Disclaimer

You are invited to join this conference on the basis that you are an investment professional for the purposes of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005. No other person should act or rely on the information presented.

The presentation 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. These forward-looking statements include, without limitation, statements in relation to the Group's financial outlook and future performance. Some of the factors which may cause actual results to differ from these forward-looking statements are discussed on the last slide of the presentation.

The presentation also contains non-GAAP financial information which the Group's management believes is valuable in understanding the performance of the Group or the Group's businesses. However, non-GAAP information is not uniformly defined by all companies and therefore it may not be comparable with similarly titled measures disclosed by other companies, including those in the Group's industry. Although these measures are important in the assessment and management of the business, they should not be viewed in isolation or as replacements for, but rather as complementary to, the comparable GAAP measures.

Vodafone, the Vodafone Portrait, the Vodafone Speechmark, Vodacom, M-Pesa, Vodafone Red, Vodafone One and Vodafone One Net are trade marks of the Vodafone Group. The Vodafone Rhombus is a registered design of the Vodafone Group. Other product and company names mentioned herein may be the trade marks of their respective owners.
Strategy overview & competitive landscape
Consumer Business Unit
Enterprise Business Unit
Regulation
Network / Technology
Ono integration
Agenda

Strategy overview & competitive landscape

Consumer Business Unit
Enterprise Business Unit
Regulation
Network / Technology
Ono integration
Spanish economy growing at 2.7% and with positive prospects

Spain GDP, Growth rate (YoY) (1)

-2.5% 2.0% 2.7% 2.5% 2.6%

Q1 12 Q2 12 Q3 12 Q4 12 Q1 13 Q2 13 Q3 13 Q4 13 Q1 14 Q2 14 Q3 14 Q4 14 Q1 15 (e) 2015 2016 (e)

Final Consumption Expenditure of Households (YoY) (1)

-3.8% 3.4% 3.5%

Q1 12 Q2 12 Q3 12 Q4 12 Q1 13 Q2 13 Q3 13 Q4 13 Q1 14 Q2 14 Q3 14 Q4 14 Q1 15

Unemployment rate (%)

17.2% 19.8% 21.1% 24.2% 26.9% 25.9% 23.8% 21.6% 21.2%

Q1 09 Q1 10 Q1 11 Q1 12 Q1 13 Q1 14 Q1 15 (e) 2015 (e) 2016 (e)

Consumer Confidence Index

May'15: 103.1

€24bn Telco market, starting to stabilise after decreasing at -6.8% CAGR

Telco Market by business (1)

<table>
<thead>
<tr>
<th></th>
<th>FY12/13</th>
<th>FY 13/14</th>
<th>FY 14/15 (e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>27.8</td>
<td>25.6</td>
<td>24.1</td>
</tr>
<tr>
<td>Fixed</td>
<td>55.8%</td>
<td>54.9%</td>
<td>53.2%</td>
</tr>
<tr>
<td>CAGR (12/13 – 14/15)</td>
<td>-6.8%</td>
<td>-9.1%</td>
<td>-4.0%</td>
</tr>
</tbody>
</table>

Market drivers moving in the right direction to return to growth

“Spain: LTE and fiber deployment to drive growth as market consolidates”

Pyramid Research (2)

“The top three operators in the Spanish market, Movistar, Vodafone y Orange, will increase their prices to keep their investments in 4G and NGN; changing the trend of the last years”

ADSL Zone

(1) CMI based on Quarterly Financial Reports, NRA data and internal estimations. Excluding intercompanies
(2) Source: ‘Spain: LTE and Fiber Deployment to Drive Growth as Market Consolidates’. Country Intelligence Report by Pyramid Research
Consolidation is concentrating the market in three main players...

