VODAFONE GROUP PUBLIC LTD CO
Form 6-K
November 12, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer

Pursuant to Rules 13a-16 or 15d-16 under

the Securities Exchange Act of 1934

Dated 12 November 2008

Commission File Number: 001-10086

VODAFONE GROUP

PUBLIC LIMITED COMPANY

(Translation of registrant s name into English)

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

(Address of principal executive offices)

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

Form 20-F ü Form 40-F __

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

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

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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 ü

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

THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN EACH OF THE REGISTRATION STATEMENT ON FORM F-3 (FILE NO. 333-144978), THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-81825) AND THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-149634) OF VODAFONE GROUP PUBLIC LIMITED COMPANY AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

This Report on Form 6-K contains the following items:

(a) Chief Executive s Statement;

(b) Business Review;

(c) Half-year Condensed Consolidated Financial Statements of Vodafone Group Plc

Certain information listed above is taken from the previously published results announcement of Vodafone for the six months ended 30 September 2008 (Half-Year Financial Report). This document does not update or restate any of the financial information set forth in the Half-Year Financial Report.

This document should be read in conjunction with the Group s Annual Report on Form 20-F for the year ended 31 March 2008, in particular the following sections:

- the information contained under the Key Performance Indicators on pages 30 and 31;
- the information contained under Operating Results on pages 32 to 50;
- the information contained under Liquidity and Capital Resources on pages 55 to 58; and
- the Consolidated Financial Statements on page 88 to 131;

The terms Vodafone , the Group , we , our and us refer to the Company, and as applicable, its subsidiary undertakings and/or its interest in joint ventures and/or associated undertakings.

Exhibit 7

- Computation of ratio of earnings to fixed charges

CHIEF EXECUTIVE S STATEMENT

The first half results reflect a solid overall performance in a challenging operating and a weaker macro economic environment.

Group revenue increased by 17.1% to £19.9 billion, substantially due to foreign currency benefits, with organic growth of 0.9%. The Group is increasingly focused on cash flow generation. Free cash flow excluding licence and spectrum payments increased by 15.9% to £3.1 billion, with foreign currency again a key driver as well as lower tax payments, offsetting the lower dividends received from SFR.

Europe revenue increased by 14.3% to £14.5 billion. Revenue fell by 1.1% on an organic basis, with ongoing price pressure on core voice and messaging services largely compensated by continued strong data growth. Margins declined in line with our expectations, driven by higher customer costs and investment in fixed line services. Italy and Germany continue to execute well and Spain has stabilised in the second quarter. We underperformed recently in the UK but have put in place appropriate actions. Capital intensity for the total of Europe and common functions was kept stable compared to last year at 8.4%. Europe operating free cash flow remained solid at £3.6 billion.

In EMAPA, revenue grew by 25.7% to £5.4 billion driven by the India acquisition last year. On a pro forma basis, revenue grew by 14.4%. Organic growth was 8.8%, with strong growth in Vodacom and Egypt offset by a weaker performance in Turkey. EMAPA operating free cash flow excluding licence and spectrum payments was stable at £0.5 billion, after investing £0.6 billion in India. India revenue grew by 41% on a like for like basis, with a reduction in margin driven largely by pricing pressures, the impact from IT outsourcing and initial launch costs in new circles. We continue to invest significantly in the network in India to drive customer growth and scale in this low penetration market. We have had to reduce the carrying value of Turkey by £1.7 billion to reflect higher, market driven, discount rates, together with the effects of a tougher competitive environment. Our turnaround in Turkey is taking longer than we anticipated and we are focusing on completing our network optimisation and improving distribution as priorities.

Adjusted operating profit increased by 10.5% to £5.8 billion reflecting foreign currency benefits and strong growth in Verizon Wireless. Adjusted earnings per share increased by 17.1% to 7.52 pence, largely driven by foreign exchange benefits and a further reduction in tax rates.

