VODAFONE GROUP PUBLIC LTD CO
Form 6-K
May 16, 2018

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 May 16, 2018

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 x Form 40-F o

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): o

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): o

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 o No x

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 SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN EACH OF THE REGISTRATION STATEMENT ON FORM F-3 (FILE NO. 333-219583), THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-81825) AND THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-149634) OF VODAFONE GROUP PUBLIC LIMITED COMPANY AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

This report on form 6-K contains the following items:

(a) Chief Executive s statement;

(b) Business review; and

(c) Consolidated Financial Information of Vodafone Group Plc.

Certain information listed above is taken from the previously published results announcement of Vodafone Group Plc for the year ended 31 March 2018 (the year end financial report). This report on Form 6-K does not update or restate any of the financial information set forth in the year end financial report.

This report on Form 6-K should be read in conjunction with the Group s annual report on Form 20-F for the year ended 31 March 2017, in particular the following sections:

- the information contained under Chief Financial Officer s review on pages 16 and 17;
- the information contained under Key performance indicators on pages 22 to 23;
- the information contained under Operating results on pages 35 to 41;
- the information contained under Financial position and resources on pages 42 and 43;
- the Consolidated Financial Information on pages 99 to 176; and
- the information contained under Prior year operating results on pages 177 to 181;

The terms Vodafone , the Group , we , our and us refer to Vodafone Group Plc (the Company), and as applicable, its subsidiar and/or its interest in joint ventures and/or associates.

Exhibit 7

- Unaudited computation of ratio of earnings to fixed charges

CHIEF EXECUTIVE S STATEMENT

Financial review of the year

On 20 March 2017 we announced an agreement to merge Vodafone India with Idea Cellular (Idea) in India. As a result, Vodafone India is excluded from Group figures, unless stated otherwise.

Financial results: Statutory performance measures

Group revenue for the year declined 2.2% to 46.6 billion, primarily due to the deconsolidation of Vodafone Netherlands following the creation of our joint venture VodafoneZiggo , and foreign exchange movements. Operating profit rose to 4.3 billion compared to 3.7 billion in the prior year, reflecting operational leverage and the benefit of cost efficiency initiatives. Profit for the year was 2.8 billion, including a 2.2 billion net of tax reduction in the carrying value of the Group s operations in India and a 1.9 billion increase in our deferred tax assets in Luxembourg.

Financial results: Non-GAAP financial information

Group organic service revenue grew 1.6%** (Q3: 1.1%*, Q4: 1.4%**). Growth was driven by broadband market share gains, strong data demand with good data monetisation in emerging markets, and the benefit of more-for-more propositions across several European mobile markets. These factors offset a drag from EU Roam Like At Home regulation and MTR changes, UK handset financing and lower wholesale revenues.

Group adjusted EBITDA was up 4.2% at 14.7 billion despite the deconsolidation of Vodafone Netherlands and adverse foreign exchange movements. Organic adjusted EBITDA grew 11.8%*, a significantly faster pace than service revenue. Excluding the negative impact of net roaming declines in Europe, the benefits of settlements in the UK and Germany and the introduction of handset financing in the UK, organic adjusted EBITDA grew by 7.9%*, with broad based EBITDA improvement in 20 out of our 25 markets. This growth reflected higher revenues and a second successive year of lower absolute operating costs on an organic basis as a result of the Fit for Growth programme. Consequently, the Group s adjusted EBITDA margin improved by 1.9 percentage points to 31.6%, or by 1.3* percentage points on an organic basis excluding roaming, settlements and UK handset financing.

Adjusted EBIT increased by 21.6% to 4.8 billion, with organic adjusted EBIT increasing by 47.2%*, driven by strong adjusted EBITDA growth and lower depreciation and amortisation expenses.

The Group s adjusted effective tax rate for the year was 20.6% compared to 25.4% last year. This lower rate is primarily due to a change in the country mix of the Group s profits and the closure of tax audits in Germany and Romania.

Adjusted earnings per share from continued operations increased 44.2% to 11.59 eurocents, reflecting higher adjusted operating profit and lower net financing costs that more than offset the increase in income tax expense.

