

VODAFONE GROUP PUBLIC LTD CO

Form F-3ASR

July 31, 2007

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Registration No. 333 .

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form F-3

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

VODAFONE GROUP PUBLIC LIMITED COMPANY
(Exact Name of Registrant as Specified in its Charter)

ENGLAND AND WALES
(State or Other Jurisdiction of Incorporation or Organization)

Not Applicable
(I.R.S. Employer Identification No.)

Vodafone House
The Connection
Newbury, Berkshire
RG14 2FN
England
Tel. No.: 011-44-1635-33251
(Address and Telephone Number of Registrant's Principal Executive Offices)

CT Corporation System
111 8th Avenue
New York, NY 10011
Tel. No.: 212-590-9200
(Name, Address and Telephone Number of Agent for Service)
Please send copies of all communications to:

Kathryn A. Campbell
Sullivan & Cromwell LLP
1 New Fetter Lane
London EC4A 1AN
England
Tel. No.: 011-44-20-7959-8900

Stephen R. Scott
Vodafone Group Public Limited
Company
Vodafone House
The Connection
Newbury, Berkshire RG14 2FN
England
Tel. No.: 011-44-1635-33251

Pierre-Marie Boury
Cleary Gottlieb Steen & Hamilton
55 Basinghall Street
London EC2V 5EH
England
Tel. No.: 011-44-207-614-2200

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

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If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐ o - ­

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐ o - ­

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☐

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered / Proposed Maximum Aggregate Offering Price per Unit / Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Debt Securities ⁽¹⁾		
Warrants ⁽¹⁾		
Preference Shares ⁽¹⁾	(3)	\$ 0 ⁽³⁾
Ordinary Shares, nominal value \$0.11 3/7 each ⁽¹⁾⁽²⁾		

(1) Also includes such indeterminate amounts of Debt Securities, Warrants, Preference Shares and Ordinary Shares as may be issued upon conversion of or in exchange for any securities that provide for conversion or exchange into Debt Securities, Warrants, Preference Shares or Ordinary Shares.

(2) The Ordinary Shares may be represented by American Depositary Shares, each of which represents ten Ordinary Shares. American Depositary Receipts evidencing American Depositary Shares issuable on deposit of Ordinary Shares have been registered pursuant to a separate Registration Statement on Form F-6 (File No. 333-10908).

(3) An indeterminate aggregate initial offering price or number of the securities of each identified class is being registered as may from time to time be offered at indeterminate prices. Separate consideration may or may not be received for securities that are issuable on exercise, conversion or exchange of other securities or that are issued in units or represented by depositary shares. In accordance with Rules 456(b) and 457(r), the Registrant is deferring payment of all of the registration fee, except for \$198,205 that has already been paid with respect to \$2,450,000,000 aggregate initial offering price of securities that were previously registered pursuant to Registration Statement No. 333-110941, which was initially filed on December 5, 2003, and were not sold thereunder. Pursuant to Rule 457(p) under the Securities Act, such unutilized filing fee may be applied to the filing fee payable pursuant to this Registration Statement.

Pursuant to Rule 429 under the Securities Act of 1933, the Prospectus contained in this Registration Statement and supplements to such Prospectus will also be used in connection with the offering of securities previously registered pursuant to the Registrant's Registration Statement (File No. 333-110941) and not issued.

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PROSPECTUS

Vodafone Group Public Limited Company

Debt Securities

Warrants

Preference Shares

Ordinary Shares

We may offer and sell debt securities, warrants, preference shares or ordinary shares from time to time. We may issue our preference shares and ordinary shares in the form of American Depositary Shares. Each time we sell any of the securities described in this prospectus, we will provide one or more supplements to this prospectus that will contain specific information about those securities and their offering. You should read this prospectus and any applicable prospectus supplement(s) carefully before you invest.

We may sell these securities to or through underwriters and also to other purchasers or through agents. The names of any underwriters or agents will be stated in an accompanying prospectus supplement.