Strategy review

In May 2006, we formulated a five point strategy which served us well for more than two years. We have broadly maintained or improved share against our largest or reference competitors in most of our markets and delivered on our key cost targets. We have increased the share of revenue from non-core mobile services from 10% to 15% and we also successfully increased our exposure to higher growth markets. Our dividend policy resulted in an average annual increase of 11% in dividends and our capital structure policy has proved right for the business, particularly in the current market context.

However, a number of challenges have evolved. Elasticity on core voice and messaging services remains below one, competitive and regulatory pressures continue to be strong, and recently we have not met our expectations in some markets. We are clearly entering into a more difficult macro economic environment. These factors led the Board to conclude that we should review whether the strategy established in May 2006 remained appropriate for the current environment.

The fundamentals of Vodafone and our industry continue to be attractive; the sector leaders continue to be able to generate strong cash flow. In terms of revenue prospects, whilst prices are likely to continue to decrease in Europe, the scope for usage growth remains significant, as demonstrated in markets such as the US and India. Mobile data is also proving to be in high demand: effective communications drive productivity benefits, meaning businesses and individuals need more, not less, of our services. A greater range of data devices and portable computers, at increasingly lower costs, are enlarging the addressable market. On the cash cost side, only about a third of our operating costs are fixed, and about a quarter depend on growth in voice minutes and data traffic. We controlled these costs well over the last two years. The remaining component of costs, some 40%, is market driven, providing significant scope for us to adapt in the event of greater economic pressures. Overall, our current European capital intensity of around 10% of revenue already contains a component of investment for growth.

Vodafone has three key attributes which strongly differentiate us from our competitors: firstly, our scale in technology with which we continue to drive network and IT savings through consolidation and centralisation of core activities; secondly, our strong presence in the enterprise market, in large corporates as well as in small and medium sized businesses, as a consequence of the consistently high quality of our products and services; and finally, our brand, especially in consumer pull markets.

Our strategy will now be focused on four key objectives: drive operational performance, pursue growth opportunities in total communications, execute in emerging markets and strengthen capital discipline.

We will drive operational performance through customer value enhancement, rather than revenue stimulation, and cost efficiency. Value enhancement involves maximising the value of our existing customer relationships, not just the revenue. We will shift our approach away from unit pricing and unit based tariffs to propositions that deliver much more value to our customers in return for greater commitment, incremental penetration of the account or more balanced commercial costs. This will require a more disciplined approach to commercial costs to ensure our investment is focused on those customers with higher lifetime value. In essence, we are confident that by targeting our offers, we can deliver more value to our customers and have a better financial outcome for Vodafone. Customer value enhancement replaces revenue stimulation.

Cost efficiency requires us to continue to deliver scale benefits through optimisation of operating and capital expenditure. We have a significant number of cost programmes across the Group which we expect to reduce current operating costs by approximately £1 billion per annum by the 2011 financial year to offset the pressures from cost inflation and the competitive environment and to enable investment in revenue growth opportunities. As a result, on a like for like basis, we are targeting broadly stable operating costs in Europe and for operating costs to grow at a lower rate than revenue in EMAPA between the 2008 and 2011 financial years. Capital intensity is expected to be at or below 10% over this period in Europe and to trend to European levels in EMAPA over the longer term.

On growth opportunities, the three target areas are Mobile data, Enterprise and Broadband. We have already made significant progress on mobile data, with annualised revenue of £2.8 billion, but the opportunity remains significant with the penetration of data devices still relatively low in Europe and almost nil in emerging markets. In enterprise, we have a strong position in core mobile services and we have built a solid presence in 18 months in multi-national accounts through Vodafone Global Enterprise. Our strategy is to leverage this strength to expand our offerings into the broader enterprise communications market locally, serving SoHo and SMEs with shared platforms and services, supported by our local sales forces. For broadband, we continue to adopt a market by market approach focused on the service, rather than the technology, and targeted at enterprise and high value consumers as a priority.