<table>
<thead>
<tr>
<th>Incumbent</th>
<th>Movistar</th>
</tr>
</thead>
<tbody>
<tr>
<td>MNOs (light fixed NW operator)</td>
<td>Movistar</td>
</tr>
<tr>
<td>Fixed players (light mobile)</td>
<td>ONO</td>
</tr>
<tr>
<td>Regional CableCos (Mobile MVNOs)</td>
<td>R</td>
</tr>
<tr>
<td>Pure MVNOs</td>
<td>MÁS Movil</td>
</tr>
<tr>
<td>Pure pay-TV / Satellite</td>
<td>CANAL+</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Incumbent</th>
<th>Movistar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternative unified players</td>
<td>Movistar</td>
</tr>
<tr>
<td>Potential alternative unified players</td>
<td>Vodafone</td>
</tr>
<tr>
<td>Regional CableCos (Mobile MVNOs)</td>
<td>R</td>
</tr>
<tr>
<td>Pure MVNOs</td>
<td>MÁS Movil</td>
</tr>
<tr>
<td>Pure pay-TV / Satellite</td>
<td>MEDIAPRO</td>
</tr>
</tbody>
</table>
...that account for 91% of the market

**Total Revenues Value Share (Fixed & Mobile Total Turnover)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q3 13/14</th>
<th>Q4 13/14</th>
<th>Q1 14/15</th>
<th>Q2 14/15</th>
<th>Q3 14/15</th>
<th>Q4 14/15 (e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>19.8%</td>
<td>20.7%</td>
<td>20.6%</td>
<td>21.1%</td>
<td>20.8%</td>
<td>20.8%</td>
</tr>
<tr>
<td>YoY</td>
<td>+0.1pp</td>
<td>+0.1pp</td>
<td>+0.1pp</td>
<td>+0.1pp</td>
<td>+0.0pp</td>
<td>+0.1pp</td>
</tr>
<tr>
<td>YoY change</td>
<td>-0.2pp</td>
<td>+0.1pp</td>
<td>+0.1pp</td>
<td>+0.1pp</td>
<td>+0.0pp</td>
<td>-0.2pp</td>
</tr>
<tr>
<td>Revenues</td>
<td>49.5%</td>
<td>49.1%</td>
<td>49.8%</td>
<td>49.4%</td>
<td>49.4%</td>
<td>48.9%</td>
</tr>
</tbody>
</table>

Notes:
1. Vod+ONO figures exclude Ono’s wholesale revenues
2. Orange+Jaztel figures including intercompanies (Orange is the host provider for Jazztel MVNO). DTS revenues not included.
Vodafone Strategy
Vodafone Spain strategic objectives

1. Be a **next generation unified communications** growth company

2. Provide the best service delivering the **best Customer experience** in all touchpoints

3. Be the **most efficient and agile** Company in the market among its peers. Improve profitability

4. Be the **most admired** Company among the telecommunication operators in the Spanish market and one of the most admired in Spain
Strategic objectives; 3 year plan

Transform & regain competitiveness

13/14

Consolidate improvements

14/15

Build differentiation and back to growth

15/16

The third year of our strategic plan is key to ensure we get back to growth and to consolidate Vodafone as the preferred operator by our customers, based on our CxP\(^1\) differentiation and UHBB\(^2\) leadership.
Ready for growth

The best Customer Experience
NPS Consumer*

Consolidation as a total telco provider, strengthened with Ono acquisition
March’15

1.7 M customers
>2.9 M customers
>794,000 customers

* Net promoter score based on VF methodology

Service Revenue improving
% YoY

Reported, ex Ono
Ono excl. wholesale

-4.6%

Cost efficiency
Opex (Vodafone standalone)

-6.1%
-0.3%
-5.4%
-9.4%
-3.1%

VF-Spain
Our key initiatives: ONO integration, project Spring and Customer Experience Excellence

Key initiatives:

1. **Vodafone ONE**
2. **Customer Obsession**
3. **One Way**
4. **Ono integration**
5. **Spring**

- **A new next generation unified communications company is born**
- **Differentiation** in Customer Experience increasing gap to other operators
- **Network differentiation and PoS transformation** thanks to Spring investments
- **Integration plans and synergies delivery** to become a truly one company
- **Portfolio simplification** in a single IT stack
Vodafone ONE is more than a product, is a new positioning for the Company.

- **Households VS**
  - single lines
- **Unified solutions VS**
  - only tariff + handset
- **Loyalty via Customer satisfaction VS**
  - subsidy and commitment
ONE big change.

