VODAFONE GROUP PUBLIC LTD CO
Form 6-K
May 27, 2003

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

Dated 27 May, 2003

VODAFONE GROUP
PUBLIC LIMITED COMPANY
(Exact name of registrant as specified in its charter)

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.....

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 ..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 contains a press release issued by Vodafone Group Plc on 27 May 2003 entitled Preliminary Results for the year ended 31 March 2003.

Vodafone Group Plc

Preliminary Results for the year ended 31 March 2003

PART 1

Embargo: Not for publication before 07:00 hours 27 May 2003

VODAFONE GROUP PLC

PRELIMINARY ANNOUNCEMENT OF RESULTS
YEAR ENDED 31 MARCH 2003

Continued excellent operating performance with strong

revenue, profit and free cash flow growth

* Turnover increased 33% to GBP30,375 million, including the effect of a first full year's results from the Group's Japanese operations, with Group data revenues increasing 73% to GBP3,622 million. Proportionate turnover increased 14% to GBP33,926 million

* Profit on ordinary activities before taxation, before goodwill amortisation of GBP14,056 million and exceptional items of GBP581 million, increased 36% to GBP8,429 million

* Earnings per ordinary share, before goodwill amortisation and exceptional items, increased by 32% to 6.81 pence. Basic loss per share reduced from 23.77p to 14.41p

* Loss for the financial year of GBP9,819 million, compared to GBP16,155 million for the prior year

* Final dividend increased to 0.8983 pence per share. Total dividend per share for year increased 15%

* Group proportionate EBITDA, before exceptional items, increased 26% to GBP12,679 million. Mobile business proportionate EBITDA margin, before exceptional items, improved to 38.4%. Group EBITDA, before exceptional items, increased by 40% to GBP11,217 million

* Free cash flow more than doubled to GBP5,171 million after investing GBP5,180 million in tangible capital expenditure

* Organic customer growth of 11%. Proportionate registered customers at 31 March 2003 of 119.7 million

Lord MacLaurin, Chairman, commented:

Once again we have delivered excellent results and this is a great testament to Sir Christopher Gent, our retiring Chief Executive. Sir Christopher has led our Company with great distinction over these past six and a half years taking Vodafone from a company of modest scale and international reach to the leading mobile telecommunications company in the world, a great achievement.

Sir Christopher Gent, Chief Executive, commented:

These results show that Vodafone has again exceeded expectations. In particular, we achieved strong year-on-year growth in operating profit, before goodwill amortisation and exceptional items, adjusted earnings per share, EBITDA and free cash flow. Today Vodafone has an unmatched global footprint and is now combining this strength with a range of services for customers which gives Vodafone a real competitive advantage. We are progressively building a brand ascendancy in mobile which is gaining recognition both within our industry and in the world at large. The continuing improvement in performance enables Vodafone to build new services for the future for our customers while continuing to grow returns for our shareholders.

Julian Horn-Smith, Group Chief Operating Officer, commented:

We have produced an excellent operating performance with good customer growth, positive ARPU trends and continued focus on cost management, delivering a strong improvement in both margins and cash flow generation. The successful launch of Vodafone live! is the most visible manifestation of our strategy to drive revenue through the take up of service offerings unique to Vodafone. We have laid the foundation for further profitable growth and success in the years ahead.

GROUP FINANCIAL HIGHLIGHTS

Statutory	Year ended 31 March		
	2003	2002	Increase
	GBPm	GBPm	%
Turnover	30,375	22,845	33
Group EBITDA, before exceptional items	11,217	8,031	40
Total Group operating profit, before goodwill amortisation and exceptional items	9,181	7,044	30
Profit on ordinary activities before taxation, before goodwill amortisation and exceptional items	8,429	6,199	36
Goodwill amortisation	(14,056)	(13,470)	4
Exceptional operating items	(576)	(5,408)	-
Exceptional non-operating items	(5)	(860)	-
Loss on ordinary activities before taxation	(6,208)	(13,539)	-
Loss for the financial year	(9,819)	(16,155)	-

Proportionate	Year ended 31 March		
	2003	2002	Increase
	GBPm	GBPm	%
Turnover			
- Mobile telecommunications	31,853	27,818	15
- Other operations	2,073	1,981	5
	33,926	29,799	14
Organic growth at constant exchange rates			9

EBITDA, before exceptional items			
- Mobile telecommunications	12,235	9,902	24
- Other operations	444	191	132
	12,679	10,093	26
Organic growth at constant exchange rates			22

Proportionate information is calculated on the basis described on page 34.

Cash flow information	Year ended 31 March 2003 GBPm	2002 GBPm	Increase %
Net cash inflow from operating activities	11,142	8,102	38
Free cash flow	5,171	2,365	119
Net debt at 31 March	13,839	12,034	15

Per share information	Year ended 31 March 2003	2002	Increase %
Earnings/(loss) per share			
- before goodwill amortisation and exceptional items	6.81 p	5.15 p	32
- after goodwill amortisation and exceptional items	(14.41)p	(23.77)p	-
Dividends per share	1.6929p	1.4721p	15

This results announcement contains certain information on the Group's results and cash flows that have been derived from amounts calculated in accordance with UK Generally Accepted Accounting Principles, ("UK GAAP"), but are not themselves UK GAAP measures. They should not be viewed in isolation as alternatives to the equivalent UK GAAP measure and should be read in conjunction with the equivalent UK GAAP measure. Further disclosures are also provided under "Use of Non-GAAP Financial Information" on page 38.

GROUP OPERATING HIGHLIGHTS

* Sustained improvement in ARPU in many key markets in Europe, driven by increased usage of both voice and data services, combined with better than expected ARPU levels in Japan

* Continued strong progress in data, with revenues from data services increasing by 73% to GBP3,622 million, representing 14.6% of service revenues for the year ended 31 March 2003 and 15.6% of service revenues for the month of March 2003. Data service revenues expected to exceed 20% of mobile service revenues in 2004

* Further improvement in the Group's mobile business proportionate EBITDA margin, before exceptional items, which improved by 2.8 percentage points to 38.4%. Japanese mobile proportionate EBITDA margin, before exceptional items, of 31.3% from 22.5% in the prior year. Group proportionate EBITDA margin, before exceptional items, improved 3.5 percentage points to 37.4%

* Worldwide customer base of 119.7 million proportionate registered customers, representing growth of 18.6 million or 18.4% since 31 March 2002, including 10.7 million organic net additions. Venture registered customer base of 296.0 million

* Tangible fixed asset additions of approximately GBP4,800 million, lower than expected due to rephasing and cost efficiencies

* Mannesmann synergies calculated on a proportionate after tax cash flow basis achieved, exceeding target set for the year ended 31 March 2003

VODAFONE LIVE!

* European launch of Vodafone live!, Vodafone's easy to use consumer service, bringing customers a world of colour, sound and pictures, with over one million live! customers at 31 March 2003

* Now launched in thirteen countries

* Critically acclaimed by the industry, receiving awards from the GSM Association for best consumer application, advertising and mobile handset

OTHER COMMERCIAL INITIATIVES

* Launch of the first global service from Vodafone's business proposition, Mobile Office from Vodafone, called Mobile Connect Card, offering a Vodafone-branded solution for secure remote connection of laptops to a corporate network using a Vodafone-enabled GPRS data card and customised software

* Launch of new services: prepaid top-ups, allowing customers to top-up their prepaid mobile phones when travelling abroad; Eurocall Platinum, aimed at high-usage business travellers in Europe; and GPRS roaming, enabling seamless access to Vodafone live! and Mobile Connect Card across Vodafone and Vodafone's partner networks

* Continued development of the brand through high-profile sponsorship and advertising campaigns, leading to increased brand recognition and awareness

* Partner network agreements in eight countries, including Iceland, which was signed in April 2003

SIGNIFICANT TRANSACTIONS

* Acquisition of remaining minority stakes in Vodafone Germany and Vodafone Spain for a total cash consideration of GBP2,050 million, and additional minority stakes in the Group's subsidiaries in the Netherlands, Portugal and Sweden for a total cash consideration of GBP1,062 million

* Acquisition of additional 15% stake in Cegetel for a cash consideration of GBP1,402 million, taking the Group's economic interest in Cegetel and SFR to 30% and approximately 43.9%, respectively

* Further investment of $750 million (GBP513 million) in China Mobile, increasing interest to approximately 3.27%

* Cash proceeds of approximately Eur 1 billion (GBP0.7 billion) raised through asset disposals

OUTLOOK

For the year ending 31 March 2004

In the coming year, the Group expects to achieve growth of over 10% in average proportionate customers with a similar growth in proportionate revenues. In addition, a forecast small improvement in EBITDA margins should generate better proportionate EBITDA growth than revenue growth. The Group anticipates a good performance for adjusted earnings per share growth.

This year should see a further improvement in capital efficiency. This year's tangible fixed asset additions are expected to be approximately GBP5 billion, slightly higher than the year just finished, mainly through deferred investment from last year. The Group also expects to generate free cash flow somewhat higher than the GBP5.2 billion in the year just ended.

BUSINESS REVIEW

	2003 GBPm	2002 GBPm	Increase %
Turnover			
- Mobile telecommunications	27,542	20,742	33
- Other operations	2,833	2,103	35
	30,375	22,845	33
Cost of sales	(17,896)	(13,446)	33
Sales and administration costs*	(5,403)	(4,328)	25
Share of operating profit in joint ventures and associated undertakings*	2,105	1,973	7
Total Group operating profit*	9,181	7,044	30
Goodwill amortisation	(14,056)	(13,470)	4
Exceptional operating items	(576)	(5,408)	-
Total Group operating loss	(5,451)	(11,834)	-

* Before goodwill amortisation and exceptional items

Turnover

Turnover increased 33% in the year. Growth from existing operations was GBP2,440m, an increase of 11%, and growth in respect of acquired businesses was GBP5,090m, mainly comprising J-Phone Vodafone and Japan Telecom which became subsidiaries from October 2001. Changes in exchange rates beneficially impacted the reported growth in total turnover as a result of a stronger Euro partially offset by a weaker Yen. Translating the results of overseas companies at exchange rates prevailing in the prior year would reduce reported growth by GBP171m.

The GBP6,800m increase in turnover from mobile telecommunications comprises GBP2,584m growth from existing operations, representing an increase of over 12%, and GBP4,216m of growth from the full year inclusion of J-Phone Vodafone. Mobile service revenue increased 32% to GBP24,824m, as a result of greater usage of voice services, increased penetration of data products and services and the benefit of a full year's service revenues from J-Phone Vodafone. Revenues from voice services for the year ended 31 March 2003 were GBP21,201m, representing an increase of 27% over the comparable period. The Group achieved a sustained improvement in ARPU in many key markets in Europe, compared with the twelve month period ended 31 March 2002, as benefits from the Group's continued focus on high value customers led to increased penetration of the contract customer segment and initiatives to stimulate usage, including the launch of new and innovative products, were realised. In Japan, J-Phone Vodafone's ARPU fell 5.2%, though this was better than expected and, at Yen 87,159, still represents the highest ARPU of all the Group's controlled businesses.

Another key driver of the growth in turnover and improved ARPU position was the continued success of the Group's data product and service offerings. Revenues from data services increased 73% to GBP3,622m for the year ended 31 March 2003 from GBP2,093m for the year ended 31 March 2002, to represent 14.6% of service revenues in the Group's controlled mobile subsidiaries, compared with 11.1% for the 2002 financial year. Whilst SMS revenues continue to represent the largest component of data revenues, an increased focus on providing value-added services has contributed to the increase in data revenues and the increased penetration of data services into the Group's customer base. In Japan, J-Phone Vodafone continues to enjoy success from its data and content service offerings such that data revenues have represented over 20% of service revenues every month since August 2002.

During the period, Vodafone live! and Mobile Office from Vodafone were launched in most of the Group's European markets, both of which are expected to generate further growth in non-voice service revenues through games downloads, picture messaging and other content and information services. Further details on these two new service offerings can be found under "Strategic Developments - Global Services" on pages 18 and 19.

Mobile service revenue growth was adversely affected both by reductions in interconnect rates in a number of the Group's markets, mainly in Europe, and the effect of increased competitive activity in certain key European markets by existing competitors looking to attract market share and generate customer loyalty.

Mobile equipment and other turnover increased 36% to GBP2,719m for the year ended 31 March 2003, compared with GBP2,003m for the year ended 31 March 2002, largely attributable to the volume of gross customer connections and upgrades in the year, including a full year impact of J-Phone Vodafone and the effects of the reduction in handset subsidies, in line with the Group's strategy.

Turnover from other operations increased by GBP730m in the year to GBP2,833m, an increase of 35%. This change was primarily a result of the impact of Japan Telecom, which was consolidated for a full year, and a turnover reduction from other operations, principally in Arcor, following the disposal of the Telematiks business.

Expenses

Consolidated cost of sales represented 58.9% of turnover in both the years ended 31 March 2003 and 31 March 2002. Excluding J-Phone Vodafone, the Group's equipment costs and cost of providing financial incentives to service providers and dealers for acquiring and retaining customers declined to 13.8% of turnover from mobile telecommunications, compared with 14.7% for the prior year, demonstrating the continued focus on gaining and retaining high-value customers in the most cost-efficient manner. Inclusive of J-Phone Vodafone, equipment costs and financial incentives amounted to 21.1% of turnover from mobile telecommunications as costs to connect and retain customers, although reducing, remain higher in Japan than in the Group's other key markets.

Sales and administration costs, excluding goodwill amortisation and exceptional items, increased almost entirely as a result of the full year inclusion of results from J-Phone Vodafone and Japan Telecom and represent 17.8% of turnover in respect of the year ended 31 March 2003, compared with 18.9% for the prior year. Excluding J-Phone Vodafone and Japan Telecom, sales and administration costs represented 20.3% and 23.5% of turnover for the year ended 31 March 2003 and 2002, respectively, as these costs were reduced across the Group, reflecting the realisation of benefits from the Group's continued focus on cost control and the realisation of synergies on acquisitions.