We are already represented in most of the key emerging markets where significant growth is expected in the coming years. Our principal focus now will be on execution in these markets, in particular in India, Turkey and our African footprint following our recent agreement to acquire control of Vodacom. We will also seek to maximise the mobile data opportunity. There are few potential large new markets of interest to us and we will be cautious and selective on future expansion.

The final objective is capital discipline. We remain committed to our low single A rating target, which we consider to be appropriate in the current environment, and comfortable with our liquidity position. Our focus is on free cash flow generation and ensuring appropriate investment in our existing businesses. We see increasing dividends as the primary reward to shareholders. Given our credit rating and the current level of cash flow and dividends, this leaves limited debt capacity.

We see in-market consolidation as a positive for our industry and we would support consolidation. As previously mentioned, our focus is principally on our existing emerging markets rather than expansion and any significant acquisition would likely need to be funded through portfolio disposals. We remain focused on value creation for our non-controlled assets. Verizon Wireless is one of the leading assets in an attractive market and we are increasingly co-operating on terminals, enterprise and future technology to deliver further value for the Group.

The Board has reviewed the present dividend policy in the light of recent foreign exchange rate volatility, the impact of amortisation of acquired intangible assets and the current economic environment and has concluded that it should instead adopt a progressive policy, where dividend growth reflects the underlying trading and cash performance of the Group. Accordingly, the interim dividend for the current financial year will be increased by 3.2% to 2.57 pence per share.

For the current year, we have updated our outlook to reflect the environment we are operating in and beneficial changes in foreign exchange rates. The Group is now expecting a slight increase in the level of free cash flow generation notwithstanding a reduction in underlying expectations for revenue and adjusted operating profit.

Our updated strategy repositions us appropriately in the current environment. We need to improve execution in our existing businesses and deliver on our cost targets. We will pursue growth in total communications and focus on our existing emerging markets, with only selective and cautious footprint expansion. Finally, we must strengthen our approach to capital discipline. Our priority is free cash flow generation and we will continue to target £5 billion to £6 billion of free cash flow per annum, excluding licence and spectrum payments and any potential CFC tax settlement.

We have the right assets and the right strategy to ensure Vodafone continues to be an industry leading player and deliver attractive returns to shareholders.

GROUP FINANCIAL AND OPERATING HIGHLIGHTS

	Page	**2008 £m**	2007 £m	Change % Reported	Change % Organic
Financial information[1]					
Revenue	25	**19,902**	16,994	17.1	0.9
Operating profit	25	**4,071**	5,208	(21.8)	
Profit before taxation	25	**3,314**	4,560	(27.3)	
Profit for the period	25	**2,169**	3,327	(34.8)	
Basic earnings per share (pence)	25	**4.04p**	6.22p	(35.0)	
Capitalised fixed asset additions[2]	36	**2,380**	1,982	20.1	
Net cash flow from operating activities	20, 31	**6,065**	4,860	24.8	
Performance reporting[1] [3]					
Adjusted operating profit	7, 38	**5,771**	5,223	10.5	(1.0)
Adjusted profit before tax	38	**5,288**	4,701	12.5	
Adjusted profit for the period attributable to equity shareholders	9, 38	**3,985**	3,397	17.3	
Adjusted basic earnings per share (pence)	9, 38	**7.52p**	6.42p	17.1	
Free cash flow excluding licence and spectrum payments	20	**3,101**	2,675	15.9	
Free cash flow[4]	20	**2,429**	2,661	(8.7)	
Net debt[2]	21	**27,715**	23,253	19.2	

This Half-Year Financial Report contains certain information on the Group s results and cash flows that have been derived from amounts calculated in accordance with IFRS but are not themselves IFRS measures. They should not be viewed in isolation as alternatives to the equivalent IFRS measure and should be read in conjunction with the equivalent IFRS measure. Further disclosures are provided under Use of non-GAAP financial information on page 34.