ONE new positioning.
And we keep on innovating

VoLTE
LTE-A: up to 300 Mbps
LTE broadcast

4G+

HFC
Technology evolution:
Speed > 1Gbps

FTTH

Unified solutions for
Enterprise | Cloud & Hosting | M2M | NFC | Big Data

Interactive TV
TV Online
Strategy overview & competitive landscape

**Consumer Business Unit**

Enterprise Business Unit
Regulation
Network / Technology
Ono integration
**Market environment**

### Consumer market (EOPs)

- **59%** Convergence & FBB only
  - (53% FBB+mobile || 7% FBB only)
  - **26%** MS
- **41%** Mobile only
  - **31%**

#### Convergence
- **22%**
- **30%**

#### FBB only

**Mini Smart Red**
- **Best mobile** network: 4G, 4G+
- **Differentiation**: services & contents included on tariffs
- **Focus on data**: enriched data experience
- **Second lines**: innovation through sharing

**Vodafone Market Share**

- **VF-Spain**

---

**All telco services** under same provider
- **High speed experts**: Fiber & 4G
- **Flexible propositions**: personalised to household needs
- **Key role of TV**

**Vodafone Market Share**

**Multibrand approach in low end**
- **No frills new brand: Lowi**
  - Simple proposition
  - Innovative carry-over data model
- **Prepay**
  - Focus on Youth with VF yu:
  - Specific propositions for ethnic & generic
Market starting to focus on value rather than price

2012

2013

2014

2015

+ TEF launches Fusión TV including low entry TV for free

- TEF launches Fusión (40% discount)

Ono acquisition

Attempts to end with the handset subsidy model

Price erosion

Monthly fee rounding up

Call set up fee & ppm increase

Monthly fees increase

Handset Subsidies reduction

Movistar Fusión Price increase

Out of bundle (data) monetisation

VF Convergent offer

VF One new line up

VF-Spain
Consumer performance

### Convergence penetration

<table>
<thead>
<tr>
<th></th>
<th>Mobile</th>
<th>Fixed BB</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q2 14/15</td>
<td>Q3 14/15</td>
<td>Q4 14/15</td>
</tr>
<tr>
<td>Non convergent</td>
<td>4.780</td>
<td>4.752</td>
<td>4.615</td>
</tr>
<tr>
<td>Convergent</td>
<td>2.563</td>
<td>2.963</td>
<td>3.052</td>
</tr>
<tr>
<td>Penetration</td>
<td>66%</td>
<td>71%</td>
<td>71%</td>
</tr>
</tbody>
</table>

### UHBB & TV Customer Base

<table>
<thead>
<tr>
<th></th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>UHBB</td>
<td>759,935</td>
<td>765,373</td>
<td>772,086</td>
</tr>
<tr>
<td>TV</td>
<td>1,406,465</td>
<td>1,463,716</td>
<td>1,541,542</td>
</tr>
</tbody>
</table>

### Market revenue size and share (2014) (€bn)

- **Consumer Mobile**
  - 6.2
  - 33%

- **Total Fixed Market**
  - 12.4
  - 12.1%
  - 19.7%

- **Total Telco Market**
  - 23.9

### NPS

- **NPS Total**
  - Q1 15/14: -12
  - Q2 15/14: -10
  - Q3 15/14: -7
  - Q4 15/14: +3
  - **GAP +9pp**

- **Consumer**
  - Q1 15/14: -12
  - Q2 15/14: -10
  - Q3 15/14: -7
  - Q4 15/14: +3

- **Fixed**
  - Q1 14/15: -12
  - Q2 14/15: -10
  - Q3 14/15: -7
  - Q4 14/15: +3

- **Total**
  - Q1 14/15: -12
  - Q2 14/15: -10
  - Q3 14/15: -7
  - Q4 14/15: +3

**VF-Spain**
Vodafone ONE preliminary results

**Customers in Vodafone One: 1 month after launch**

- April 25th: 50 (0.000)
- April 30th: 100
- May 10th: 150
- May 17th: 200
- May 24th: 250
- May 31st: 300

**Significant improvement in Vodafone fiber awareness**

(+15 p.p. from March to April)

- Dec 13: 19%
- Mar 14: 22%
- Jun 14: 23%
- Sep 14: 32%
- Dec 14: 35%
- Mar 15: 54%
- Apr 15: 75%