Losses continued in India as service revenue declined 18.7%* (Q3: -23.1%*, Q4: -21.2%*) as a result of intense price competition from the new entrant, aggressive competitor responses and a significant reduction in MTRs. Adjusted EBITDA declined 34.5%*, with a 5.2 percentage point deterioration in adjusted EBITDA margin to 22.1%. The impact of lower revenues was partially offset by significant actions to lower our operating cost base, as well as the benefit of a provision release in the fourth quarter following positive legal judgements.

Liquidity and capital resources

Free cash flow pre-spectrum was 5.4 billion, compared to 4.1 billion in the prior year. The improvement was driven by higher organic adjusted EBITDA, lower capital additions (which decreased 4.6% to 7.3 billion, representing 15.7% of revenues) and lower capital creditor outflows following the final payments for Project Spring in the prior year.

Free cash flow post spectrum and restructuring payments was 4.0 billion, compared to 3.3 billion in the prior year. Spectrum payments rose to 1.1 billion, mainly driven by 2G licence renewal fees in Italy and the initial deposits for the UK 3.4GHz spectrum auction. Cash restructuring costs of 0.3 billion were similar to the prior year.

Net debt at 31 March 2018 was broadly similar at 31.5 billion compared to 31.2 billion as at 31 March 2017, primarily reflecting free cash flow generation in the period of 4.0 billion and the 1.0 billion net proceeds from the sale of 90 million shares in Vodacom, which were offset by dividend payments of 3.9 billion and the share buyback related to the mandatory convertible bonds of 1.6 billion.

Net debt in India was 7.7 billion at the end of the period, down from 8.7 billion at the end of the prior financial year due to the positive translation impact of closing foreign exchange rates on the debt balance of 1.2 billion and proceeds from the sale of Vodafone India s standalone towers to American Tower Corporation of 0.4 billion, partially offset by negative cash flow of 0.2 billion and accrued interest expense of 0.3 billion. Following the completion of Idea s equity raising in February 2018, under the terms of the merger agreement with Idea the Group intends to inject up to 1 billion of incremental equity into India, net of the proceeds of the sale of a stake in the joint venture to the Aditya Birla Group, prior to completion.

The Board is recommending a final dividend per share of 10.23 eurocents, up 2.0% year-on-year, consistent with the Board s intention to grow the dividend per share annually.

3

CHIEF EXECUTIVE S STATEMENT

Strategic review of the year

Vodafone s progress as a converged communications leader in Europe, a data leader in emerging markets and an international leader in Enterprise accelerated during the past year. We announced significant organic fixed investments and strategic partnerships in Germany, Italy, the UK and Portugal, and in May 2018 we announced the acquisition of Liberty Global s cable operations in Germany and Central & Eastern Europe. We also launched our new V by Vodafone consumer Internet of Things (IoT) solutions, and we repositioned the Vodafone brand with a new visual identity and strapline: The future is exciting. Ready? This positioning underlines our belief that new technologies and digital services will play a positive role in transforming society and enhancing individual quality of life over the years ahead.

We continued to invest in network quality post Project Spring and in our Customer eXperience eXcellence (CXX) programme. Across all of our markets, over the past three years our NPS scores have improved on average by 8 points compared to our nearest competitor, and we now have a leadership or co-leadership position in 17 out of 20 markets for consumer, and in 19 out of 20 markets for Enterprise. During the year our consumer NPS in the UK improved by 12 points to a record level, reflecting our investments in customer service and network quality.

Our growth engines of mobile data, fixed/convergence and Enterprise contributed to profitable total communications revenue market share gains in a majority of our European markets during the period. As a result, our organic service revenues continued to grow despite increased headwinds from regulation and handset financing in the UK.

This strategic and financial progress creates a strong platform for the next phase of the Group s strategic development as we pursue the multiple opportunities arising from the digitalisation of our industry. During the year we launched the Digital Vodafone programme, a transformation of our business model which aims to deliver the most engaging digital experience to our customers. Using advanced digital technologies, our ambition is to generate incremental revenues while reducing net operating costs, building on the success of our Fit for Growth programme which has delivered a net reduction in our operating costs on an organic basis for the second year in a row.