Depreciation charges, which are charged within both cost of sales and sales and administration costs, increased by 38% to GBP3,979m from GBP2,880m in the comparable period. The increase was primarily as a result of the full year inclusion of J-Phone Vodafone and Japan Telecom. However, a proportion of the increase was also attributable to network infrastructure improvements and additions made in the previous and current financial year. In Japan, depreciation increased as a result of the increased charge in respect of its UMTS network, which was opened for commercial service in December 2002 and in Germany, depreciation increased as a result of the prior year expenditure on network infrastructure improvements.

The charge for goodwill amortisation increased as a result of a full year's charge for prior year acquisitions, charges in respect of current year acquisitions and the impact of foreign exchange movements.

Exceptional operating costs comprise impairment charges of GBP405m and GBP80m in respect of the tangible fixed assets of Japan Telecom and goodwill in respect of the Group's interest in Grupo Iusacell, respectively, additional costs incurred as a result of the integration of Vizzavi into the Group, following the acquisition of the remaining 50% interest in August 2002, and related restructuring of the Group's Global mobile platform business.

Total Group operating profit, before goodwill amortisation and exceptional items

Total Group operating profit, before goodwill amortisation and exceptional items, increased by 30% as a result of growth in turnover, improved margins and the benefit of changes in exchange rates, particularly the impact of a stronger Euro offset by a weaker Yen and US dollar. Translating the results of overseas companies at exchange rates prevailing in the prior year would reduce reported growth by GBP25m.

Proportionate results

Proportionate turnover increased 14% to GBP33,926m as a result of both strong organic growth together with the effect of increased stakes in a number of the Group's existing businesses, principally Japan Telecom and J-Phone Vodafone. In the mobile businesses, proportionate turnover grew by 15% to GBP31,853m, including 10.4% organic growth in service revenues.

The Group's proportionate EBITDA margin, before exceptional items, in the mobile businesses increased from 35.6% in the prior year to 38.4% in the year ended 31 March 2003, with most of the Group's main operations reporting increased EBITDA margins. Greater control over customer acquisition and retention costs accounted for 1.1 of the 2.8 percentage point increase in the Group's mobile EBITDA margin, before exceptional items, during the year, with the remainder of the margin improvement arising from cost control measures and the realisation of Group synergies and efficiency gains, including the achievement of synergies expected from the Mannesmann acquisition. In Japan, proportionate mobile EBITDA margins, before exceptional items, have been raised from 22.5% to 31.3%, as a result of lower customer acquisition and retention costs and the impact of an extensive range of restructuring initiatives, including the merger of the regional operating companies into a single structure. The EBITDA margin, before exceptional items, has exceeded 30% over two years ahead of Company expectations on taking control in October 2001.

Mobile Telecommunications

Northern Europe

Financial highlights		Year ended 31 March		
		2003	2002	Increase
		GBPm	GBPm	%
Statutory turnover	- United Kingdom	4,026	3,763	7
	- Other Northern Europe	2,031	1,669	22
		--------	--------	
		6,057	5,432	12
		--------	--------	
Statutory total Group	- United Kingdom	1,120	941	19

operating profit *	- Other Northern Europe	1,102	744	48
		2,222	1,685	32
Proportionate Turnover	- United Kingdom	4,026	3,763	7
	- Other Northern Europe	3,396	2,753	23
		7,422	6,516	14
Proportionate EBITDA (before exceptional items)	- United Kingdom	1,541	1,294	19
	- Other Northern Europe	1,358	970	40
		2,899	2,264	28
Proportionate EBITDA Margin	- United Kingdom	38.3%	34.4%	
	- Other Northern Europe	40.0%	35.2%	

Key performance indicators (United Kingdom only)

ARPU	GBP292**	GBP276
Churn	30.0%	27.3%
Cost to connect	GBP56**	GBP67

* Before goodwill amortisation and exceptional items

** Amended basis of calculation. See page 41 for further details

United Kingdom

Vodafone UK has had a successful year, strengthening its contract customer base, launching innovative new products and increasing ARPU which, coupled with the continued focus on cost efficiencies, have driven growth in statutory turnover and EBITDA, and led to growth in the proportionate EBITDA margin of almost 4 percentage points.

Statutory turnover increased 7% to GBP4,026m and within this, service revenue increased by 6% to GBP3,748m, compared with GBP3,525m in the year ended 31 March 2002. ARPU grew by 6%, primarily due to a favourable combination of the improved mix of the customer base, the focus on high value customers and through stimulation of usage. Contract ARPU fell from GBP555 to GBP532 in the year. However, this is demonstrating signs of stabilising having fallen only GBP4 since 30 September 2002. Prepaid ARPU increased to GBP125 at 31 March 2003 from GBP118 at 31 March 2002.

In the latest figures reported by Oftel, published during April 2003, Vodafone UK maintained its lead in revenue market share for outbound calls, with a lead of 7 percentage points over its nearest competitor. Data as a percentage of service revenue grew by 2.6 percentage points from 11.8% to 14.4%. Vodafone UK anticipates continued improvement in the 2004 financial year as the full benefits from propositions such as Vodafone live! are increasingly realised.

Attracting and retaining contract customers has continued to be a key objective in the past year as part of the realignment of commercial policies to focus on high value customers. At 31 March 2003, Vodafone UK had 13,300,000 registered customers, an increase of 114,000 since 31 March 2002, of which contract customers represented 41%, having grown by 9% in the year. In the same period contract churn fell from 26.2% to 23.1%.

According to information contained in the latest Oftel report, at 31 December 2002, Vodafone UK's contract base exceeded that of its nearest competitor by 21%. The acquisition of Cellular Operations Limited also added a further 370,000 contract customers to the in-house managed base. Prepaid churn increased to 34.5%.

Vodafone UK participated in the Group's launch of Vodafone live! in October 2002 and, by the end of March 2003, 240,000 Vodafone live! handsets had been activated, with 413,000 MMS capable handsets activated in total.

Customer activity levels were also improved in the year, with total active customers increasing to 91%, compared with 89% at 31 March 2002. Contract customer activity reduced to 95% and prepaid customer activity improved 4 percentage points to 88%.

Total operating expenses, excluding goodwill amortisation and exceptional items, as a proportion of turnover continued to decline, falling from 19.9% for the year ended 31 March 2002 to 19.6% for the year ended 31 March 2003. The average cost to connect for contract customers was GBP117, slightly up compared with the GBP116 as reported for the prior year. The average cost to connect for prepaid customers fell from GBP26 to GBP10 for the year to 31 March 2003, reflecting continued efforts to reduce subsidies.

Vodafone UK continues to be recognised in Oftel surveys as the leading UK network, with a call success rate of 98.3% as a result of continued investment to improve its network.

During the year, the Competition Commission concluded its investigation into the cost of calling mobile phones. Despite its acknowledgement that the overall profits within the industry were not excessive, it sought to re-balance margins across the industry by requiring a reduction in the cost of calling mobile phones across all UK networks. Vodafone UK believes the basis on which the Competition Commission calculated these reductions is flawed and has requested a judicial review of this decision, which will be heard in June. Vodafone UK has also taken commercial actions to mitigate the effect of the required reduction.

Other Northern Europe

All operations in the region reported increases in customer numbers, most notably in Sweden where customer numbers grew by 14% to 1,325,000, despite market penetration of 89%, and in France where SFR increased its customer base by 7% to 13,324,000 and its market share from an estimated 34.2% to 35.1%. The increase in revenues is partially as a result of these improvements in customer numbers but is mainly due to increased customer usage. In the Netherlands, ARPU grew by over 13%, driven by the improved mix in the customer base and the introduction of new services. In Ireland, outstanding data revenue growth resulted in data revenues representing 19.1% of service revenues for the year ended 31 March 2003 and exceeding 20% of service revenues since December 2002. As a result of this growth in data usage, and the highest levels of voice usage in the Group's European businesses, ARPU in Ireland continues to be amongst the highest in the Group.

Vodafone live! was launched in all of the Group's subsidiary operating companies in the region during the period.

Strong financial performance was achieved across the region, principally attributable to increases in customer usage, particularly of data services, and continued focus on cost effectiveness. In addition, the region benefited from the first full year inclusion of Vodafone Ireland, which became a subsidiary of the Group in May 2001, and the relative strength of the Euro and Swedish Kronor against Sterling.

The Group successfully completed the rollout of its rebranding programme across its other operations within Northern Europe as Europolitan Vodafone migrated to the single Vodafone brand in April 2002. The Group has also increased its interests in Vodafone Netherlands and Vodafone Sweden during the year to 97.2% and 99.1%, respectively, at 31 March 2003. The Group has commenced in Sweden, and intends to commence in the Netherlands, compulsory acquisition procedures to acquire the remaining shares in these operations. In addition, the Group has increased its effective holding in SFR from 32.0% to approximately 43.9% at 31 March 2003 through the acquisition of an additional 15% stake in Cegetel.

The Group announced further Partner Agreements with Radiolinja Eesti in Estonia on 3 December 2002 and, on 16 April 2003, with Islandssimi hf in Iceland, adding to the existing Partner Agreements with Oy Radiolinja (Finland) and TDC Mobil (Denmark) within Northern Europe.

Central Europe

Financial highlights		Year ended 31 March		
		2003	2002	Increase
		GBPm	GBPm	%
Statutory turnover	- Germany	4,646	4,112	13
	- Other Central Europe	129	65	98
		--------	--------	
		4,775	4,177	14
		--------	--------	
Statutory total Group operating profit *	- Germany	1,435	1,429	-
	- Other Central			

	Europe	181	114	59
		1,616	1,543	5
Proportionate turnover	- Germany	4,642	4,101	13
	- Other Central Europe	691	593	17
		5,333	4,694	14
Proportionate EBITDA (before exceptional items)	- Germany	2,016	1,837	10
	- Other Central Europe	265	231	15
		2,281	2,068	10
Proportionate EBITDA margin	- Germany	43.4%	44.8%	
	- Other Central Europe	38.4%	39.0%	
Key performance indicators (Germany only)				
ARPU		Eur 313	Eur 298	
Churn		21.2%	23.5%	
Cost to connect		Eur 81	Eur 81	

* Before goodwill amortisation and exceptional items

Vodafone Group Plc

Preliminary Results for the year ended 31 March 2003

PART 2

Germany

Vodafone Germany delivered a good set of operating results with increased turnover and service revenue being driven by the improved mix in the customer base and higher usage of both voice and data services. In particular, the proportion of messaging and data revenue rose by 2 percentage points, benefiting from the launch of Vodafone live!, and now represents 16.4% of service revenue for the year ended 31 March 2003. The results for Germany also benefited from the effect of a stronger Euro. When measured in local currency, statutory turnover increased by 8%.

At 31 March 2003, Vodafone Germany had a customer base of 22,940,000, representing an increase of 7% compared with 31 March 2002. The proportion of contract customers rose by 4 percentage points, compared with the prior year, to 10,694,000 and contract customers now represent 47% of the total customer base.

Customer activity levels also increased to 92% at 31 March 2003, compared to 91% at 31 March 2002. Customer churn decreased following a significantly reduced contract churn rate, which decreased from 18.3% to 16.8%, and a reduction in prepaid churn rate from 27.1% to 24.8%.

ARPU increased during the year, although contract ARPU decreased from Eur 559 to Eur 519 as a result of higher contract penetration, including customer migrations from prepaid to contract tariffs. Prepaid ARPU increased from Eur 110 to Eur 130, reflecting higher usage levels. Following further reductions in equipment subsidies in the contract segment and reduced commissions per gross addition in both segments, the cost to connect for contract customers decreased from Eur 156 to Eur 145 and the cost to connect for prepaid customers further declined from Eur 24 to Eur 19.

The reduction in the proportionate EBITDA margin was predominantly due to higher retention costs. Operating profit was adversely affected by higher depreciation over the prior year as a result of the prior year expenditure on network infrastructure and IT system improvements.

Vodafone Germany participated in the Group's launch of Vodafone live! in October 2002 and, by the end of March 2003, 405,000 Vodafone live! handsets had been activated, with 694,000 MMS capable handsets activated in total.

The Mobile Connect Card has been launched for business customers and Wireless Local Area Network (W-LAN) will continue to be deployed by Vodafone Germany in the coming months. Lufthansa lounges, airports, exhibitions, congress centres and important hotel chains will also be equipped with W-LAN by Vodafone Germany. In the 2004 financial year, Vodafone Germany expects to launch other innovative services, including multimedia video clips, as it prepares for commercial launch of 3G services.

Vodafone Germany's 3G network infrastructure rollout is proceeding according to plan and in accordance with the licence obligation to provide at least 25% population coverage by the end of the calendar year 2003.

Other Central Europe

The Group's other interests within Central Europe reported improved financial performance, reflecting both continued penetration of their respective mobile markets and improved operational efficiency. At 31 March 2003, the total registered customer base within Other Central Europe stood at 9,428,000, an increase of 24% in the year.

At 31 March 2003, Vodafone Hungary's registered venture customers amounted to 954,000, representing growth of over 71% in the year, partly through market share gains which increased from 10.5% at the end of March 2002 to 13.4% at the end of March 2003. Vodafone Hungary not only grew in terms of customers but also in network coverage as it continued to invest in the expansion of its digital network and service offerings with the launch of GPRS, MMS and Vodafone live!. Revenue grew by 109% compared with the prior year, driven by the increase in customer numbers and higher usage, which led to a 6% increase in ARPU. Proportionate turnover also benefited from the acquisition of an additional 24.4% interest in the company.