**Total telco consideration also improving after launch**

- Sep’14-Nov’14: 21
- Oct’14-Dec’14: 22
- Nov’14-Jan’15: 22
- Dec’14-Feb’15: 23
- Jan’14-Mar’15: 35
- Feb’14-Apr’15: 32
- Mar’14-May’15: 35

**Image items (% associates)**

- Fiber expertise
- Maximum speed
- Good technical service

VF-Spain
Strategic plan; maximise delivery in each segment based on four pillars

1. **Maximise revenue**
   - New data model: Out of bundle
   - Speed up data usage
   - 4G acceleration plan: content & VAS
   - Increase Vodafone yu: penetration

2. **Become a totalcom provider**
   - Leverage Vodafone One to own total comms in households
   - Family approach and second lines
   - Shift communication from pure product to customer needs

3. **Leverage on differentiation in each segment**
   - Focus on value: New mobile line-up with enhanced features
   - Smart TV offer

4. **Ensure best customer experience**
   - Continue leading consumer NPS
   - Focus on customer satisfaction through innovative services
   - Retail differentiation program: roll out and in store services model
   - Focus on omnichannel Experience
Agenda

Strategy overview & competitive landscape

Consumer Business Unit

Enterprise Business Unit

Regulation

Network / Technology

Ono integration
Market & Competitive Positioning in Enterprise

Market revenue size and share (2014) (€bn)

<table>
<thead>
<tr>
<th></th>
<th>Enterprise Mobile</th>
<th>Total Fixed Market</th>
<th>Total Telco Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,0</td>
<td>30,6%</td>
<td>12,1%</td>
<td>19,7%</td>
</tr>
</tbody>
</table>

Areas of pressure

- REGULATION
- MACROECONOMIC ENVIRONMENT & PRICE SENSITIVENESS
- CONVERGENCE
- OTT

Vodafone’s key differentiation drivers

1. Unmatched customer experience
2. Best connectivity, leading the NGN “ultrabroadband” space
3. Lead differentiated portfolio
4. Segment driven organization and go to market
Enterprise Strategy

1. Outstanding Business Fundamentals
   - NPS at the core
   - Continuous churn improvement
   - ARPC increase
   - Proactive Base Management

2. Mobile Data as growth engine
   - Lead 4G
   - Data democratisation
   - Increase data usage (OoB & Apps)
   - M2M Leadership

3. Scale up Convergence & UC
   - Successful ONO Integration
   - ONE (Fiber+4G)
   - IP-VPN
   - One Net Leadership

4. Cloud, Hosting & Managed Services
   - Microsoft & Google Apps & VSDM
   - Partners Programme
   - Managed Services

Supported by:

a. New convergent offer (ONE & IP-VPN) & Scalable best-in-class service delivery
b. Brand reinforcement “Experto en Alta Velocidad”
c. Best-in-class channels, pushing value approach and driving by ARPC uplift
Enterprise performance

NPS evolution – Leading Customer Experience

Mobile Net Portability - Winning Comm Battle

Mobile Market value share – Leading growth

Fixed Broadband Revenue YoY – Consistent Growth

* Net promoter score based on VF methodology
* Mobile Portability NRA Quarterly Reports
* CMI Based on NRA quarterly reports
Agenda

Strategy overview & competitive landscape

Consumer Business Unit

Enterprise Business Unit

Regulation

Network / Technology

Ono integration
Key Topics

1. Orange / Jazztel Merger
2. Telefónica / DTS Canal +
3. CNMC’s proposal on Wholesale Broadband Access (NGA)
4. Vertical Access
5. Telecommunications operators’ actions in the digital dividend band
6. Telecommunications contracts with Public Administrations
7. Mobile wholesale access market (MVNO)
Agenda

- Strategy overview & competitive landscape
- Consumer Business Unit
- Enterprise Business Unit
- Regulation
- **Network / Technology**
- Ono integration
Best Network | Coverage & Performance

Performance

<table>
<thead>
<tr>
<th></th>
<th>Download Tput (Mbps)</th>
<th>Upload Tput (Mbps)</th>
<th>Call Accessibility (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vodafone</td>
<td>22.822</td>
<td>11.639</td>
<td>99,6</td>
</tr>
<tr>
<td>Competitor #1</td>
<td>15.216</td>
<td>6.271</td>
<td>99,0</td>
</tr>
<tr>
<td>Competitor #2</td>
<td>15.422</td>
<td>6.345</td>
<td>99,3</td>
</tr>
</tbody>
</table>