Notes:

(1) Amounts presented at 30 September or for the six months then ended.
(2) See page 43 for definition of terms.
(3) Where applicable, these measures are stated excluding non-operating income of associates, impairment losses and other income and expense, amounts in relation to equity put rights and similar arrangements (see note 2 in investing income and financing costs on page 8) and certain foreign exchange differences. See page 34 for use of non-GAAP financial information.
(4) Includes licence and spectrum payments of £672 million (2007: £14 million), of which £647 million relates to Vodafone Qatar.

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OUTLOOK FOR THE 2009 FINANCIAL YEAR

Please see page 34 for use of non-GAAP financial information, page 43 for definition of terms and page 44 for forward-looking statements.

	Previous outlook[1]	Operational	Acquisitions	Foreign exchange[2]	**Updated outlook[3]**
	£billion	£billion	£billion	£billion	**£billion**
Revenue	Around 39.8	(1.0)	0.2	0.3	**38.8 to 39.7**
Adjusted operating profit	11.0 to 11.5	(0.4)		0.4	**11.0 to 11.5**
Capitalised fixed asset additions	5.3 to 5.8	(0.2)	0.1		**5.2 to 5.7**
Free cash flow[4]	5.1 to 5.6	0.1	(0.1)	0.1	**5.2 to 5.7**

Notes:

(1) On 22 July 2008, the Group updated its original expectations, indicating revenue was expected to be around the lower end of the quoted £39.8 billion to £40.7 billion range.

(2) The Group s outlook update reflects current expectations for average foreign exchange rates for the second half of the 2009 financial year of approximately £1: 1.26 (full year average of 1.26; originally 1.30) and £1:US$1.67 (full year average of US$1.80; originally US$1.96). A substantial majority of the Group s revenue, adjusted operating profit, capitalised fixed asset additions and free cash flow is denominated in currencies other than sterling, the Group s reporting currency.

(3) The updated outlook includes the impact of the Group s acquisition of stakes in Ghana, Qatar and Poland and by SFR of Neuf Cegetel. The outlook does not reflect the additional 15% stake in Vodacom, as this is not expected to be material in the 2009 financial year, or Verizon Wireless pending acquisition of Alltel.

(4) Excludes spectrum and licence payments, but includes estimated payments in respect of long standing tax issues.

Operating conditions are expected to continue to be challenging in Europe given ongoing competitive and regulatory pressures and recent economic conditions in certain markets. Whilst the current economic environment is also impacting emerging markets, increasing market penetration is expected to continue to result in overall strong growth for the EMAPA region.

As a result of these factors, revenue is now expected to be in the range of £38.8 billion to £39.7 billion, with the lower operational performance being partially offset by foreign exchange movements and recent acquisitions.

Adjusted operating profit is still expected to be in the £11.0 billion to £11.5 billion range. Cost programmes and direct cost savings are expected to mitigate a significant proportion of the revenue shortfall, with foreign exchange benefits offsetting the balance.

The outlook ranges reflect updated assumptions for average foreign exchange rates for the 2009 financial year, which are beneficial compared to the original assumptions both for the euro and the US dollar, but given recent volatility are potentially subject to further material change. A one eurocent change in the sterling/euro exchange rate in the second half of the financial year would impact revenue by approximately £100 million and adjusted operating profit by approximately £30 million. A one US cent change in the sterling/US dollar exchange rate would impact adjusted operating profit by approximately £10 million.

Total depreciation and amortisation charges are still anticipated to be around £6.5 billion to £6.6 billion, higher than the 2008 financial year, primarily as a result of the ongoing investment in capital expenditure in India and the impact of changes in foreign exchange rates.

The Group now expects capitalised fixed asset additions to be in the range of £5.2 billion to £5.7 billion, slightly lower than previously envisaged, reflecting cost control as a consequence of lower expected revenue. Capital intensity for the total of the Europe region and common functions is still expected to be around 10%, with significant investment in growth being maintained in India.

Free cash flow excluding spectrum and licence payments is now expected to be in the range of £5.2 billion to £5.7 billion, higher than previously expected, with adverse operating cash flow offset by lower capital expenditure and tax payments and beneficial foreign exchange movements.