Polkomtel increased its customer base by 34% to 4,839,000 at 31 March 2003. It is anticipated that Polkomtel will return cash to its shareholders through a combination of shareholder loan repayments and, for the first time, dividends.

The Swiss market continued to grow, ending the year with a penetration rate of 76%. Swisscom Mobile, already the market leader, acquired more new customers than its competitors, increasing its customer base by 206,000 in the year. ARPU remains strong at CHF1,081.

On 7 January 2003, a Partner Network agreement was announced with Mobilkom Austria Group, Telekom Austria's mobile subsidiary. Vodafone's global services in Austria, Croatia and Slovenia have since been launched and the Vodafone brand has been introduced using dual brand logos, creating a source of revenue for both Vodafone and Mobilkom Austria Group.

Southern Europe

Financial highlights		Year ended 31 March		
		2003	2002	Increase
		GBPm	GBPm	%
Statutory turnover	- Italy	4,371	3,711	18
	- Other Southern Europe	3,680	3,032	21
		--------	--------	
		8,051	6,743	19
		--------	--------	
Statutory total Group operating profit *	- Italy	1,588	1,267	25
	- Other Southern Europe	907	805	13
		--------	--------	
		2,495	2,072	20
		--------	--------	
Proportionate turnover	- Italy	3,353	2,838	18
	- Other Southern Europe	2,981	2,271	31
		--------	--------	
		6,334	5,109	24
		--------	--------	
Proportionate EBITDA (before exceptional items)	- Italy	1,654	1,295	28
	- Other			

	Southern Europe	1,062	836	27
		2,716	2,131	27
Proportionate EBITDA margin	- Italy	49.3%	45.6%	
	- Other Southern Europe	35.6%	36.8%	
		Key performance indicators (Italy only)		
ARPU		Eur 347	Eur 345	
Churn		17.3%	18.9%	
Cost to connect		Eur 25	Eur 35	

* Before goodwill amortisation and exceptional items

Italy

Vodafone Omnitel has had another excellent year, increasing its customer base and revenues in a market where the penetration rate has reached 97%.

On a statutory basis, turnover increased 18% (13% when measured in local currency), driven almost entirely by a 16% growth in service revenues (11% when measured in local currency). Equipment sales also increased 36% (30% when measured in local currency) as the benefits from increased handset prices more than offset the lower gross customer additions. At 31 March 2003, Vodafone Omnitel's customer base stood at 19,412,000, representing an increase of almost 10%, principally attributable to the continued focus on commercial offers and incentives aimed at driving usage and sustaining customer loyalty, which contributed to reduced churn rates. This level of customer growth was also achieved despite the introduction of mobile number portability and the continued efforts by competitors to develop and market their own offers and loyalty incentives. Of the total customer base, 92% are connected to prepaid tariffs.

The 16% growth in service revenues has been generated by the continued growth in the customer base, improved customer retention and increased ARPU. In particular, voice revenues increased principally as a result of higher traffic volumes and the associated prepaid top up cards, which more than offset the voluntary reduction in termination rates. Data revenues increased 50%, due largely to the continued growth in the popularity of SMS messaging, up 48%, and significant growth in other data services, the revenues from which grew more than 140%. Data revenues now represent 11.3% of service revenues.

The increase in blended ARPU can be largely attributed to contract ARPU, which grew from Eur 769 in the year ended 31 March 2002 to Eur 818, demonstrating the success of Vodafone Omnitel's targeted customer acquisition and retention initiatives. Prepaid ARPU increased slightly to Eur 298, compared with Eur 297 for the year ended 31 March 2002. Voice ARPU decreased slightly while data ARPU increased 30% compared with the year ended 31 March 2002. Cost to connect continued to reduce as a result of Vodafone Omnitel's strict management of commercial policies.

The increase in proportionate EBITDA, before exceptional items, was driven by a combination of growth in turnover and an improved EBITDA margin as a result of the continued focus on controlling acquisition and retention costs, operating expenses and the positive effect of the appreciation of the Euro relative to Sterling. When measured in local currency, proportionate EBITDA, before exceptional items, increased by 22%.

Vodafone Omnitel was part of the Group's European-wide launch of Vodafone live! and is also increasing its focus on providing value-added services, adding new voice services and MMS services during the period. By the end of March 2003, 227,000 Vodafone live! handsets had been activated, with 367,000 MMS capable handsets activated in total.

Vodafone Omnitel has completed the first stage of its 3G network rollout and commenced user testing. In addition, Vodafone Omnitel plans to commence offering experimental W-LAN services to the public.

During the year ended 31 March 2003, the Italian Government agreed to extend the duration of Vodafone Omnitel's 2G and 3G licences from fifteen to twenty years and, following the break up of Blu, the National Regulatory Authority has approved a framework for the assignment of additional 2G spectrum amongst the remaining network operators, including Vodafone Omnitel.

After Vodafone Omnitel voluntarily reduced its termination prices in August 2002, the National Regulatory Authority approved a decision to reduce the maximum average termination price to Eur 0.1495 (minus 12%) for Vodafone Omnitel and a competitor, applicable from June 2003.

Vodafone Omnitel migrated to the single Vodafone brand on 13 May 2003.

Other Southern Europe

The Group's other interests within the Southern Europe Region also performed well in the period. The proportionate registered customer base increased by a further 39%, or 4,248,000 customers, to 15,163,000, including 2,471,000 customers added as a result of the effect of stake increases in Vodafone Spain (additional 8.4%), Vodafone Greece (additional 12.1%), Vodafone Portugal (additional 43.5%) and Vodafone Albania (additional 5.5%).

Statutory turnover increased 21%, (16% when measured at constant exchange rates), principally driven by excellent growth in Vodafone Spain and Vodafone Greece, which saw turnover increase by 21% and 35%, respectively, (16% and 29%, respectively, when measured in local currency) as a result of the increased customer base and improved ARPU. In both Greece and Spain, turnover growth was achieved against a backdrop of increased competition, which saw competitors developing a range of incentives and commercial offers, including tariff reductions, aimed at sustaining market share. Turnover was, however, adversely affected by increased regulatory pressure, which triggered reductions in interconnect rates for mobile terminated calls in Spain, Greece and Portugal.

In Portugal, Onyway (a new market entrant) had its UMTS licence withdrawn with the spectrum reassigned to the other three operators, including Vodafone, which maintained its position as the second largest operator and market leader in the corporate segment.

The region also experienced higher roaming revenues and significant growth in data revenues from increased SMS activity. During the period, MMS services were introduced into all markets except Albania, with Greece, Spain and Portugal part of the Group-wide launch of Vodafone live!.

Vodafone Albania continued to make market share gains, as penetration in the Albanian market nearly doubled to 30.8%, with a 42.3% share.

Levels of brand awareness also continue to improve across the Region as a result of local and Group-wide advertising and sponsorship.

AMERICAS

Financial highlights		Year ended 31 March		
		2003 GBPm	2002 GBPm	Increase/ (decrease) %
Statutory turnover	- Verizon Wireless	-	-	-
	- Other Americas	5	12	(58)
		5	12	(58)
Statutory total Group operating profit *	- Verizon Wireless	1,270	1,332	(5)
	- Other Americas	(51)	(15)	-
		1,219	1,317	(7)
Proportionate turnover	- Verizon Wireless **	5,686	5,475	4
	- Other Americas	116	163	(29)
		5,802	5,638	3
Proportionate EBITDA (before exceptional items)	- Verizon Wireless **	2,001	1,889	6
	- Other Americas	(24)	18	-
		1,977	1,907	4
Proportionate EBITDA margin	- Verizon Wireless	35.2%	34.5%	
	- Other Americas	(20.7%)	11.0%	

Key performance indicators (Verizon Wireless only)

ARPU	$584	$576
Churn	26.5%	29.4%
Cost to connect ***	$139	$125

* Before goodwill amortisation and exceptional items

** When measured in local currency, proportionate turnover and proportionate EBITDA, before exceptional items, increased by 12% and 14%, respectively

*** Comparative restated by Verizon Wireless to be on a basis consistent with the current period

Verizon Wireless

Verizon Wireless operates in the US, which is a highly competitive market place and which currently consists of six nationwide competitors and a number of regional carriers. Within the US, Verizon Wireless is the leading wireless telecommunications provider in terms of customers and revenues and also operates the most extensive wireless network. The US continues to experience difficult economic conditions and the competitive environment has intensified, with carriers offering progressively larger bundle tariffs. Nonetheless, Verizon Wireless has ranked first in the US market in terms of gross connections and first or second in terms of customer net additions for each of the last four quarters and has further increased its lead over the number two provider in the year.

At 31 March 2003, Verizon Wireless' total customer base stood at 33,324,000, a 12.6% increase on the prior year. Annual ARPU increased slightly due to a focus on selling plans with higher access price points, which resulted in slightly higher average cost to connect. Churn decreased due to a reduction in contract churn, which is thought to be attributable to a combination of the quality of Verizon Wireless' network and the success of retention programmes, although this was partially offset by disconnections through the wholesale channel, including nearly 1 million reseller customers following MCI's withdrawal from the market.

The increase in proportionate turnover was primarily due to increased service revenue from the larger customer base, as well as additional handset sales for both upgrades and gross additions. The results for the year were also affected by the relative strength of Sterling against the US dollar. When measured in local currency, proportionate turnover and proportionate EBITDA, before exceptional items, increased by 12% and 14%, respectively. Data revenues increased to GBP136m for the twelve months to 31 March 2003, an increase of 106% compared with the prior year. The proportionate EBITDA margin increased from 34.5% to 35.2% as a result of increased cost efficiencies.

Operating profit, before goodwill amortisation and exceptional items, decreased to GBP1,270m for the twelve months to 31 March 2003 as a result of currency effects and a 38% increase in the charge for depreciation. The increased charge for depreciation arose as a consequence of capital expenditure required to increase network capacity to the levels necessary to satisfy the demands placed on it through increased usage and a larger customer base.

Verizon Wireless continues to upgrade its network to the next generation technology (1xRTT) and has extended coverage to more than 85% of the company's national network, with coverage expected to reach nearly 100% by the middle of 2003.

On 17 March 2003, Verizon Wireless announced plans to launch a high-speed wireless data service (1xEV-DO) in Washington, D.C., and San Diego, California before the end of the calendar year. This is expected to provide more secure and faster mobile access to corporate intranets. The technology will potentially allow operators to triple data user capacity, and to provide enhanced, next generation wireless services such as video and audio streaming, interactive gaming and other multimedia services. Verizon Wireless also announced its plans to offer access between its own branded W-LAN service and its wireless area networks in the third calendar quarter of 2003 and that it would offer W-LAN services in locations such as hotels and airports.

In December 2002, the Federal Communications Commission ("FCC") refunded the remaining $261m on deposit, which represented 15% of the payment made in relation to the re-auction of licences for 1.9GHz spectrum, and relieved Verizon Wireless of its remaining obligations with respect to the auction.

In addition, on 19 December 2002, Verizon Wireless signed an agreement with Northcoast Communications, L.L.C., to purchase 50 Personal Communications ("PCS") licences and related network assets for approximately $750m in cash. The PCS licences cover large portions of the East Coast and Midwest serving approximately 47.2 million people.

On 15 August 2002, Verizon Wireless combined the business operations of Price Communications Wireless, Inc. with certain Verizon Wireless assets in a transaction valued at $1.7 billion, including $550m in net debt that was assumed and redeemed. Price Communications Wireless provided 800 MHz wireless services to approximately 411,000 customers in areas where Verizon Wireless did not previously provide service.

Other Americas

In Mexico, Grupo Iusacell's ("Iusacell's") financial performance continued to deteriorate in the year despite a modest increase in its customer base and management's efforts to restructure the business through substantial headcount reductions and tight cost and cash management.

In order to alleviate certain of the resulting financial pressures, Iusacell began a debt restructuring effort in December 2002 and in May 2003, secured a temporary waiver related to its $266 million secured bank credit facility. Iusacell will continue to work with its financial advisor to restructure the terms and payment schedules of its various debt agreements and instruments. It is likely that Iusacell will require additional funding in order to grow its operations. However, there is no assurance that such funding could be obtained at all or, if obtainable, on terms which would be acceptable to Iusacell.

As a result of Iusacell's deteriorating financial performance, the Group has written off its investment and is currently considering its options with respect to its investment, including disposal.

In August 2002, the sale of two Globalstar service provider companies, Globalstar US and Globalstar Caribbean, was finalised. In November 2002, the sale of another Globalstar service provider company, Globalstar de Mexico, was finalised. As a result, the Group no longer has an interest in any Globalstar operations.

ASIA PACIFIC

Financial highlights		Year ended 31 March		
		2003	2002	Increase
		GBPm	GBPm	%
Statutory turnover	- Japan	7,539	3,323	127
	- Other Asia Pacific	825	749	10
		8,364	4,072	105
Statutory total Group operating profit *	- Japan	1,310	523	150
	- Other Asia Pacific	111	66	68
		1,421	589	141
Proportionate turnover	- Japan	5,258	4,397	20
	- Other Asia Pacific	1,178	976	21
		6,436	5,373	20
Proportionate EBITDA (before exceptional items)	- Japan	1,645	991	66
	- Other Asia Pacific	474	330	44
		2,119	1,321	60
Proportionate EBITDA margin	- Japan	31.3%	22.5%	
	- Other Asia Pacific	40.2%	33.8%	
Key performance indicators (Japan only)				
ARPU		Yen 87,159	Yen 91,903	
Churn		23.3%	25.6%	
Cost to connect		Yen 32,519	Yen 34,145	

* Before goodwill amortisation and exceptional items

Japan

In a market that continues to expand, J-Phone Vodafone has produced good results due to a combination of increased service revenues, reduced acquisition and retention expenses and higher operational efficiencies, including centralisation of handset purchasing and improved control over capital expenditure. The financial results have also benefited from the inclusion of a full year's results for the first time and corporate efficiency initiatives.