Mobile data

Data traffic grew 61% during the year (and in Q4) in Europe, supported by a rapid increase in bundle sizes, and 63% in AMAP, where penetration of data services continues to grow rapidly. In India, data traffic quadrupled following a sharp decline in data prices. Smartphone usage continued to grow rapidly to 2.9 GB per month (Europe 2.6 GB, AMAP 2.2 GB, India 3.5 GB).

Despite this strong growth, our sustained investments in network quality ensured that during Q4, 92% of data sessions in Europe and 88% of data sessions in AMAP were delivered at speeds of at least 3mbps; and only 3% of 4G sites in Europe were congested during peak hours. This performance is reflected in our Network NPS scores, which demonstrate that we enjoy a leading or co-leading position in 14 out of 20 markets, including in India.

In the majority of our markets across Europe we monetised this growth in data usage through more-for-more propositions as well as personalised offers utilising advanced data analytics. However, contract ARPU remained under pressure as a result of a mix-shift towards SIM-only and multi-SIM family contracts, which now represent over one-third of our contract customer gross additions in Germany and the UK, up around five percentage points year-on-year. The introduction of EU Roam Like At Home regulation in June also weighed on contract ARPU. In AMAP data revenues are growing strongly, supported by the relative scarcity of fixed Internet access and low data penetration.

Vodafone Passes, which provide customers with worry-free access to social, media and video applications without using their data allowance, are now available in 13 markets with 13.0 million unique users enjoying over 19 million passes by the end of Q4. Passes are sold on a standalone basis and are also integrated into the monthly bundle as part of our more-for-more propositions.

In November, we launched our new V by Vodafone consumer IoT business. Our new dedicated IoT V-Sim by Vodafone enables consumers to connect both Vodafone branded and third party electronics products to Vodafone s leading international IoT network, paying a fixed monthly subscription for each V-Sim . These products can be easily managed using the V by Vodafone smartphone app, which provides customers with a single overview of all IoT-enabled products registered to their account.

Fixed & Convergence

During the next five years around 50 million additional households are expected to adopt NGN broadband within Vodafone s European footprint. We view this shift to NGN as a window of opportunity to capture substantial profitable market share. Gaining scale in fixed allows us to drive convergence across our combined fixed and mobile customer base, lowering churn.

CHIEF EXECUTIVE S STATEMENT

We have a flexible and capital efficient strategy which combines build/co-build, strategic partnering, wholesale and acquisition options. This approach allows us to continually improve our fixed access position, as highlighted by several strategically important fixed line agreements announced during the year:

1. In September we announced our Gigabit Investment Plan for Germany. We intend to invest approximately 2 billion of incremental capital expenditure on ultrafast broadband services by the end of calendar 2021. We expect this success-based plan to drive incremental growth and attractive returns, with limited impact on near-term cash generation thanks to our partnering approach. We aim to deploy fibre to around 2,000 business parks across Germany, working with partners and independently; partner with local municipalities to reach around 1 million rural consumer homes with FTTH; and upgrade our existing cable infrastructure to deliver 1Gbps speeds to 12.7 million households.

2. In October we announced a reciprocal FTTH network sharing agreement in Portugal with NOS, providing us with access to an additional 1.3 million homes and businesses on attractive commercial terms. This takes our total coverage to 4.0 million, representing 80% of households in the country.

3. In November we announced a long-term strategic partnership with CityFibre in the UK. This framework agreement will provide us with the ability to market FTTH services to up to 5.0 million UK households by 2025 at attractive commercial terms. We have identified the first 1 million households to be built, and have committed to an initial exclusivity period in exchange for a ten-year 20% minimum volume commitment on these households. The first cities to be built within this partnership are Milton Keynes, Aberdeen and Peterborough.

4. In April 2018 we announced the extension of our strategic partnership with Open Fiber in Italy to cover a further 258 cities, bringing the total to 271 cities covering 9.5 million households (around 60% of the population) with FTTH services by 2022.