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FINANCIAL RESULTS

GROUP RESULTS(1)

					Six months ended 30 September			
	Europe	EMAPA	Common Functions	Eliminations	**2008**	2007	% change	
	£m	£m	£m	£m	**£m**	£m	£	Organic
Voice revenue	9,147	4,121		(1)	**13,267**	11,781		
Messaging revenue	1,734	437			**2,171**	1,888		
Data revenue	1,145	246			**1,391**	936		
Fixed line revenue	1,199	38			**1,237**	802		
Other service revenue	429	217		(72)	**574**	480		
Total service revenue	**13,654**	**5,059**		**(73)**	**18,640**	15,887	**17.3**	**0.9**
Other revenue	826	349	93	(6)	**1,262**	1,107		
Total revenue	**14,480**	**5,408**	**93**	**(79)**	**19,902**	16,994	**17.1**	**0.9**
Direct costs	(3,291)	(1,574)	(4)	73	**(4,796)**	(3,908)		
Customer costs	(3,960)	(1,207)	(116)		**(5,283)**	(4,426)		
Operating expenses	(1,988)	(925)	327	6	**(2,580)**	(2,095)		
Depreciation and amortisation:								
Acquired intangibles	(45)	(346)			**(391)**	(327)		
Purchased licence	(454)	(36)			**(490)**	(449)		
Other	(1,575)	(698)	(110)		**(2,383)**	(2,009)		
Share of result in associates	296	1,496			**1,792**	1,443		
Adjusted operating profit	**3,463**	**2,118**	**190**		**5,771**	5,223	**10.5**	**(1.0)**
Impairment loss					**1,700**	–		
Other income and expense					**–**	(15)		
Operating profit					**4,071**	5,208		

Note:

(1) The Group revised its presentation of revenue and costs during the period. Further details of this change are provided under the heading Change in presentation on page 43.

Revenue

Revenue increased by 17.1% to £19.9 billion, with the net impact of acquisitions and disposals, principally the acquisition of Vodafone Essar, contributing 3.7 percentage points and favourable exchange rates, mainly due to the movement in the sterling/euro exchange rate, contributing 12.5 percentage points to revenue growth. Including India and Tele2 in Italy and Spain, revenue growth was 2.6%, assuming constant exchange rates and the Group owned the businesses for the whole of the previous year.

Europe achieved revenue growth of 14.3%, but fell by 1.1% on an organic basis for the six months ended 30 September 2008. Strong organic data revenue growth, primarily driven by increased penetration of mobile PC connectivity devices, was more than offset by declines in mobile voice revenue following continued competitive pressures and regulatory reductions of termination and roaming rates.

EMAPA revenue increased by 25.7%, or 8.8% on an organic basis, for the six months ended 30 September 2008, with 8.4% organic growth for the second quarter. The customer base rose by 12.8 million to 131.9 million at 30 September 2008. India in particular performed well, contributing revenue growth of 41%, assuming the Group owned the business for the whole of the previous year. The organic growth rate in the region was lower than in the previous year as a result of increased competition in key markets as they mature and due to the inclusion of Turkey in the organic calculations for the first time.

Operating profit

Operating profit decreased to £4.1 billion, compared to £5.2 billion for the same period in the prior year, due to the growth in adjusted operating profit, offset by an impairment loss of £1.7 billion in relation to Vodafone Turkey.

Adjusted operating profit increased by 10.5% to £5.8 billion, but decreased by 1.0% on an organic basis. Favourable exchange rates, predominantly the sterling/euro exchange rate, contributed 11.9 percentage points, whilst acquisitions and disposals reduced adjusted operating profit growth by 0.4 percentage points.

In Europe, adjusted operating profit grew by 5.9% to £3.5 billion, but declined by 7.7% on an organic basis. Europe s margin decreased when compared to the same period last year, principally from higher customer costs and the Group s increasing focus on fixed line services, such as the businesses acquired from Tele2 in Italy and Spain.