At 31 March 2003, J-Phone Vodafone had 13,912,000 customers and a market share of over 18%. J-Phone Vodafone continued to capture monthly market share above its cumulative market share, with 1,727,000 net customer additions recorded in the year ended 31 March 2003, capturing over 26% of the market. Market penetration in Japan increased by 5 percentage points to 59% at 31 March 2003, compared to 54% at 31 March 2002. One of the key drivers of this recent growth has been the increase in J-Sky web usage and content revenue, together with the continued success of J-Phone Vodafone's other data offerings, "Sha-mail", the popular photo-messaging service for customers, and the video clip message service "Movie Sha-mail". A combination of these innovative services and attractive handsets continues to contribute to reducing customer churn, with 65% of customers now owning camera-enabled handsets.

J-Phone Vodafone continues to produce the highest ARPU in the Group and although voice ARPU declined as expected, data and content revenues continue to improve and, in March 2003, represented 21.7% of total service revenues. Average cost to connect decreased following a reduction in customer acquisition subsidies and more cost efficient purchasing, which has been achieved in part by benefits on handset purchases as a result of membership of the Group.

J-Phone Vodafone has substantially improved its EBITDA margin to 31.3% for the year ended 31 March 2003, representing an increase of 8.8 percentage points over the previous year. This was due to a combination of the synergies referred to above and also the implementation of improved internal cost control measures. Further cost savings are targeted as areas such as customer care and billing system management are improved. J-Phone Vodafone has also leveraged its brand position since becoming dual branded in December 2001 and plans to migrate to the single Vodafone brand by October 2003.

J-Phone Vodafone was the first Group operating company to commence 3G services, which began on 20 December 2002. Its 3G network is compatible with the global W-CDMA standard, thus introducing international W-CDMA and GSM SIM enabled roaming to Japan for the first time. J-Phone Vodafone has at present concluded roaming agreements with 69 operators in 62 countries and regions. Use of micro cell technology has allowed rapid and cost effective deployment of J-Phone Vodafone's 3G network and the company currently has 3,644 operational 3G base stations covering an estimated 71% of the population. By the second half of the 2004 financial year, J-Phone Vodafone aims to expand the network and have 13,275 operational 3G base stations covering over 95% of the population.

J-Phone Vodafone has invested in the development of its sales and distribution channels. Convenience stores became a new distribution channel for prepaid phones in February 2003 and J-Phone Vodafone's internet shop has been opened to provide 24-hour direct access for customers. Pilot Vodafone-branded shops were also launched in March 2003, exclusively selling J-Phone Vodafone products and services.

In November 2002, the Japanese Telecommunications Ministry ("the Ministry") initiated study groups and discussions regarding tariff setting rights for calls from fixed lines to mobiles. Currently, mobile operators have the right to set these tariffs and this has been challenged by certain fixed line operators. In April 2003, the Ministry published a proposal based on selective transit whereby the caller can select a mobile operators' rates or a fixed line operator's rates. J-Phone Vodafone is considering the proposal and will submit its views in due course. Should the proposal be implemented in its current form, J-Phone Vodafone's future incoming call revenue may be reduced.

Other Asia Pacific

Considerable progress has been made to reshape the Australian business. Despite an extremely competitive and maturing market, Vodafone Australia's registered customer numbers have risen over 19% since 31 March 2002, following the launch of an enhanced "no plans"TM offering and the introduction of new national distribution channels. The prepaid sector, in particular, drove the increase in customer numbers. The market share for the Australian business grew by an estimated 1 percentage point to over 18% at 31 March 2003. Total blended ARPU has declined over the period from $688 to $633 as a result of the change in base from access-based plans with subsidies to non-subsidised plans with no access fees. EBITDA increased 23% through continued focus on operational efficiency and enhanced product marketing and distribution.

New Zealand performed strongly, with revenues and EBITDA increasing by 32% and 51%, respectively, (20% and 34%, respectively, when measured in local currency), blended ARPU increasing by over 4% and EBITDA margin increasing by approximately 5 percentage points. By 31 March 2003, customer numbers reached 1,289,000, resulting in a 51% market share. In Fiji, despite continuing poor economic conditions, a 12% growth in customer numbers was achieved.

In Australia and New Zealand, MMS, GPRS roaming, Prepaid roaming and Mobile Connect were launched during the year. In addition, Vodafone live! was launched in both countries during April 2003.

China Mobile (Hong Kong) Limited ("China Mobile") increased its customer base by 49,376,000 in the year to 123,778,000 customers at 31 March 2003, including 25,143,000 customers acquired with the purchase of eight provincial cellular operations from its parent on 1 July 2002. Monthly ARPU continued to fall after showing signs of stabilising earlier in the year as a result of lower tariffs aimed at retaining customers as competition increased, although SMS volume growth accelerated, with almost 17.5 billion messages sent in the final quarter of the current financial year, up from 13.3 billion in the prior quarter.

During the year the Group increased its stake in China Mobile to approximately 3.27% and, on 22 May 2003, received its first cash dividend from China Mobile.

MIDDLE EAST AND AFRICA

Financial highlights	Year ended 31 March 2003	2002	Increase/ (decrease)
	GBPm	GBPm	%

Statutory turnover	290	306	(5)
Statutory total Group operating profit *	197	161	22
Proportionate turnover	526	488	8
Proportionate EBITDA (before exceptional items)	243	211	15
Proportionate EBITDA margin	46.2%	43.2%	

* Before goodwill amortisation and exceptional items

Results for the Middle East and Africa region have been adversely affected by the weakening of the Egyptian Pound and Kenyan Shilling over the period, although this was partially offset by a strengthening of the South African Rand.

Vodafone Egypt continued to grow strongly throughout the financial year, with customer numbers increasing by over 31% to 2,263,000. This resulted in a 17% growth in turnover measured in local currency. A focus on cost effectiveness in the operation lead to significant improvements in EBITDA margin, which increased from 40% to 49%.

In South Africa, Vodacom reported significant improvements in its operating results as its operations in Tanzania, Lesotho and the Democratic Republic of Congo continued to grow. Turnover from the South African network increased by over 22%, principally as a result of a 20% growth in customers to 7,874,000, and Vodacom's EBITDA improved by 17% overall.

Safaricom, in Kenya, consolidated its position as the market leader with a 55% market share as customer numbers increased 97% to 865,000 over the year.

The Group entered into a Partner Agreement with MTC in Kuwait in September 2002. MTC recently obtained a licence to provide mobile telecommunications services in Bahrain.

Vodafone Group Plc
Preliminary Results for the year ended 31 March 2003

PART 3

OTHER OPERATIONS

Financial highlights

		Year ended 31 March		
		2003	2002	Increase/ (decrease)
		GBPm	GBPm	%
Statutory turnover	- Europe	854	998	(14)
	- Asia Pacific	1,979	1,105	79
		2,833	2,103	35
Statutory total Group operating profit/(loss)*	- Europe	(138)	(306)	-
	- Asia Pacific	149	(17)	-
		11	(323)	-

Proportionate turnover	- Europe	752	821	(8)
	- Asia Pacific	1,321	1,160	14
		2,073	1,981	5
Proportionate EBITDA (before exceptional items)	- Europe	48	(8)	-
	- Asia Pacific	396	199	99
		444	191	132

* Before goodwill amortisation and exceptional items

The Group's other operations largely comprise interests in fixed line telecommunications businesses in Germany (Arcor), Japan (Japan Telecom) and France (Cegetel) and Vodafone Information Systems, an IT and data services business based in Germany. Results for the Vizzavi joint venture are also included until 29 August 2002.

Results for the Group's other operations have improved, primarily as a result of the full year inclusion of Japan Telecom in the period, which was consolidated from 12 October 2001. The proportionate results also benefited from the stake increase in Cegetel, which took the Group's effective ownership to 30% with effect from January 2003.

Arcor

Arcor provides fixed network services in Germany. The German fixed line market remains intensely competitive although Arcor has retained its position as the leading private operator and the strongest competitor to Deutsche Telekom, the market leader. Turnover from voice, data and internet businesses increased by 9% in the year, compensating for the significant reduction in carrier and other business caused by the competitive market. During the period the contract voice customer base increased by approximately 10% or 230,000 to 2,600,000 customers, and total traffic volumes increased by 20% to 25.3 billion minutes.

In January 2002, a contract with Deutsche Bahn AG was signed to carve out Arcor's railway specific telecommunication and service business into the company Arcor DS-Telematik GmbH. Following completion of the sale in April 2002, the remaining 50.1% share of Telematik was sold to Deutsche Bahn AG in July 2002.

Japan Telecom

Japan Telecom is the third largest fixed line telecommunications operator in Japan, offering both voice and data services. Since Vodafone gained control in October 2001, Japan Telecom's profitability has improved significantly, with operating profit, before goodwill amortisation and exceptional items, of GBP149m for the year ended 31 March 2003 as the benefits of management's transformation plan start to be realised.

The fixed line market in Japan remains extremely competitive following the lifting of market entry restrictions and the maintenance of market share continues to be a challenge in the customer voice segment. The main focus of the business in the period has been on high growth business opportunities and the delivery of innovative data products and services. The corporate customer base continues to expand due to the uptake of IP data related services, with the next-generation IP network "PRISM", using optical fibres, being particularly successful. Additional functionality such as new connectivity regarding IP-VPN accessibility via the Internet and network expansion for Ethernet services has been added to the network to enhance data services.

The Group is currently in discussions that may or may not lead to a disposal of the Japan Telecom fixed line operations.

STRATEGIC DEVELOPMENTS

Global Services

The Group's vision is to be the world's mobile communications leader. A major focus of the Group's strategy is to offer innovative services within Vodafone-branded, end-to-end customer propositions which utilise the Group's global footprint and global brand to offer customers a unique mobile experience and seamless international services.

These programmes, such as Vodafone live!, are based on compelling customer propositions and have been packaged together for a specific target market. Vodafone live! is an easy-to-use consumer service, bringing customers a world of colour, sound and pictures, enabling them to use picture messaging, download polyphonic ringtones and colour games, and browse branded infotainment from integrated camera phones through an easy to use icon driven menu.

Vodafone live! and Mobile Office from Vodafone

Vodafone live! was launched on 24 October 2002 and by 31 March 2003 the Group had connected more than one million active live! customers in 10 countries. Of the Vodafone live! customers, Germany had over 405,000, Italy 227,000 and the UK 240,000. Since 31 March 2003, Vodafone live! has also been launched in Australia, Egypt and New Zealand. The service has also attracted critical acclaim from the industry, including recent awards from the GSM Association for best consumer application, advertising and mobile handset.

The acquisition of the remaining 50% stake in Vizzavi and its rapid integration into the Group has supported the creation of Vodafone live!, which is expected to continue to drive a significant part of the Group's growth in future years. It is intended that the Vodafone live! experience will continue to be updated, integrating the most up to date services and technologies as well as broadening the range of handsets available to cover more market segments. The next release of Vodafone live! will include access to picture messaging libraries and improved download speeds.

Mobile Connect Card, the first of Vodafone's global business services to be offered under Mobile Office from Vodafone, was launched in twelve countries during the period. Mobile Connect Card, a high speed data card enabling customers to access their normal business applications when out of the office, is aimed at all business users, from large corporate customers to those in the small and medium sized enterprise sector, and is marketed and sold through the Group's direct sales, retail and e-channels as well as partner channels for leading personal computer brands. Mobile Office from Vodafone will offer a range of global and local mobile business services to customers, with more global services to be introduced later this year.

Vodafone live! and Mobile Office from Vodafone are already demonstrating their importance to the Group's strategy of deriving increased revenues from data services, with games downloads, picture messaging and other content services proving particularly popular and generating extra revenue.

3G

Together, Vodafone live! and Mobile Office from Vodafone lay the foundations for the Group's next stage of growth, as it is planned that both will create the demand for new data services against which the Group will deploy its 3G networks. Both currently use 2.5G technology and will be upgraded to 3G, enabling faster download speeds, which will enhance customer experience and productivity.

In December 2002, J-Phone Vodafone became the first subsidiary in the Group to commercially launch 3G services. Furthermore, J-Phone Vodafone customers with an enabled handset can not only use 3G services within Japan, but can also roam internationally on 2G networks with the convenience of being able to use the same telephone number as they do at home.

In Europe, the Group's 3G programme continues, with networks being rolled out according to plan and technical testing underway. The availability of suitable handsets remains a key issue and supplies of these are expected to be limited until 2004. 3G services are expected to be available to customers before the end of the 2004 financial year, dependent on when networks and handsets are of sufficient quality to offer such services to the Group's customers.

Brand

The strength of the Vodafone brand continues to improve. For example, in countries where we have migrated to the Vodafone brand, brand awareness and preference continues to grow. During the year, the Group continued with its high profile sponsorship of the Manchester United Football Club and the Ferrari Formula 1 team, backed up with individual sponsorship contracts which, when combined with the continued brand rollout and other marketing communications programmes, have significantly improved awareness and perception of the brand. Migration to the single Vodafone brand is also underway in Japan and in Italy, Vodafone Omnitel migrated to the single brand in May 2003. Having a consistently implemented brand across our markets greatly assisted the execution of the Vodafone live! campaign and Vodafone live! is already significantly contributing to the brand in terms of brand equity and positioning. The brand is also being rolled out in networks where Vodafone does not have equity stakes, through the partner networks programme, which licenses the global brand and key global services.

Partner Network Agreements

The Group's partner network strategy is becoming increasingly attractive to operators in which it does not hold an equity stake. During the year ended 31 March 2003, the Group signed a further five Partner Network Agreements, with Mobilkom Austria Group, si.mobil in Slovenia, VIPnet in Croatia, Radiolinja Eesti in Estonia and MTC of Kuwait. The Group now has eight partner networks following the latest agreement with Islandssimi hf in Iceland announced on 16 April 2003. By partnering with leading mobile operators the Group is able to market its global services in new territories, extend its brand reach into new markets and create additional revenue without the need for equity investment.