Mobile & Fixed Coverage

- **Physical Sites (#)** 18,500
- **NGA HH passed (#)** 8,450,000
- **Total km of fibre built (#)** 66,600
- **HFC Street Cabinets (#)** 14,900

<table>
<thead>
<tr>
<th></th>
<th>Voice Indoor</th>
<th>3G/4G 1Mbps outdoor</th>
<th>3G/4G 1Mbps indoor</th>
<th>4G 1Mbps outdoor</th>
<th>4G 1Mbps indoor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vodafone</td>
<td>91,5%</td>
<td>97,3%</td>
<td>91,0%</td>
<td>74,5%</td>
<td>58,5%</td>
</tr>
<tr>
<td>Competitor #1</td>
<td>92,0%</td>
<td>97,2%</td>
<td>91,0%</td>
<td>72,0%</td>
<td>57,0%</td>
</tr>
<tr>
<td>Competitor #2</td>
<td>90,0%</td>
<td>96,8%</td>
<td>84,0%</td>
<td>71,6%</td>
<td>56,5%</td>
</tr>
</tbody>
</table>
Network Innovation

VoLTE
1st in Spain

LTE – Advanced
1st in Spain available in 8 top cities

DATA CORE
High performance & Capacity

ONO Integration & IT Convergence
Taking the best of both

eMBMS
1st LTE Broadcasting launch in Spain

Intelligent TV
Powered by TiVo
**Technology Financials**

**Total Company Capex: €3.3bn in 5 years**

*14/15 includes Spring investments and consolidates ONO since acquisition (July 14)

- 10/11: 0.6
- 11/12: 0.5
- 12/13: 0.5
- 13/14: 0.6
- 14/15: *1.1

**Achieved Technology Costs efficiency:**
- 16% reduction in 5 years

- 10/11
- 14/15
Agenda

Strategy overview & competitive landscape
Consumer Business Unit
Enterprise Business Unit
Regulation
Network / Technology

Ono integration
Ono integration roadmap

1. Aug '14: Cross-sell launch
2. FY1516: Convergent offer launch
3. FY1617: Full integration IT & processes

- Standalone business plans
- Synergies
- Integrated business plan & synergies

Regulatory approval
"Day 1"
Costs synergies: ahead of plans; c.50% of synergies secured

<table>
<thead>
<tr>
<th>Key categories</th>
<th>Description</th>
<th>Run-rate in year 4 (€m)(^1)</th>
<th>NPV (€bn)(^2)</th>
</tr>
</thead>
</table>
| **Network / IT**             | • Renegotiation of FTTH contract with Orange: reduction of deployment to 1M + redirection to avoid overlap  
                                • Ono fibre connecting 503 mobile radio sites; avoid backhaul costs  
                                • Savings on self-build DSL expansion using Ono’s infrastructure  
                                • Single IT stack project underway | ~65                           | ~0.8 including capex avoidance |
| **SG&A**                     | • One organization already in place; offices consolidated  
                                • Procurement: 65% of total spend with common suppliers, significant handset synergies  
                                • Ono shops closed, efficiency in logistics  
                                • Plans to rationalise overlapping activities  
                                • Rationalisation of combined marketing costs over time | ~100                          | ~0.7                           |
| **Migration of mobile traffic** | • MVNO contract agreed; all mobile customers migrated by June 15  
                                 (7 months ahead of plan) | ~75                           | ~0.5                           |
| **Total cost and capex synergies** |                                                                              | ~240                          | ~2.0                           |
Revenue synergies: Started with cross-sell and launched a new convergent offer launched in April

August to April: Cross-sell of Fiber and Mobile

- Cross-sell launched 1 month after acquisition
- 90k Vodafone mobile lines sold to Ono customers
- 45k Ono Fiber gross-adds in Vodafone’s customer base
- 55k customers migrated from DSL to Ono Fiber

April: Putting in Value a Differential Infrastructure

The New Offer Will Reinforce Vodafone’s Market Positioning Towards Full Convergent Player