Adjusted operating profit in EMAPA increased by 21.4%, or 14.9% on an organic basis, to £2.1 billion, mainly due to the continued rise in the customer base. The margin in EMAPA fell, driven by the decline in the margin in India and Australia.

The Group s share of the results of associates rose to £1.8 billion, largely due to the performance of Verizon Wireless, which increased by 20.6% in local currency.

Investment income and financing costs

	Six months ended 30 September	
	2008	2007
	£m	£m
Investment income	**501**	382
Financing costs	**(1,244)**	(1,280)
	(743)	(898)
Analysed as:		
Net financing costs before dividends from investments	**(370)**	(394)
Potential interest charges arising on settlement of outstanding tax issues	**(221)**	(200)
Dividends from investments	**108**	72
	(483)	(522)
Foreign exchange(1)	**86**	(90)
Equity put rights and similar arrangements(2)	**(346)**	(286)
	(743)	(898)

Notes:

(1) Comprises foreign exchange differences reflected in the income statement in relation to certain intercompany balances and the foreign exchange differences on financial instruments received as consideration in the disposal of Vodafone Japan to SoftBank in April 2006.

(2) Includes amounts in relation to put rights and similar arrangements held by minority interest holders in certain of the Group s subsidiaries. The valuation of these financial liabilities is inherently unpredictable and changes in the fair value could have a material impact on the future results and financial position of Vodafone. The amount for the six months ended 30 September 2007 also includes a charge of £333 million representing the initial fair value of the put options granted over the Essar Group s interest in Vodafone Essar, which was recorded as an expense. Further details of these options are provided on page 58 of the Group s Annual Report for the year ended 31 March 2008.

Net financing costs before dividends from investments decreased by 6.1% to £370 million, primarily due to favourable changes in the fair value of interest rate hedging instruments, partially offset by unfavourable exchange rate movements impacting the translation into sterling. The interest charge resulting from the 24.9% increase in average net debt was minimised due to changes in currency mix of debt and significantly lower interest rates for debt denominated in US dollars. At 30 September 2008, the provision for potential interest charges arising on settlement of outstanding tax issues was £1,826 million (31 March 2008: £1,577 million).

Taxation

The effective tax rate, exclusive of the impairment loss, for the six months ended 30 September 2008 was 24.2% compared with 27.0% in the same period last year, with the change due primarily to a lower weighted average statutory rate and structural benefits from the ongoing enhancement of the Group s internal capital structure. The effective tax rate including impairment the loss was 34.6% (2007: 27.0%).

Earnings per share

Adjusted earnings per share increased by 17.1% to 7.52 pence for the six months ended 30 September 2008, with substantially all of the increase arising from movements in exchange rates. Basic earnings per share decreased by 35.0% to 4.04 pence, primarily due to the impairment loss of £1.7 billion in relation to Vodafone Turkey.

	Six months ended 30 September	
	2008	2007
	£m	£m
Profit from continuing operations attributable to equity shareholders	**2,140**	3,290
Adjustments:		
Impairment loss	**1,700**	–
Other income and expense	–	15
Non-operating income and expense[1]	**14**	(250)
Foreign exchange[2]	**(86)**	90
Equity put rights and similar arrangements[2]	**346**	286
	1,974	141
Tax on the above items	**(129)**	(19)
Recognition of pre-acquisition deferred tax asset	–	(15)
Adjusted profit from continuing operations attributable to equity shareholders	**3,985**	3,397
	million	million
Weighted average number of shares outstanding basic	**53,006**	52,935
Weighted average number of shares outstanding diluted	**53,205**	53,116

Notes:

(1) The £250 million adjustment for the six months ended 30 September 2007 represents the profit on disposal of the Group s 5.60% stake in Bharti Airtel.

(2) See notes 1 and 2 in investment income and financing costs on page 8.