Synergies

Mannesmann synergies of approximately GBP644 million, calculated on a proportionate after tax cash flow basis were achieved in the year ended 31 March 2003, exceeding the target set for the year ended 31 March 2003 mainly as a result of higher savings on capital expenditure.

Corporate Social Responsibility

The Group recognises that key stakeholder groups have interests that extend beyond short-term financial results to the broad context of social and environmental issues and regards a strong corporate social responsibility

("CSR") programme as an important part of achieving sustainable business success. Over the last twelve months, the Group has put in place a series of programmes that address significant environmental issues. These include addressing the concerns related to the perceived link between radio frequencies (EMF) and health, the use of energy across the Group's operations, the reuse and recycling of handsets and accessories, the management of waste and the use of ozone depleting substances in our operations. Progress is being made across all of these projects. Further details will be released in the Company's third separate CSR report or on the CSR pages of the Group's website, www.vodafone.com available in June 2003. The coming years will see a strong focus on further delivery against commitments and increasing integration of CSR into core business processes.

The Group has retained its position in both the FTSE4Good and Dow Jones Sustainability Indices.

FINANCIAL UPDATE

Profit and loss account

Total Group operating profit/loss

Before goodwill amortisation and exceptional items, total Group operating profit increased 30% to GBP9,181m in the year ended 31 March 2003 from GBP7,044m in the year ended 31 March 2002.

After goodwill amortisation and exceptional items, the Group reported a total operating loss of GBP5,451m, compared with a loss of GBP11,834m for the comparable period. This net change of GBP6,383m arose as a result of a GBP4,832m reduction in respect of exceptional items, and a GBP2,137m increase in operating profit, before goodwill amortisation and exceptional items, partly offset by a GBP586m increase in the goodwill amortisation charge, which increased primarily as a result of the acquisition of J-Phone Vodafone and Japan Telecom in the second half of the 2002 financial year. These charges for goodwill amortisation do not affect the cash flows of the Group or the ability of the Group to pay dividends.

Exceptional items

Exceptional operating items of GBP576m were charged in the year ended 31 March 2003, comprising GBP485m of impairment charges in relation to the Group's interests in Japan Telecom and Grupo Iusacell, and GBP91m of reorganisation costs relating to the integration of Vizzavi into the Group and related restructuring.

During the comparable period to March 2002, exceptional operating items of GBP5,408m consisted primarily of impairment charges of GBP5,100m in relation to the carrying value of goodwill for Arcor, Cegetel, Grupo lusacell and Japan Telecom and GBP222m representing the Group's share of exceptional items of its associated undertakings and joint ventures. A further GBP86m of reorganisation costs was also incurred, principally in respect of the Group's operations in Australia and the UK.

Exceptional non-operating charges of GBP5m (2002: GBP860m) mainly represents a profit on disposal of fixed asset investments of GBP255m, principally relating to the disposal of the Group's interest in Bergemann GmbH, through which the

Group's 8.2% stake in Ruhrgas AG was held, offset by an impairment charge in respect of the Group's investment in China Mobile of GBP300m.

Interest

Total Group net interest payable, including the Group's share of the net interest expense of joint ventures and associated undertakings, decreased from GBP845m for the year ended 31 March 2002 to GBP752m for the year ended 31 March 2003. Net interest costs in respect of the Group's net borrowings decreased to GBP457m from GBP503m for the comparable period, reflecting the decrease in average net debt levels. Group interest is covered 26.0 times by operating cash flow plus dividends received from associated undertakings, compared with 16.4 times for the year ended 31 March 2002. The Group's share of the net interest expense of joint ventures and associated undertakings decreased from GBP342m to GBP295m, partly as a result of the consolidation of the Group's former associated undertakings, Japan Telecom and J-Phone Vodafone, from October 2001 and of Vizzavi from 29 August 2002 and reduced levels of indebtedness in SFR.

Taxation

The effective rate of taxation, before goodwill amortisation and exceptional items, for the year to 31 March 2003 was 35.5%, 2.2% less than the rate anticipated at the half year, mainly due to additional benefits arising from a reorganisation of the Group's Italian operations and a one-off benefit in Germany arising from the reorganisation of the German group of companies following the purchase of the remaining minorities. In the prior year, the effective tax rate was 35.7% after benefiting from a one-off tax credit received in Germany arising from the distribution of earnings and the Visco Law incentive scheme in Italy. The Visco Law has subsequently been replaced by a less favourable tax regime.

Next year's effective rate of taxation, before goodwill amortisation and exceptional items, is expected to be similar to this year's and the Group anticipates tax payments to amount to approximately GBP2 billion.

Earnings per share

Earnings per share, before goodwill amortisation and exceptional items, increased 32% from 5.15p to 6.81p for the period to 31 March 2003.

Basic loss per share, after goodwill amortisation and exceptional items, improved from a loss per share of 23.77p to a loss per share of 14.41p for the period to 31 March 2003. The loss per share of 14.41p includes a charge of 20.62p per share (2002: 19.82p per share) in relation to the amortisation of goodwill and a charge of 0.60p per share (2002: 9.10p per share) in relation to exceptional items.

Dividends

The Company has historically paid dividends semi-annually, with the regular interim dividend in respect of the first six months of the financial year payable in February and the final dividend in respect of the financial year payable in August. The directors expect that the Company will continue to pay dividends semi-annually.

In considering the level of dividend to declare and recommend, the Board takes account of the outlook for earnings growth, operating cash flow generation, capital expenditure requirements, acquisitions and divestments together with the possibilities for debt reductions and share buy backs. Accordingly, the directors are recommending a final dividend of 0.8983 pence per share, bringing the total dividend to 1.6929 pence per share, representing a 15% increase over last year's total dividend. The Board expects progressively to increase the payout ratio in the future.

The ex-dividend date is 4 June 2003, the record date for the final dividend is 6 June 2003 and the dividend is payable on 8 August 2003.

Cash flows and funding

The increase in operating profit, before goodwill amortisation and exceptional items, in the year ended 31 March 2003 produced strong operating cash flows of GBP11,142m, which are 38% higher than the comparable period, including over GBP2,970m of operating cash flows from the Group's former associated undertakings Japan Telecom and J-Phone Vodafone.

During the year ended 31 March 2003, the Group increased its operating free cash flow by 58% to GBP5,863m and generated GBP5,171m of free cash flow, more than double the previous financial year.

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Net cash inflow from operating activities (Note 7)	11,142	8,102
Purchase of intangible fixed assets	(99)	(325)
Purchase of tangible fixed assets	(5,289)	(4,145)
Disposal of tangible fixed assets	109	75
Net capital expenditure on intangible and tangible fixed assets	(5,279)	(4,395)
Operating free cash flow	5,863	3,707
Dividends received from associated undertakings *	742	139
Taxation	(883)	(545)
Interest on group debt	(475)	(854)
Dividends from investments	15	2
Dividends paid to minority interests	(91)	(84)
Net cash outflow for returns on investments and servicing of finance	(551)	(936)
Free cash flow	5,171	2,365

Notes:

* Year ended 31 March 2003 includes GBP564m (2002: GBPnil) from Verizon Wireless.

The Group also invested a net GBP4.9 billion in merger and acquisition activities, and an analysis of the significant transactions is shown below:

	Impact on net debt GBP billion
Stake increases in subsidiary companies:	
Vodafone Spain from 91.6% to 100%	1.8
Vodafone Netherlands from 70.0% to 97.2%	0.5
Vodafone Sweden from 71.1% to 99.1%	0.4
Vodafone Holding GmbH from 99.6% to 100%	0.3
Vodafone Greece from 51.9% to 64.0%	0.2

Vodafone Portugal from 50.9% to 94.4%	0.2
Others	0.1
Purchase of remaining 50% interest in Vizzavi operations	0.1
Acquisition of further stakes in associates:	
Cegetel / SFR	1.4
Other associates	0.1
Stake increase in China Mobile from 2.18% to 3.27%	0.5
Disposal of Ruhrgas and Arcor's Telematik business	(0.7)
	4.9

As a result of the significant levels of free cash flow generated and after merger and acquisition activity, Group dividend payments of GBP1,052m and GBP826m of adverse foreign exchange movements, the Group's consolidated net debt position at 31 March 2003 increased to GBP13,839m, from GBP12,034m at 31 March 2002. This represented approximately 18% of the Group's market capitalisation at 31 March 2003 compared with 14% at 31 March 2002. A further analysis of net debt can be found in Note 8 on page 32.

The Group remains committed to maintaining a strong financial position as currently demonstrated by its stable credit ratings of P-1/F1/A-1 short-term and A2/A/A long term from Moody's, Fitch Ratings and Standard and Poor's respectively. Credit ratings are not a recommendation to purchase, hold or sell securities, in as much as ratings do not comment on market price or suitability for a particular investor, and are subject to revision or withdrawal at any time by the assigning rating organisation. Each rating should be evaluated independently.

The Group's credit ratings enable it to have access to a wide range of debt finance including commercial paper, bonds and committed bank facilities. The Group currently has US and euro commercial paper programmes of US$15 billion and GBP5 billion, respectively, which are used to meet short-term liquidity requirements. The commercial paper facilities are supported by a US$11.025 billion committed bank facility, which may be extended for one year from June 2003. This facility replaced the Group's previous US$13.7 billion committed bank facility and as at 31 March 2003 no amounts had been drawn under it. Additionally, the Group has a Eur 12 billion Medium Term Note programme and an $8 billion US shelf programme, both of which are used to meet medium to long term funding requirements.

The Group also has a Yen 225 billion committed bank facility which was fully drawn down on 15 October 2002. At 31 March 2003, the Group had approximately GBP11.7 billion (pounds sterling equivalent) of capital market debt in issue, with maturities from April 2003 to November 2032, GBP2.5 billion (pounds sterling equivalent) of term funding and GBP0.4 billion of short term funding.

Bond repurchases

On 9 January 2003 a cash tender offer was announced to purchase three bonds issued by the Group's wholly owned subsidiary Vodafone Finance BV prior to its acquisition by the Company and guaranteed by Vodafone Holding GmbH, also wholly owned. The offer resulted in a total cash payment of Eur 3,782m to acquire 50.0%, 54.1% and 71.4% of the 2004, 2005 and 2009 issues, respectively.

Details of additional bond repurchases undertaken since 31 March 2003 can be found under "Subsequent Events" on page 24.

Pension scheme funding

As at 31 March 2003, the net deficit in the Group's defined benefit pension schemes, calculated under FRS 17, amounted to GBP257m, comprising a net liability of GBP406m offset by a deferred tax asset of GBP149m. This amount represents less than 0.5% of both the Group's market capitalisation and net assets at that date.

Equity shareholders' funds

Total equity shareholders' funds at 31 March 2003 decreased from GBP130,573m at 31 March 2002 to GBP128,671m. The decrease comprises the loss for the period of GBP9,819m (after goodwill amortisation of GBP14,056m) and dividends of GBP1,154m. The decrease was partially offset by net currency translation gains of GBP9,039m, the issue of new share capital of GBP31m and GBP1m of other movements.

Group management

As previously announced, Arun Sarin will succeed Sir Christopher Gent as Chief Executive after the Annual General Meeting ("AGM") on 30 July 2003. The Group's Financial Director, Ken Hydon, is the next Director due to retire and it is planned that he will retire at the AGM in July 2005.

Transactions

The Group undertook the following significant transactions in the year ended 31 March 2003:

Acquisitions

a) Acquisitions of minority stakes in subsidiary undertakings

Airtel Movil, S.A. ("Vodafone Spain") On 2 April 2002, the Company acquired a further 2.2% interest in Vodafone Spain for the Euro equivalent of GBP0.4 billion, following the exercise of a put option held by Torreal, S.A, increasing the Group's interest to 93.8%.

On 21 January 2003, the Company announced that it had acquired the remaining 6.2% interest in Vodafone Spain for Eur 2.0 billion (GBP1.4 billion) following the exercise of a put option held by Acciona, S.A. and Tibest Cuatro, S.A. under the terms of an agreement originally made in January 2000. The transaction completed on 27 January 2003 at which time Vodafone Spain became a wholly owned subsidiary of the Group.

Vodafone Telecel- Comunicacoes Pessoais, SA ("Vodafone Portugal") During the year the Group increased its effective interest in Vodafone Portugal from 50.9% to 94.4% through a combination of market purchases and a tender offer process. The total aggregate cash consideration paid in the 2003 financial year amounted to GBP184m, with a further GBP336 million paid in April 2003. The Company has implemented compulsory acquisition procedures to acquire the remaining shares and de-listing of Vodafone Portugal's shares occurred on 22 May 2003.

Europolitan Vodafone AB ("Vodafone Sweden") During the year the Group increased its effective interest in Vodafone Sweden from 71.1% to 99.1% through a combination of market purchases and a tender offer process for an aggregate cash consideration of GBP391m. The Company has commenced compulsory acquisition procedures to acquire the remaining shares and Vodafone Sweden's shares were de-listed from the O-list, Attract 40, of the Stockholm Exchange on 28 March 2003.

Vodafone Libertel N.V. ("Vodafone Netherlands") On 27 November 2002, the Group purchased for cash an additional 7.6% interest in Vodafone Netherlands, increasing the Group's interest from 70% to 77.6%. The Company also undertook a tender offer process to acquire the remaining shares held by minorities, which was declared unconditional on 28 March 2003. As a result of the offer at that time and market purchases, the Company increased its effective interest in Vodafone Netherlands to 97.2%. The aggregate cash consideration paid was GBP486m, with a further GBP110m paid in April 2003. Following a post-closing acceptance period, the Company, as a result of the offer and further private transactions, increased its effective interest in Vodafone Netherlands to 99.7%. The Company intends to initiate squeeze-out procedures in order to acquire the remaining shares in the company. Vodafone Netherlands shares have been de-listed from the Euronext Amsterdam Stock Exchange.