5. In May 2018 we announced the acquisition of Liberty Global s cable assets in Germany, Czech Republic, Hungary and Romania for a total enterprise value of 18.4 billion. The transaction creates a converged national challenger to the dominant incumbent in Germany and transforms our predominately mobile-only operations in Central & Eastern Europe. In total we will acquire gigabit-capable networks passing 17.4 million marketable homes, including 11.0 million in Germany, 1.5 million in the Czech Republic, 1.8 million in Hungary and 3.1 million in Romania. These assets have attractive standalone growth potential given significant scope to increase broadband penetration. In-market consolidation across the four countries is expected to create synergies with an NPV of over 7.5 billion, with run-rate cost and capex savings of 535 million by the fifth year post completion (excluding integration costs). We intend to

finance the acquisition using debt and around 3 billion of mandatory convertible bonds, increasing the Group s financial leverage on a pro forma basis to 3.0x at end FY2017/18, and approximately 2.8x on a pro forma basis on the assumption the rating agencies apply an equity credit to the hybrid debt securities we intend to issue. The transaction is subject to regulatory approval, with completion anticipated around the middle of calendar 2019.

On a pro-forma basis for the acquisition of Liberty Global s cable assets, at year-end we had Europe s largest NGN footprint covering 114 million households, with 54 million households on-net (including VodafoneZiggo).

During the year we maintained our good commercial momentum, and we were once again Europe s fastest growing broadband provider, adding 1.1 million new broadband customers. Our NGN customer base grew by 1.8 million, with a record 514,000 customers added in Q4. This supported European fixed service revenue growth of 4.7%** in the year.

In total, across the Group we now have 16.1 million broadband customers, of which 9.9 million take a high speed service over fibre and cable, and 9.9 million TV customers. Our momentum in convergence also continued, with 754,000 customers added in the year and a record 267,000 added in Q4, reaching a total base of 4.5 million. Including VodafoneZiggo, we now have 19.4 million broadband customers, 13.8 million TV customers and 5.5 million converged customers. Fixed now contributes 25% of Group service revenues (29% in Europe), up from 22% three years ago.

Enterprise

Services to business comprise 29% of our Group service revenue, and 31% in Europe. Our relationships with business customers are expanding from traditional mobile voice and data services to embrace total communications, IoT, Cloud & Hosting and IP-VPN provision. These new areas offer both market growth and market share opportunities for us.

Our Enterprise business continued to outperform peers with service revenue growth of 0.9%* (Q3: 0.4%*, Q4: 1.5%*), supported by our unique global network and product set, the contribution from emerging market growth and our low exposure to legacy fixed line. These factors allowed us to offset continued pricing pressure in European mobile and roaming declines during the year. Excluding the impact of regulation, we grew 2.1%* (Q3: 1.6%*, Q4: 2.1%*). In Europe, service revenue was up 0.1%*, while AMAP grew 5.3%*. Growth in IoT continued (14.1%*), primarily driven by the increase in SIM connections (+31.2% year-on year). In total we now have 68 million active SIMs on our world-leading IoT platform, including 14.4 million vehicles, reflecting our status as a Tier 1 supplier to eight out of the top ten car manufacturers globally.

CHIEF EXECUTIVE S STATEMENT

Digital Vodafone

The Digital Vodafone programme has been developed in order to transform our business model, developing and strengthening our existing Customer eXperience eXcellence (CXX) initiative and enabling us to build upon our Fit4Growth achievements. We aim to deliver the most engaging digital experience in the industry for our customers, blending the digital and physical assets of Vodafone to provide personal, instant and easy interactions. By using advanced data analytics to improve all commercial and technology investment decisions, while at the same time automating our operations, we also plan to generate incremental revenues and to continue to reduce net operating costs on an organic basis.

The programme builds on the introduction of a Digital eXperience Layer (DXL) for quicker and cheaper IT development, on the experience of our Data Analytics Units now rolled out across the Group and on the high penetration of the My Vodafone App (now at 65% in Europe). We have already established dedicated Digital Accelerator teams in ten of our largest markets, and will expand the programme to all markets with around 2,000 dedicated FTEs by the end of FY2019.

