

22 February, 2006

1.4 MILLION AUSTRALIANS CONSIDER DITCHING THEIR FIXED LINE IN NEXT TWO YEARS

A Newspoll survey commissioned by Vodafone has revealed that approximately 1.4 million Australians see few reasons to hold onto their landline and are seriously considering ditching it altogether to become totally mobile inside the next two years.

The results expose that Australian mobile users are questioning the need to pay multiple phone bills and are switching to using their mobile at home:

- Approximately 4 in 10 say their mobile is now their main point of contact
- 22% would ditch their landline and just use a mobile if they moved houses
- 40% have friends who've already ditched their landline, making them more likely to consider going totally mobile

Based on the survey findings, the move to ditch the landline and switch to mobile at home is largely being driven by the availability and affordability of capped mobile plans.

According to Richard Sherwood, general manager of Mass Markets, Vodafone Australia, "The industry has seen a sharp decline in fixed line revenues. Australians are wising up to the waste of paying \$30 per month line rental for a phone they don't use and instead are putting the money towards calls on their mobile. There are a growing number of Australians replacing their landline and moving to Vodafone cap plans.

"Since we launched Vodafone cap plans, we're seeing more and more customers use their mobile for everyday calls at home. They're taking great advantage of the value which allows them to stay in touch more with friends and family at a capped price, particularly now we include special interstate and international call rates on some of our caps.

"We expect with the recent launch of the latest \$0 handsets on 24 month contract that more people will take up Vodafone cap plans and use their mobile as their main point of contact."

According to the survey, the demise of 'fixed line' will further accelerate as Australians begin to discover mobile broadband. Approximately one-third of Australians said they would turn 'mobile only' if they could access the internet via mobile broadband at a comparable price.

“We’ve recently launched the Vodafone Mobile Connect with 3G data card which plugs straight into your laptop to give you affordable access to the internet at home or on the move. It gives much better flexibility than ADSL broadband and is another compelling reason for going totally mobile,” Richard Sherwood said.

- ends -

For more information please contact:

Cynthia Fernandez, Vodafone Australia on 0414 880 212

Alison Caldicott, Pulse Communications on: 0410 865 235

Notes to editors

About Vodafone

Vodafone Group Plc is a leading mobile communications company – 25 per cent of the world’s mobile phone users are connected to Vodafone. Vodafone Group has ownership interests in 27 countries, and partner networks in a further 15 countries - leaving an unmatched network footprint. The company provides quality services to 3.45 million Australian customers and has more than 179.3 million proportionate customers worldwide.

© Vodafone Pty Limited 2004: VODAFONE and the Vodafone logos are trade marks of the Vodafone Group. Other product and company names mentioned herein may be the trade marks of their respective owners.

^3G live! services are available with a 3G handset within 3G coverage areas in metropolitan Sydney, Melbourne and Canberra and are subject to network availability. Video calling is available in 3G video zones within 3G coverage areas in Australia.

Unless otherwise indicated in this document, it is Copyright of the Commonwealth of Australia and the following applies:

Copyright Commonwealth of Australia. This material has been reproduced by permission but does not purport to be the official or authorised version. You should make independent inquiries and obtain appropriate advice before relying on the information in any important matter.

If you have any queries, please contact Capital Monitor, a division of LexisNexis Australia, on 02 6273 4899.