Vodafone-Panafon Hellenic Telecommunications Company S.A. ("Vodafone Greece") On 3 December 2002 the Group acquired from France Telecom S.A ("FT") its 10.85% interest in Vodafone Greece for cash, which increased the Group's effective shareholding in Vodafone Greece from 51.9% to 62.7%. The Group also made further market purchases amounting to 1.3% of the shares in Vodafone Greece, taking the Group's effective interest to 64.0% at 31 March 2003. In addition, the Company granted FT a cash settled call option to cover certain of FT's obligations under its 4.125% Exchange Notes due 29 November 2004, which are convertible into Vodafone Greece shares. Exercise of this option will not change the Company's effective interest.

Vodafone Australia On 3 May 2002, the Group completed the purchase of the 4.5% minority interest in Vodafone Australia, as a result of which Vodafone Australia became a wholly owned subsidiary.

Vodafone Holding GmbH On 21 August 2002, the Group bought out the outstanding minority shareholders in Vodafone Holding GmbH, formerly Mannesmann AG, for the Euro equivalent of GBP281m.

Vodafone Hungary On 23 January 2003, the Group increased its stake in Vodafone Hungary having acquired RWE Com GmbH&Co OHG's entire 15.565% interest in Vodafone Hungary.

b) Other acquisitions

On 18 June 2002, the Group purchased a further stake of approximately 1.1% in China Mobile for $750m, increasing the Group's interest in China Mobile to approximately 3.27%.

On 29 August 2002, the Group acquired Vivendi Universal S.A.'s ("Vivendi's") 50% stake in the Vizzavi joint venture companies that operate the mobile content business, for Eur 143m. As a result of this transaction, the Group owns 100% of Vizzavi, with the exception of Vizzavi France, which is now wholly owned by Vivendi.

During December 2002, the Group completed the purchase of an additional 3.5% equity stake in its South African associated undertaking, Vodacom, for the sterling equivalent of GBP78 million. The transaction increases the Group's effective interest in Vodacom to 35.0%.

On 10 January 2003, under an agreement with Mobitelea Ventures Limited, the Group completed the purchase of an additional 5% equity stake in the Group's Kenyan associated undertaking Safaricom for approximately $10 million, increasing the Group's effective interest to 35%.

On 21 January 2003, the Company announced that its subsidiary, Vodafone Holding GmbH, completed the acquisition of SBC's 15% interest in Cegetel for a cash consideration of $2.27 billion (GBP1.4 billion), increasing the Group's effective interest in SFR to approximately 43.9%.

Disposals

On 8 July 2002, the Group completed the sale to E.ON AG of its 23.6% stake in Bergemann GmbH through which it held an effective 8.2% stake in Ruhrgas AG. The total cash received amounted to Eur 0.9 billion.

SUBSEQUENT EVENTS

On 1 April 2003 the Group announced a cash tender offer to purchase $1.1 billion of US Dollar bonds and DEM 400m bonds issued by its wholly owned subsidiary Vodafone Americas, Inc. (previously AirTouch Communications, Inc.) On 17 April 2003, the Group announced that, pursuant to these offers, it had purchased bonds in the principal amounts of $569,987,000 and DEM 308,360,000.

Vodafone Group Plc
Preliminary Results for the year ended 31 March 2003

PART 4

FINANCIAL STATEMENTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Turnover:		
Group and share of joint ventures and associated undertakings	39,152	33,541
Less: Share of joint ventures and associated undertakings	(8,777)	(10,696)
	30,375	22,845
Turnover (Note 2)	30,375	22,845
Operating loss	(5,295)	(10,377)
Share of operating loss in joint ventures and associated undertakings	(156)	(1,457)
Total Group operating loss (Note 2)	(5,451)	(11,834)
Exceptional non-operating items (Note 4)	(5)	(860)
Loss on ordinary activities before interest and similar items	(5,456)	(12,694)
Net interest payable and similar items	(752)	(845)
- Group	(457)	(503)
- Share of joint ventures and associated undertakings	(295)	(342)

Loss on ordinary activities before taxation	(6,208)	(13,539)
Tax on loss on ordinary activities (Note 5)	(2,956)	(2,140)
Loss on ordinary activities after taxation	(9,164)	(15,679)
Minority interests (including non-equity minority interests)	(655)	(476)
Loss for the financial year	(9,819)	(16,155)
Equity dividends	(1,154)	(1,025)
Retained loss for the Group and its share of Joint ventures and associated undertakings	(10,973)	(17,180)
Basic and diluted loss per share (Note 6)	(14.41)p	(23.77)p
Adjusted earnings per share (Note 6)	6.81p	5.15p
Dividends per share	1.6929p	1.4721p

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2003

	31 March 2003 GBPm	31 March 2002 GBPm
Fixed assets		
Intangible assets	108,085	105,944
Tangible assets	19,574	18,541
Investments	27,030	28,977
Loans to joint ventures	-	321
Investments in associated undertakings	25,825	27,249
Other investments	1,205	1,407
	154,689	153,462
Current assets		
Stocks	365	513
Debtors	7,460	7,053
Investments	291	1,792
Cash at bank and in hand	475	80
	8,591	9,438
Creditors: amounts falling due within one year	(14,293)	(13,455)
Net current liabilities	(5,702)	(4,017)
Total assets less current liabilities	148,987	149,445
Creditors: amounts falling due after more than one year	(13,757)	(13,118)
Provisions for liabilities and charges	(3,696)	(2,899)

Investments in joint ventures:		
- Share of gross assets	-	76
- Share of gross liabilities	-	(345)
	---------	---------
	-	(269)
Other provisions	(3,696)	(2,630)
	---------	---------
	131,534	133,428
	=========	=========
Capital and reserves		
Called up share capital	4,275	4,273
Share premium account	52,073	52,044
Merger reserve	98,927	98,927
Other reserve	843	935
Profit and loss account	(27,447)	(25,606)
	---------	---------
Total equity shareholders' funds	128,671	130,573
Equity minority interests	1,848	1,727
Non-equity minority interests	1,015	1,128
	---------	---------
	131,534	133,428
	=========	=========

CONSOLIDATED CASH FLOW

FOR THE YEAR ENDED 31 MARCH 2003

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Net cash inflow from operating activities (Note 7)	11,142	8,102
Dividends received from joint ventures and associated undertakings	742	139
Net cash outflow for returns on investments and servicing of finance	(551)	(936)
Taxation	(883)	(545)
Net cash outflow for capital expenditure and financial investment	(5,373)	(4,447)
Purchase of intangible fixed assets	(99)	(325)
Purchase of tangible fixed assets	(5,289)	(4,145)
Disposal of tangible fixed assets	109	75
Purchase of investments	(560)	(44)
Disposal of investments	575	319
Other	(109)	(327)
	---------	---------
Net cash outflow for acquisitions and disposals	(4,880)	(7,691)
Purchase of interests in subsidiary undertakings	(3,519)	(3,078)
Net cash/(overdrafts) acquired with		

subsidiary undertakings	11	(2,514)
Purchase of interests in joint ventures and associated undertakings	(1,491)	(7,159)
Disposal of interests in subsidiary undertakings	125	-
Disposal of businesses	-	5,071
Purchase of customer bases	(6)	(11)
	---------	---------
Equity dividends paid	(1,052)	(978)
	---------	---------
Cash outflow before management of liquid resources and financing	(855)	(6,356)
Management of liquid resources	1,384	7,042
Net cash outflow from financing	(136)	(675)
Issue of ordinary share capital	28	3,581
Debt repayment	(165)	(4,268)
Issue of shares to minorities	1	12
	---------	---------
Increase in cash in the year	393	11
	=========	=========

Reconciliation of net cash flow to movement in net debt

Increase in cash in the year	393	11
Cash outflow from decrease in debt	165	4,268
Cash inflow from management of liquid resources	(1,384)	(7,042)
	---------	---------
Increase in net debt resulting from cash flows	(826)	(2,763)
Premium on repayment of debt	(157)	-
Debt acquired on acquisition of subsidiaries	-	(3,116)
Translation difference	(826)	517
Other movements	4	50
	---------	---------
Increase in net debt in the year	(1,805)	(5,312)
Opening net debt	(12,034)	(6,722)
	---------	---------
Closing net debt (Note 8)	(13,839)	(12,034)
	=========	=========

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2003

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Loss for the financial year		
- Group	(9,049)	(14,131)
- Share of joint ventures and associated undertakings	(770)	(2,024)
	---------	---------

	(9,819)	(16,155)
Currency translation		
- Group	10,484	(1,980)
- Share of joint ventures and associated undertakings	(1,445)	(283)
	9,039	(2,263)
Total recognised losses for the year	(780)	(18,418)

MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31 MARCH 2003

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Loss for the financial year	(9,819)	(16,155)
Equity dividends	(1,154)	(1,025)
	(10,973)	(17,180)
Currency translation	9,039	(2,263)
New share capital subscribed	31	5,984
Shares to be issued	-	(978)
Other	1	3
Net movement in equity shareholders' funds	(1,902)	(14,434)
Opening equity shareholders' funds	130,573	145,007
Closing equity shareholders' funds	128,671	130,573

NOTES TO THE PRELIMINARY RESULTS
FOR THE YEAR ENDED 31 MARCH 2003

1 Basis of preparation

Statutory financial information

The preliminary results for the year ended 31 March 2003 are an abridged statement of the full Annual Report & Accounts and Form 20-F, which was approved by the Board of Directors on 26 May 2003. The Auditors' Report on these accounts was unqualified. The preliminary results do not comprise statutory accounts within the meaning of section 240 of the Companies Act 1985. The information relating to the year ended 31 March 2002 is an extract from the published accounts for that year, which have been delivered to the Registrar of Companies, and on which the Auditors' Report was unqualified. The accounts for the year ended 31 March 2003 will be delivered to the Registrar of Companies following the Company's Annual General Meeting, to be held on 30 July 2003.

2 Segmental and other analysis

The Group's principal business is the supply of mobile telecommunications services and products. Other operations primarily comprise fixed line telecommunications businesses and, until 29 August 2002, the Vizzavi joint venture. Analyses of turnover and total Group operating profit/(loss) by geographical region and class of business are as follows:

Turnover *	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Mobile telecommunications:		
Northern Europe	6,057	5,432
Central Europe	4,775	4,177
Southern Europe	8,051	6,743
Europe	18,883	16,352
Americas	5	12
Asia Pacific	8,364	4,072
Middle East and Africa	290	306
	27,542	20,742
Other operations:		
Europe	854	998
Asia Pacific	1,979	1,105
	30,375	22,845

* The analysis of turnover represents turnover of the Company and its subsidiary undertakings and is stated net of inter-company turnover.

Total Group operating profit/(loss) (before goodwill and exceptional items)	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Mobile telecommunications:		
Northern Europe	2,222	1,685
Central Europe	1,616	1,543
Southern Europe	2,495	2,072
Europe	6,333	5,300
Americas	1,219	1,317
Asia Pacific	1,421	589
Middle East and Africa	197	161
	9,170	7,367
Other operations:		
Europe	(138)	(306)
Asia Pacific	149	(17)
	9,181	7,044
Subsidiary undertakings	7,076	5,071
Share of joint ventures and associated undertakings	2,105	1,973
Goodwill amortisation	(14,056)	(13,470)
Exceptional operating items (Note 3)	(576)	(5,408)

Total Group operating loss	(5,451)	(11,834)
	=========	=========

3 Exceptional operating items

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Impairment of intangible and tangible fixed assets	485	5,100
Reorganisation costs	91	86
Share of exceptional operating items of associated undertakings and joint ventures	-	222
	---------	---------
	576	5,408
	=========	=========

4 Exceptional non-operating items

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Amounts written off fixed asset investments	340	920
Profit on disposal of fixed asset investments	(255)	(9)
Profit on disposal of fixed assets	(3)	(10)
Profit on disposal of businesses	(22)	(41)
Share of associate profit on disposal of investment	(55)	-
	---------	---------
	5	860
	=========	=========

5 Tax on loss on ordinary activities

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
United Kingdom corporation tax charge at 30%	195	187
	---------	---------
Overseas corporation tax		
Current tax:		
Current year	1,971	857
Prior year	9	(322)
	---------	---------
	1,980	535
	---------	---------
Total current tax	2,175	722
Deferred tax - origination of and reversal of timing differences	818	1,489
	---------	---------
Tax on loss on ordinary activities, before exceptional items	2,993	2,211
Tax on exceptional items	(37)	(71)

Total tax charge	2,956	2,140
Parent and subsidiary undertakings	2,624	1,925
Share of associated undertakings and joint ventures	332	215
	2,956	2,140

6 Earnings per share

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Loss for basic loss per share	(9,819)	(16,155)
Goodwill amortisation	14,056	13,470
Exceptional operating items	576	5,408
Exceptional non-operating items	5	860
Tax on exceptional items	(37)	(71)
Share of exceptional items attributable to minority interests	(139)	(14)
Earnings for adjusted earnings per share	4,642	3,498
Weighted average number of shares (millions):		
Basic, diluted and adjusted	68,155	67,961

7 Reconciliation of operating loss to net cash inflow from operating activities

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Operating loss	(5,295)	(10,377)
Exceptional items	496	4,486
Depreciation	3,979	2,880
Goodwill amortisation	11,875	10,962
Amortisation of other intangible fixed assets	53	34
Loss on disposal of tangible fixed assets	109	46
Group EBITDA, before exceptional items *	11,217	8,031
Working capital movements	(52)	98
Payments in respect of exceptional items	(23)	(27)
Net cash inflow from operating activities	11,142	8,102

* Group EBITDA, before exceptional items, is not a measure recognised under UK

GAAP but is presented in order to highlight operational performance of the Group.