The cross-functional Digital Accelerator teams are utilising the agile approach to evolve services and innovate rapidly with quick release cycles. Their objective is to transform our operations in three main areas:

1. Digital customer management

We intend to increase the use of data analytics to provide predictive, proactive and personalised offers to our customers, optimising the efficiency of our marketing spend, enhancing ARPU, lowering churn and improving our direct channel mix. In Q4 around 35% of our campaigns utilised big data insights, we aim to increase this to 100% by FY2021.

Our ambition is that the MyVodafone app and our digital marketing channels over time become our main customer acquisition and management platform, representing over 40% of our sales mix compared to an average of 11% in Q4.

We intend to be able to meet any customer request through automated, digital support for example, by using chatbots and digital agents that utilise rapidly developing artificial intelligence technologies, developed and shared on a Group-wide basis. Currently, we are using chatbots in 5 markets, resolving around 1% of customer contacts; we aim to increase this to 60% of customer contacts by FY2021.

2. Digital technology management

We are rapidly installing new middleware on top of our legacy IT systems. This Digital eXperience Layer accelerates the deployment of new digital capabilities, de-coupling them from the longer and financially costly upgrade cycles for our legacy billing and other systems. We aim to deploy this DXL layer in all major markets by the end of this financial year.

In addition, real-time data analytics will enable even smarter network planning and deployment, as well as more precise ROI-based investment decisions, taking into account the profitability of each radio site based on customers actual and predicted profitability. Together with the ongoing effort to migrate 65% of our IT applications to the cloud, we aim to achieve significant capex and opex efficiencies, allowing us to re-invest in a differentiated network experience.

3. Digital operations

We see substantial scope for digitalisation to accelerate the simplification and automation of standard processes, in both operational and support areas. These include IT and network operations, customer management back office functions and all other administrative activities. We have already established an automation unit in our shared service centres, in which around 200 bots were active in Q4.

Fit for Growth

Fit for Growth is our comprehensive cost efficiency programme designed to drive operating leverage and margin expansion, enabling us to invest in enhancing customer experience. We have continued to make good progress in the year, delivering an absolute reduction in our operating cost base on an organic basis for the second year in succession. Areas of significant cost savings include procurement, shared service centres, improved sales channel efficiency, standardised network design as well as zero based budgeting initiatives. Fit4Growth has greatly contributed to improving our cost structure. Across the Group, 20 out of 25 markets grew adjusted EBITDA faster than service revenue in the year, driving a 1.9 percentage point improvement in the Group s adjusted EBITDA margin to 31.6%.

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 movements in foreign exchange rates. Change at constant exchange rates presents performance on a comparable basis in terms of foreign exchange rates only. Organic growth and change at constant exchange rates are non-GAAP performance measures. See Non-GAAP financial information on page 43 for further details and reconciliations to the respective closest equivalent GAAP measures.

** Also excludes the impact of the legal settlement in Germany in Q4.

1. Non-GAAP performance measures are presented to provide readers with additional financial

information that is regularly reviewed by management and should not be viewed in isolation or as an alternative to the equivalent GAAP measures. See Non-GAAP financial information on page 43 for reconciliations to the closest respective equivalent GAAP measures and Definition of terms on page 53 for further details.

2. Free cash flow has been redefined and restated for all years to include restructuring and licence and spectrum payments to ensure greater comparability with similarly titled measures and disclosures by other companies.

GUIDANCE

Please see page 43 for Non-GAAP financial information , page 53 for Definition of terms and page 55 for Forward-looking statements .

Performance against 2018 financial year guidance[1]

Based on guidance exchange rates, organic EBITDA grew by 11.8% to 15.0 billion, above the Group s revised guidance range for around 10% organic growth (implying 14.75 - 14.95 billion) set in November 2017. On the same basis our FCF pre-spectrum was 5.6 billion, delivering our guidance to exceed 5 billion .

Prospects for the 2019 financial year[1]

Our key strategic priority for the year ahead is to accelerate the transformation of our business model through the Digital Vodafone programme, enabling us to provide an excellent digital experience for our customers and unlock significant long-term efficiencies for the Group.

We will continue to focus on our strategic growth engines : winning profitable NGN market share and driving convergence in Europe, monetising strong data growth in emerging markets and outperforming our peers as an international leader in Enterprise. Our sustained momentum in these areas will help to mitigate the expected impact of a new entrant in Italy and increased competitive intensity in Spain.

