the anticipated impact of exchange rate movements on the Group's results for the current fiscal year; the Group's expectations for adjusted operating profit, free cash flow, EBITDA and foreign exchange rates for the 2010 financial year; the impact of reduced mobile termination rates; and expectations regarding market trends including price trends. 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, Vodafone's ability to realise anticipated cost savings, the impact of legal or other proceedings, continued growth in the market for mobile services and general economic conditions.

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 by referring to the information contained under the heading "Other Information - Forward-looking statements" in Vodafone Group Plc's half-year financial report for the six months ending 30 September 2009, and "Forward-looking statements and Principal risk factors and uncertainties" in Vodafone Group Plc's annual report for the year ended 31 March 2009. The half-year financial report and the annual report can be found on the Group's website ([www.vodafone.com/investor](http://www.vodafone.com/investor)). 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 press release will be realised. Except as otherwise stated herein and as may be required to comply with applicable law and regulations, Vodafone does not intend to update these forward-looking statements and does not undertake any obligation to do so.

### **For further information:**

#### **Vodafone Group**

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

VODAFONE GROUP  
PUBLIC LIMITED COMPANY  
(Registrant)

Dated: February 5, 2010

By: /s/ S R SCOTT  
Name: Stephen R. Scott  
Title: Group General Counsel and Company Secretary