8 Analysis of net debt

	At 1 April 2002 GBPm	Cash flow GBPm	Other non-cash changes & exchange movements GBPm	At 31 March 2003 GBPm
Liquid resources	1,789	(1,384)	(114)	291
Cash at bank and in hand	80	393	2	475
Debt due within one year (other than bank overdrafts)	(1,219)	1,366	(1,470)	(1,323)
Debt due after one year	(12,317)	(1,298)	621	(12,994)
Finance leases	(367)	97	(18)	(288)
	(13,903)	165	(867)	(14,605)
	(12,034)	(826)	(979)	(13,839)

A maturity analysis of net debt is shown below:

	GBPm
One year or less	664
More than one year but not more than two years	2,169
More than two years but not more than five years	4,519
More than five years but not more than ten years	5,018
More than ten years but not more than twenty years	251
More than twenty years	1,218
	13,839

9 Summary of differences between UK and US GAAP

The preliminary results have been prepared in accordance with UK Generally Accepted Accounting Principles ("UK GAAP"), which differ in certain significant respects from US Generally Accepted Accounting Principles ("US GAAP"). A description of the relevant accounting principles which differ materially is provided within Vodafone Group Plc's Annual Report & Accounts and Form 20-F for the year ended 31 March 2003. The effects of these differing accounting principles are as follows:

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm

Revenues in accordance with UK GAAP	30,375	22,845
Items decreasing revenues:		
Non-consolidated subsidiaries	(4,371)	(4,162)
Connection revenues	(1,760)	(1,044)
Revenues in accordance with US GAAP	24,244	17,639

Net loss in accordance with UK GAAP	(9,819)	(16,155)
Items (increasing)/decreasing net loss:		
Goodwill and other intangibles amortisation, including share of equity accounted interests	(8,659)	(9,719)
Exceptional items	405	-
Connection income	16	(15)
Capitalised interest	549	387
Deferred taxes, including share of equity accounted interests	8,242	7,627
Minority interests	269	1,308
Loss on disposal of businesses	-	(85)
Other	(58)	(36)
Net loss in accordance with US GAAP	(9,055)	(16,688)
US GAAP basic loss per ordinary share	(13.29)p	(24.56)p

Shareholders' equity in accordance with UK GAAP	128,671	130,573
Items increasing/(decreasing) shareholders' equity:		
Goodwill and other intangibles including share of equity accounted interests - net of amortisation	96,263	61,765
Exceptional items	405	-
Connection income	(84)	(100)
Capitalised interest	1,301	752
Cumulative deferred income taxes including share of equity accounted interests	(82,189)	(46,996)
Minority interests	(4,068)	(5,514)
Proposed dividends	612	511
Other	(475)	(104)
Shareholders' equity in accordance with US GAAP	140,436	140,887

Vodafone Group Plc
Preliminary Results for the year ended 31 March 2003

PART 5

UNAUDITED PROPORTIONATE FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2003

Basis of preparation

The tables of financial information below are presented on a proportionate basis. Proportionate presentation is not a measure recognised under UK GAAP and is not intended to replace the consolidated financial statements prepared in accordance with UK GAAP. However, since significant entities in which the Group has an interest are not consolidated, proportionate information is provided as supplemental data to facilitate a more detailed understanding and assessment of the consolidated financial statements prepared in accordance with UK GAAP. Proportionate financial information is not presented in the Group's Annual Report & Accounts and Form 20-F for the year ended 31 March 2003.

UK GAAP requires consolidation of entities controlled by the Group and the equity method of accounting for entities in which the Group has significant influence but not a controlling interest. Proportionate presentation is a pro rata consolidation, which reflects the Group's share of turnover and expenses in both its consolidated and unconsolidated entities. Proportionate results are calculated by multiplying the Group's ownership interest in each entity by each entity's results.

Proportionate information includes results from the Group's equity accounted investments and investments held at cost. The Group does not have control over the turnover, expenses or cash flow of these investments and is only entitled to cash from dividends received from these entities. The Group does not own the underlying assets of these investments.

Proportionate turnover is stated net of inter-company turnover. Proportionate EBITDA is defined as operating profit before exceptional items plus depreciation and amortisation of subsidiary undertakings, joint ventures, associated undertakings and investments, proportionate to equity stakes. Proportionate EBITDA represents the Group's ownership interests in the respective entities' EBITDA. As such, proportionate EBITDA does not represent EBITDA available to the Group.

Analysis of proportionate turnover

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Proportionate turnover		
Mobile telecommunications:		
Northern Europe	7,422	6,516
Central Europe	5,333	4,694
Southern Europe	6,334	5,109
Europe	19,089	16,319
Americas	5,802	5,638
Asia Pacific	6,436	5,373
Middle East and Africa	526	488
	31,853	27,818
Other operations:		
Europe	752	821
Asia Pacific	1,321	1,160
	33,926	29,799

Reconciliation of proportionate

turnover to statutory turnover

Proportionate turnover	33,926	29,799
Minority share of turnover in subsidiary undertakings	5,437	3,822
Group share of turnover in joint ventures, associated undertakings and trade investments	(8,988)	(10,776)
	30,375	22,845

Analysis of proportionate EBITDA, before exceptional items

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Proportionate EBITDA, before exceptional items		
Mobile telecommunications:		
Northern Europe	2,899	2,264
Central Europe	2,281	2,068
Southern Europe	2,716	2,131
Europe	7,896	6,463
Americas	1,977	1,907
Asia Pacific	2,119	1,321
Middle East and Africa	243	211
	12,235	9,902
Other operations:		
Europe	48	(8)
Asia Pacific	396	199
	12,679	10,093

Reconciliation of proportionate EBITDA, before exceptional items to total Group operating loss

Proportionate EBITDA, before exceptional items	12,679	10,093
Minority share of EBITDA in subsidiary undertakings	1,889	1,333
Group's share of EBITDA in joint ventures, associated undertakings and trade investments	(3,351)	(3,395)
Charges for depreciation	(3,979)	(2,880)
Exceptional operating items	(496)	(4,486)
Goodwill amortisation	(11,875)	(10,962)
Amortisation of other intangibles	(53)	(34)
Loss on disposal of fixed assets	(109)	(46)
Share of losses in joint ventures and associated undertakings	(156)	(1,457)
	(5,451)	(11,834)

OTHER INFORMATION

1) Copies of the Group's Annual Review and Summary Financial Statement will be sent to all shareholders. Further copies, and copies of the Group's Annual Report & Accounts and Form 20-F, will be available from the Company's registered office:

Vodafone House
The Connection
Newbury
Berkshire
RG14 2FN

2) This Preliminary Results Announcement will also be available on the Vodafone Group Plc website, www.vodafone.com, from 27 May 2003.

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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 with respect to these items. In particular, forward-looking statements include statements with respect to Vodafone's expectations as to launch and roll-out dates for products and services, including, for example, 3G services, Vodafone live! and Mobile Office from Vodafone; the ability to integrate our operations throughout the Group in the same format and on the same technical platform; the development and impact of new mobile technology, including the expected benefits of GPRS, 3G and other services and demand for such services; the completion of Vodafone's brand migration programme and the results of its brand awareness and brand preference campaigns; growth in customers and usage, including improvements in customer mix; future performance, including turnover, ARPU, cash flows, costs, capital expenditures and improvements in margin, non-voice services and their revenue contribution; the rate of dividend growth by the Group or its existing investments; expected effective tax rates and expected tax payments; the ability to realise synergies through cost savings, revenue generating services, benchmarking and operational experience; future acquisitions, including increases in ownership in existing investments and pending offers for investments; future disposals; mobile penetration and coverage rates; expectations with respect to long-term shareholder value growth; our ability to be the mobile market leader, overall market trends and other trend projections. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "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: changes in economic or political conditions in markets served by operations of the Group that would adversely affect the level of demand for mobile services; greater than anticipated competitive activity requiring changes in pricing models and/or new product offerings or resulting in higher costs of acquiring new customers or providing new services, or slower customer growth or reduced customer retention; the impact on capital spending from investment in network capacity and the deployment of new technologies, or the rapid obsolescence of existing technology; slower customer growth or reduced customer retention; the possibility that technologies, including mobile internet platforms, and services, including 3G services, will not perform according to expectations or that vendors' performance will not meet the Group's requirements; changes in the projected growth rates of the mobile telecommunications industry; the Group's ability to realise expected synergies and benefits associated with 3G technologies, the integration of our operations and those of recently acquired companies, the completion of the Group's brand migration programme and the consolidation of IT systems; future revenue contributions of both voice and non-voice services offered by the Group; lower than expected impact of GPRS, 3G and Vodafone live! and Mobile Office from Vodafone on the Group's future revenues, cost structure and capital expenditure outlays; the ability of the Group to harmonise mobile platforms and any delays, impediments or other problems associated with the roll-out and scope of 3G technology and services and Vodafone live! and Mobile Office from Vodafone in new markets; the ability of the Group to offer new services and secure the timely delivery of high-quality, reliable GPRS and 3G handsets, network equipment and other key products from suppliers; greater than anticipated prices of new mobile handsets; the ability to realise benefits from entering into partnerships for developing data and internet services and entering into service franchising and brand licensing; the possibility that the pursuit of new, unexpected strategic opportunities may have a negative impact on one or more of the measurements of our financial performance; any unfavourable conditions, regulatory or otherwise, imposed in connection with pending or future acquisitions or dispositions; changes in the regulatory framework in which the Group operates, including possible action by the European Commission regulating rates the Group is permitted to charge; the Group's ability to develop competitive data content and services which will attract new customers and increase average usage; the impact of legal or other proceedings against the Group or other companies in the mobile telecommunications industry; changes in exchange rates, including particularly the exchange rate of the pound to the euro, US dollar and the Japanese Yen; the risk that, upon obtaining control of certain investments, the Group discovers additional information relating to the businesses of that investment leading to restructuring charges or write-offs or with other negative implications; and loss of suppliers or disruption of supply chains.

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 "Risk Factors" contained in our Annual Report & Accounts and Form 20-F with respect to the financial year ended 31 March 2002 and in our Annual Report & Accounts and Form 20-F to be published with respect to the financial year ended 31 March 2003. 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. Neither Vodafone nor any of its affiliates intends to update these forward-looking statements.

Use of Non-GAAP Financial Information

In presenting and discussing the Group's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with UK GAAP, but this information is not itself an expressly permitted GAAP measure. Such non-GAAP measures should not be viewed in isolation as alternatives to the equivalent GAAP measure.

A summary of certain of the non-GAAP measures included in this results announcement, together with details where additional information and reconciliation to the nearest equivalent GAAP measure can be found, is shown below.

Non-GAAP measure	Equivalent GAAP measure	Location in this results announcement of reconciliation and further information
EBITDA, before exceptional items	Net cash inflow from operating activities	Note 7 on page 31
Total Group operating profit (before goodwill amortisation and exceptional items)	Total Group operating loss	Note 2 on page 29
Sales and administration costs, before goodwill amortisation and exceptional items	Sales and Administration costs	Other reconciliations, below
Profit on ordinary activities before taxation (before goodwill amortisation and exceptional items)	Loss on ordinary activities before taxation	Group Financial Highlights on page 2
Free cash flow	Net cash inflow from operating activities	Cash flows and funding on page 21

Adjusted earnings per share	Earnings per share	Note 6 on page 31
Proportionate turnover	Statutory turnover	Proportionate financial information on pages 34 and 35
Proportionate EBITDA, before exceptional items	Total Group operating loss	Proportionate Financial information on pages 34 and 35

Other reconciliations

Reconciliation of sales and administrative costs, before goodwill amortisation and exceptional items, to total sales and administrative expenses

	Year ended 31 March 2003 GBPm	Year ended 31 March 2002 GBPm
Sales and administrative expenses, before goodwill amortisation and exceptional items	5,403	4,328
Goodwill amortisation	11,875	10,962
Exceptional operating items	496	4,486
Sales and administrative expenses	17,774	19,776

VODAFONE GROUP PLC - MOBILE TELECOMMUNICATIONS BUSINESSES

PROPORTIONATE NET CUSTOMERS - 1 APRIL 2002 TO 31 MARCH 2003

		9 MONTHS TO 31 DECEMBER 2002			
COUNTRY (note 1)	PERCENTAGE OWNERSHIP (note 2) (%)	AT 1 APRIL 2002 (000s)	NET ADDITIONS (000s)	STAKE CHANGES (000s)	AT 31 DEC 2002 (000s)
NORTHERN EUROPE					
UK	100.0	13,186	38	-	13,224
Ireland	100.0	1,704	25	-	1,729
Netherlands (note 6)	97.2	2,289	10	248	2,547
Sweden	99.1	827	107	44	978
Others		5,000	273	6	5,279
TOTAL		23,006	453	298	23,757
CENTRAL EUROPE					
Germany	100.0	21,434	1,243	55	22,732
Hungary	83.8	330	189	49	568
Others		1,567	226	-	1,793
TOTAL		23,331	1,658	104	25,093

SOUTHERN EUROPE					
Greece	64.0	1,539	131	349	2,019
Italy	76.8	13,560	993	39	14,592
Malta	80.0	122	10	-	132
Portugal (note 6)	94.4	1,445	109	310	1,864
Spain	100.0	7,241	708	172	8,121
Albania	82.4	130	136	19	285
Others		438	108	-	546
TOTAL		24,475	2,195	889	27,559
AMERICAS					
United States (note 4)	44.4	13,081	1,120	185	14,386
Others		689	30	-	719
TOTAL		13,770	1,150	185	15,105
ASIA PACIFIC					
Japan	69.7	8,496	758	-	9,254
Australia	100.0	2,050	307	97	2,454
New Zealand	100.0	1,095	125	-	1,220
Others		1,685	553	1,687	3,925
TOTAL		13,326	1,743	1,784	16,853
MIDDLE EAST AND AFRICA					
Egypt	60.0	1,031	247	-	1,278
Others		2,197	380	262	2,839
TOTAL		3,228	627	262	4,117
GROUP TOTAL		101,136	7,826	3,522	112,484