In addition, we expect for the third year in a row to reduce absolute operating costs on an organic basis, supported by our ongoing Fit for Growth initiatives.

Overall, we expect to grow our adjusted organic EBITDA by 1 - 5%, excluding the impact of UK handset financing in both years, and the significant benefit in the prior year from regulatory settlements in the UK and a legal settlement in Germany. Based on guidance FX rates, and under IAS18 accounting standards, this implies an adjusted EBITDA range of 14.15-14.65 billion for the year.

During the 2019 financial year the Group will adopt the IFRS15 accounting standard, which will be jointly reported alongside our results in FY2019 on an IAS18 basis. Under IFRS15, we expect our organic service revenue growth will be slightly higher and our absolute adjusted EBITDA will be slightly lower, primarily due to the elimination of the impact of UK handset financing under IAS18, with no impact on free cash flow.

We continue to expect our capital additions, expressed as a percentage of our revenues, to remain in the mid-teens , excluding capital additions related to the Gigabit Investment Plan in Germany. The Plan is expected to ramp up during the year, with total incremental capital additions estimated to be c. 2 billion over a four year period, and an annual drag on FCF in the initial years of the Plan of around 100-200 million.

We aim to generate FCF pre-spectrum of at least 5.2 billion, after all capex, before M&A and restructuring costs, and based on guidance FX rates. This includes drags of approximately 0.2 billion from the Gigabit Investment Plan in Germany and c. 0.2 billion from the combination of lower shareholder recharges in India and the sale of Qatar.

	Adjusted EBITDA bn	**Free cash flow (pre-spectrum) bn**
2019 financial year guidance (excluding Vodafone India)	Organic growth of 1 - 5% excluding settlements and UK handset financing	At least 5.2 billion

Dividend policy

The Board intends to grow dividends per share annually. Dividends will be declared in euros and paid in euros, pounds sterling and US dollars. The foreign exchange rate at which future dividends declared in euros will be converted into pounds sterling and US dollars will be calculated based on the average exchange rate over the five business days during the week prior to the payment of the dividend.

Assumptions

We have based guidance for the financial year ending 31 March 2019 on our current assessment of the global macroeconomic outlook and assume foreign exchange rates of 1:£0.87, 1:ZAR 15.1, 1:TRY 5.1 and 1:EGP 22.1. Guidance excludes the impact of licence and spectrum payments, material one-off tax-related payments, restructuring payments, changes in shareholder recharges from India and any fundamental structural change to the Eurozone. It also assumes no material change to the current structure of the Group. Actual foreign exchange rates may vary from the foreign exchange rate assumptions used.

Note:

1. Adjusted EBITDA and free cash flow (pre-spectrum) are non-GAAP performance measures. Non-GAAP performance measures are presented to provide readers with additional financial information that is regularly reviewed by management and should not be viewed in isolation or as an alternative to the equivalent GAAP measures. The adjusted EBITDA and free cash flow (pre-spectrum) measures included above for the 2019 financial year are forward-looking non-GAAP performance measures which at this time cannot be quantitatively reconciled to comparative GAAP financial information. See Non-GAAP financial information on page 43 for more information and reconciliations to the guidance basis.

7

CONTENTS

FINANCIAL RESULTS

Group[1, 2]

	Europe	AMAP	Other[3]	Eliminations	2018	2017	Growth Reported	Growth Organic*
	m	m	m	m	m	m	%	%
Continuing operations								
Mobile customer revenue	19,020	7,436	26	(6)	26,476	28,158		
Mobile incoming revenue	1,383	664		(17)	2,030	2,350		
Other service revenue	1,375	426	385	(32)	2,154	2,255		
Mobile service revenue	21,778	8,526	411	(55)	30,660	32,763		
Fixed service revenue	8,935	975	626	(130)	10,406	10,224		
Service revenue	**30,713**	**9,501**	**1,037**	**(185)**	**41,066**	**42,987**	**(4.5)**	**1.8**
Other revenue	3,175	1,961	371	(2)	5,505	4,644		
Revenue	**33,888**	**11,462**	**1,408**	**(187)**	**46,571**			