EUROPE RESULTS[1]

	Germany £m	Italy £m	Spain £m	UK £m	Arcor £m	Other £m	Eliminations £m	**Europe £m**	**% change** £	Organic
Six months ended 30 September 2008										
Voice revenue	2,014	1,721	1,997	1,638	8	1,814	(45)	**9,147**		
Messaging revenue	364	392	208	472	1	298	(1)	**1,734**		
Data revenue	365	182	186	226		186		**1,145**		
Fixed line revenue	46	190	121	15	896	45	(114)	**1,199**		
Other service revenue	94	75	158	125		148	(171)	**429**		
Total service revenue	**2,883**	**2,560**	**2,670**	**2,476**	**905**	**2,491**	**(331)**	**13,654**	**14.6**	**(1.0)**
Other revenue	125	92	218	238	16	145	(8)	**826**		
Total revenue	**3,008**	**2,652**	**2,888**	**2,714**	**921**	**2,636**	**(339)**	**14,480**	**14.3**	**(1.1)**
Direct costs	(502)	(602)	(617)	(801)	(448)	(633)	312	**(3,291)**		
Customer costs[2]	(793)	(485)	(941)	(911)	(183)	(666)	19	**(3,960)**		
Operating expenses	(389)	(375)	(334)	(372)	(121)	(405)	8	**(1,988)**		
Depreciation and amortisation:										
Acquired intangibles		(27)	(4)	(9)		(5)		**(45)**		
Purchased licence	(199)	(45)	(3)	(166)		(41)		**(454)**		
Other	(359)	(258)	(270)	(321)	(65)	(302)		**(1,575)**		
Share of result in associates						296		**296**		
Adjusted operating profit	**766**	**860**	**719**	**134**	**104**	**880**		**3,463**	**5.9**	**(7.7)**
Six months ended 30 September 2007										
Voice revenue	1,823	1,521	1,766	1,776		1,591	(36)	8,441		
Messaging revenue	348	317	181	433		248		1,527		
Data revenue	254	114	156	173		120		817		
Fixed line revenue	7	10	9	12	758	16	(32)	780		
Other service revenue	83	63	139	109		129	(175)	348		
Total service revenue	**2,515**	**2,025**	**2,251**	**2,503**	**758**	**2,104**	**(243)**	**11,913**		
Other revenue	135	72	188	214	10	139	(2)	756		
Total revenue	**2,650**	**2,097**	**2,439**	**2,717**	**768**	**2,243**	**(245)**	**12,669**		
Direct costs	(447)	(437)	(490)	(781)	(346)	(548)	243	(2,806)		
Customer costs[2]	(724)	(332)	(742)	(851)	(160)	(535)	2	(3,342)		
Operating expenses	(329)	(292)	(258)	(351)	(124)	(333)		(1,687)		
Depreciation and amortisation:										
Acquired intangibles				(11)		(4)		(15)		
Purchased licence	(170)	(39)	(3)	(166)		(35)		(413)		
Other	(336)	(221)	(231)	(314)	(46)	(250)		(1,398)		
Share of result in associates						261		261		
Adjusted operating profit	**644**	**776**	**715**	**243**	**92**	**799**		**3,269**		
	%	%	%	%	%	%				
Change at constant exchange rates										
Voice revenue	(5.4)	(3.1)	(3.2)	(7.8)		(2.5)				
Messaging revenue	(10.3)	5.9	(1.4)	9.0		2.8				
Data revenue	22.5	36.8	1.6	30.6		33.8				
Fixed line revenue	411.1	1,483.3	1,110.0	25.0	1.1	150.0				
Other service revenue	(1.1)	1.4	(3.7)	14.7		(1.3)				
Total service revenue	**(1.8)**	**8.2**	**1.5**	**(1.1)**	**2.1**	**1.4**				
Other revenue	(20.9)	8.2		11.2	45.5	(11.0)				
Total revenue	**(2.8)**	**8.2**	**1.4**	**(0.1)**	**2.7**	**0.6**				