VODAFONE GROUP PLC - MOBILE TELECOMMUNICATIONS BUSINESSES
PROPORTIONATE NET CUSTOMERS - 1 APRIL 2002 TO 31 MARCH 2003
(CONTINUED)

			QUARTER TO 31 MARCH 2003			
COUNTRY (note 1)	PERCENTAGE OWNERSHIP (note 2) (%)	AT 31 DEC 2002 (000s)	NET ADDITIONS (000s)	STAKE CHANGES (note 3) (000s)	AT 31 MAR 2003 (000s)	PREPAID (note 5) (%)
NORTHERN EUROPE						
UK	100.0	13,224	76	-	13,300	59
Ireland	100.0	1,729	11	-	1,740	71
Netherlands (note 6)	97.2	2,547	(9)	645	3,183	59
Sweden	99.1	978	13	322	1,313	30
Others		5,279	62	1,568	6,909	52
TOTAL		23,757	153	2,535	26,445	55
CENTRAL EUROPE						
Germany	100.0	22,732	208	-	22,940	53
Hungary	83.8	568	94	137	799	88
Others		1,793	65	-	1,858	45
TOTAL		25,093	367	137	25,597	52

SOUTHERN EUROPE						
Greece	64.0	2,019	103	44	2,166	71
Italy	76.8	14,592	316	-	14,908	92
Malta	80.0	132	(2)	-	130	92
Portugal (note 6)	94.4	1,864	29	1,019	2,912	73
Spain	100.0	8,121	419	556	9,096	57
Albania	82.4	285	35	2	322	97
Others		546	(9)	-	537	65
TOTAL		27,559	891	1,621	30,071	78
AMERICAS						
United States (note 4)	44.4	14,386	403	3	14,792	7
Others		719	(16)	-	703	83
TOTAL		15,105	387	3	15,495	11
ASIA PACIFIC						
Japan	69.7	9,254	448	-	9,702	6
Australia	100.0	2,454	110	-	2,564	50
New Zealand	100.0	1,220	69	-	1,289	78
Others		3,925	204	-	4,129	60
TOTAL		16,853	831	-	17,684	55
MIDDLE EAST AND AFRICA						
Egypt	60.0	1,278	80	-	1,358	84
Others		2,839	181	39	3,059	86
TOTAL		4,117	261	39	4,417	86
GROUP TOTAL		112,484	2,890	4,335	119,709	53

note 1 All countries now operate under the Vodafone brand with the exception of the United States (Verizon Wireless) and Japan (J-Phone Vodafone). Italy migrated to the single Vodafone brand during May 2003.

note 2 All ownership percentages are stated as at 31 March 2003 and, subject to note 6 below, exclude options, warrants or other rights or obligations of Vodafone Group Plc to increase or decrease ownership in any venture. Ownership interests have been rounded to the nearest tenth of one percent.

note 3 Represents stake increases in Vodafone Netherlands from 77.6% to 97.2%, Vodafone Sweden from 74.6% to 99.1%, SFR from 32.0% to 43.9%, Vodafone Hungary from 68.3% to 83.8%, Vodafone Greece from 62.7% to 64.0%, Vodafone Portugal from 61.4% to 94.4%, Vodafone Spain from 93.8% to 100.0%, Vodafone Albania from 81.7% to 82.4% and Safaricom Limited in Kenya from 30.0% to 35.0%.

note 4 The Group's proportionate customer base has been adjusted for Verizon Wireless's proportionate ownership of its customer base across all its network interests of approximately 98.6% at 31 March 2003. In the absence of acquired interests, this proportionate ownership will vary slightly from quarter to quarter dependent on the underlying mix of net additions across each of these networks.

note 5 Prepaid customer percentages are calculated on a venture basis.

note 6 Includes interests which the Company was irrevocably committed to purchase.

VODAFONE GROUP PLC - MOBILE TELECOMMUNICATIONS BUSINESSES

CONTROLLED ACTIVE CUSTOMER INFORMATION AS AT 31 MARCH 2003

COUNTRY	CONTROLLED ACTIVE (note 1) PREPAID (%)	CONTRACT (%)	TOTAL (%)	CONTROLLED INACTIVE (%)
NORTHERN EUROPE				
UK	88	95	91	9
Ireland	100	99	100	-
Netherlands	89	99	93	7
Sweden	95	95	95	5
TOTAL	90	96	92	8
CENTRAL EUROPE				
Germany	90	94	92	8
Hungary*	89	97	90	10
TOTAL	90	94	92	8
SOUTHERN EUROPE				
Greece	67	94	75	25
Italy	95	92	95	5
Malta	98	98	98	2
Portugal	83	99	88	12
Spain	94	99	96	4
Albania	94	95	94	6
TOTAL	92	97	93	
ASIA PACIFIC				
Japan (note 2)	N/A	N/A	98	2
Australia	93	92	93	7
New Zealand	98	100	98	2
TOTAL	95	93	98	2
MIDDLE EAST AND AFRICA				
Egypt*	97	100	97	3
TOTAL	97	100	97	3
CONTROLLED GROUP TOTAL	91	95	93	7

CONTROLLED INACTIVE CUSTOMER INFORMATION - HISTORY

COUNTRY	CONTROLLED INACTIVE CUSTOMERS AS AT MARCH 2002 (%)	JUNE 2002 (%)	SEPTEMBER 2002 (%)	DECEMBER 2002 (%)	MARCH 2003 (%)
Germany	9	8	8	8	8
Italy	7	7	6	5	5
Japan	1	1	1	1	2
UK	11	9	7	8	9
Controlled Total	8	7	6	6	7

note 1 Active customers are defined as customers who have made or received a chargeable event in the last three months or, where information is not available, defined as customers who have made a chargeable event in the last

three months (indicated by *).

note 2 Customer activity information for Japan is only available on a total customer basis.

VODAFONE GROUP PLC - MOBILE TELECOMMUNICATIONS BUSINESSES

MONTHLY REGISTERED BLENDED ARPU FOR THE 15 MONTHS TO 31 MARCH 2003

Country		Jan 2002	Feb 2002	Mar 2002	Apr 2002	May 2002	Jun 2002	Jul 2002	Aug 2002
Germany	EUR	25.1	22.7	25.4	25.2	26.5	26.5	27.9	27.7
Italy	EUR	28.8	25.6	29.6	27.9	29.4	28.9	31.9	28.6
Japan	JPY	7,470	7,200	7,630	7,310	7,400	7,160	7,670	7,410
UK (note 1)	GBP	22.9	22.0	23.8	22.9	24.6	22.7	24.9	24.7

Country		Sep 2002	Oct 2002	Nov 2002	Dec 2002	Jan 2003	Feb 2003	Mar 2003
Germany	EUR	26.8	27.4	25.4	25.4	25.6	23.2	25.8
Italy	EUR	29.0	29.3	28.0	29.5	29.3	26.5	29.1
Japan	JPY	7,180	7,350	7,120	7,360	7,120	6,840	7,270
UK (note 1)	GBP	24.9	25.5	24.3	23.5	24.7	23.4	25.6

ARPU INFORMATION FOR THE 12 MONTH PERIOD TO 31 MARCH 2003

		ARPU (note 2)		
COUNTRY	CURRENCY	REGISTERED PREPAID	REGISTERED CONTRACT	REGISTERED TOTAL
NORTHERN EUROPE				
UK (note 1)	GBP	125	532	292
Ireland	EUR	336	1,085	553
Netherlands	EUR	174	863	437
Sweden	SEK	908	6,258	4,713
CENTRAL EUROPE				
Germany	EUR	130	519	313
Hungary	HUF	43,098	173,974	56,784
SOUTHERN EUROPE				
Italy	EUR	298	818	347
Malta	MTL	87	895	151
Portugal	EUR	178	711	330
Spain	EUR	158	631	372
ASIA PACIFIC				
Japan	JPY	N/A	N/A	87,159
Australia	AUD	312	873	633
New Zealand	NZD	314	1,866	663
MIDDLE EAST AND AFRICA				
Egypt	EGP	682	2,824	1,002

ARPU - HISTORY

COUNTRY	CURRENCY	REGISTERED TOTAL ARPU FOR THE 12 MONTH PERIOD TO MARCH 2002	JUNE 2002	SEPTEMBER 2002	DECEMBER 2002	MARCH 2003
Germany	EUR	298	302	308	312	313
Italy	EUR	345	345	345	347	347
Japan	JPY	91,903	90,302	89,193	88,238	87,159
UK (note 1)	GBP	276	278	282	287	292

note 1 During the period from 1 October 2002 to 31 March 2003, Vodafone UK operated under interim commercial terms with one of its service providers. Final terms were agreed in April 2003. Recognising revenues and costs on a consistent basis during the interim period to the bases before and after this period would result in additional service revenues and costs of GBP74 million. For consistency and comparability purposes, these revenues have been included in the calculation of UK ARPU but have been excluded from Group turnover in accordance with UK GAAP.

The impact of the inclusion of these amounts has been to increase ARPU for the 12 months to 31 December 2002 and 31 March 2003 from GBP284 and GBP286 to GBP287 and GBP292, respectively.

note 2 ARPU is calculated as total revenues excluding handset revenues and connection fees divided by the weighted average number of customers during the period.

VODAFONE GROUP PLC - MOBILE TELECOMMUNICATIONS BUSINESSES
NON-VOICE SERVICES AS A PERCENTAGE OF SERVICE REVENUES

PROPORTIONATE BASIS

COUNTRY	12 MONTHS TO 31 MARCH 2003 MESSAGING	DATA	TOTAL	MARCH 2003 (MONTH ONLY) MESSAGING	DATA	TOTAL
NORTHERN EUROPE						
UK (note 1)	13.4%	1.0%	14.4%	14.0%	1.2%	15.2%
Others	9.4%	0.5%	9.9%	10.5%	0.7%	11.2%
TOTAL	11.6%	0.8%	12.4%	12.3%	0.9%	13.2%
CENTRAL EUROPE						
Germany	15.6%	0.8%	16.4%	15.6%	1.0%	16.6%
Others	8.3%	1.2%	9.5%	9.5%	1.7%	11.2%
TOTAL	14.7%	0.9%	15.6%	14.8%	1.1%	15.9%
SOUTHERN EUROPE						
Italy	10.8%	0.5%	11.3%	11.2%	0.6%	11.8%
Others	9.1%	0.3%	9.4%	10.0%	0.6%	10.6%
TOTAL	10.0%	0.4%	10.4%	10.7%	0.6%	11.3%
AMERICAS						
United States	0.4%	0.7%	1.1%	0.7%	0.8%	1.5%
Others	0.1%	-	0.1%	0.1%	-	0.1%
TOTAL	0.4%	0.7%	1.1%	0.7%	0.8%	1.5%
ASIA PACIFIC						
Japan	7.5%	12.8%	20.3%	7.7%	14.0%	21.7%
Others	8.8%	0.6%	9.4%	11.4%	1.0%	12.4%
TOTAL	7.8%	10.3%	18.1%	8.5%	11.1%	19.6%

MIDDLE EAST AND AFRICA	3.7%	-	3.7%	4.3%	-	4.3%
PROPORTIONATE GROUP TOTAL	8.9%	2.4%	11.3%	9.6%	2.7%	12.3%
STATUTORY BASIS						
CONTROLLED GROUP TOTAL	11.0%	3.6%	14.6%	11.6%	4.0%	15.6%

NON-VOICE SERVICES AS A PERCENTAGE OF SERVICE REVENUES - HISTORY

			12 MONTHS TO		
COUNTRY	MAR 2002	JUN 2002	SEP 2002	DEC 2002	MAR 2003
Germany	14.4%	14.8%	15.4%	16.1%	16.4%
Italy	8.7%	9.4%	10.1%	10.7%	11.3%
Japan	15.1%	16.6%	18.1%	19.3%	20.3%
UK (note 1)	11.8%	12.6%	13.2%	13.9%	14.4%
Proportionate Total	8.7%	9.5%	10.1%	10.7%	11.3%
Statutory Total	11.1%	12.1%	13.2%	13.9%	14.6%

			MONTH ONLY		
COUNTRY	MAR 2002	JUN 2002	SEP 2002	DEC 2002	MAR 2003
Germany	15.2%	15.6%	16.2%	19.2%	16.6%
Italy	9.8%	10.4%	10.4%	12.9%	11.8%
Japan	19.8%	19.9%	20.2%	20.6%	21.7%
UK (note 1)	13.4%	14.3%	13.8%	16.0%	15.2%
Proportionate Total	10.3%	10.9%	10.9%	12.5%	12.3%
Statutory Total	13.5%	14.0%	14.3%	16.0%	15.6%

note 1 During the period from 1 October 2002 to 31 March 2003, Vodafone UK operated under interim commercial terms with one of its service providers. Final terms were agreed in April 2003. Recognising revenues and costs on a consistent basis during the interim period to the bases before and after this period would result in additional service revenues and costs of GBP74 million. For consistency and comparability purposes, these revenues have been included in the calculation of non-voice services as a percentage of service revenues.

The impact of the inclusion of these amounts has been to decrease UK non-voice services as a percentage of service revenues for the months of December 2002 and March 2003 from 16.1% and 15.3% to 16.0% and 15.2%, respectively.

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 authorized.

VODAFONE GROUP

PUBLIC LIMITED COMPANY
(Registrant)

By:/s/ S R SCOTT

Name: Stephen R Scott
Title: Group General Counsel and Company Secretary

Date 27 May 2003