*Investing in these securities involves certain risks. See **Risk Factors** on page 5.*

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Prospectus dated July 31, 2007

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus or incorporated by reference into this prospectus as further described below under "Where You Can Find More Information". This summary does not contain all the information that you should consider before investing in the securities being offered by this prospectus. You should carefully read the entire prospectus, the documents incorporated by reference into this prospectus, and the final term sheet, if any, and prospectus supplement relating to the particular securities being offered.

Vodafone

Vodafone Group Plc is a world leader in providing voice and data communications services for both consumers and enterprise customers, with a significant presence in Europe, the Middle East, Africa, the Asia Pacific region and the United States through the Company's subsidiary undertakings, joint ventures, associated undertakings and investments (collectively referred to as the "Group"). The Group also has arrangements to market certain of its services in additional territories, through "Partner Networks", without the need for equity investment. The Group provides a wide range of mobile telecommunications services, including voice and data telecommunications. The Group also has a controlling interest in a fixed line telecommunications service provider in Germany.

The Group's principal executive office is located at Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN, England and its telephone number is (011 44) 1635 33251. You can find a more detailed description of the Group's business and recent transactions in the Vodafone Group Plc's Annual Report on Form 20-F, which is incorporated by reference in this prospectus. The Form 20-F also presents an unaudited ratio of earnings to fixed charges for the Group's last five fiscal years.

The Securities We Are Offering

We may offer any of the following securities from time to time:

debt securities;

warrants; and

preference shares.

When we use the term "securities" in this prospectus, we mean any of the securities we may offer with this prospectus. This prospectus, including this summary, describes the general terms that may apply to the securities; the specific terms of any particular securities that we may offer will be described in the final term sheet, if any, and the prospectus supplement.

Debt Securities

We may offer fixed rate debt securities, floating rate debt securities, original issue discount debt securities and indexed debt securities. For any particular debt securities we may offer, the applicable final term sheet, if any, and the applicable prospectus supplement will describe the title of the debt securities, the aggregate principal or face amount and the purchase price; the stated maturity; the amount or manner of calculating the amount payable at maturity; the rate or manner of calculating the rate and the payment dates for interest, if any; the redemption or repurchase terms; and any other specific terms. The debt securities will be issued pursuant to an indenture entered into between us and

The Bank of New York which acts as trustee.

Warrants

We may offer warrants to purchase our debt securities, preference shares or ordinary shares. For any particular warrants we may offer, the applicable final term sheet, if any, and the applicable prospectus supplement will describe the initial offering price; the title, aggregate principal amount and terms of the debt securities or the designation and terms of the equity securities that may be purchased upon exercise of the warrants; the expiration date; the exercise price or the manner of determining the exercise price; and any other specific terms.

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Preference Shares

We may offer preference shares. For any particular preference shares we may offer, the applicable final term sheet, if any, and the applicable prospectus supplement will describe the specific designation; the aggregate number of shares offered; the rate and periods, or manner of calculating the rate and periods, for dividends, if any; whether or not dividends will be cumulative; the stated value and liquidation preference amount, if any; the voting rights, if any; the terms on which the series will be convertible into or exercisable or exchangeable for stock of any other class, if any; the redemption or repurchase terms, if any; and any other specific terms.

Form of Securities

The securities of a series may be offered in the form of one or more global certificates in bearer or registered form that will be deposited with a depositary, such as The Depository Trust Company, Euroclear Bank S.A./N.V. (Euroclear) or Clearstream Banking, société anonyme (Clearstream, Luxembourg), as specified in the applicable final term sheet, if any, and the applicable prospectus supplement.

Listing

If any securities are to be listed or quoted on a securities exchange or quotation system, the applicable prospectus supplement will say so.

Use of Proceeds

Unless otherwise indicated in an accompanying prospectus supplement, we will use the net proceeds from the sale of the securities for general corporate purposes.

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RISK FACTORS

An investment in the securities involves significant risk. Accordingly, you should consider carefully all of the information set forth in, or incorporated by reference into, this prospectus before you decide to invest in the securities. We incorporate by reference the risk factors set forth under the caption Risk Factors, Seasonality and Outlook in our Annual Report on Form 20-F for the year ended March 31, 2007.

Risks Associated with the Securities

We may, under the terms of the indenture, carry out an internal reorganization of Vodafone. The indenture relating to the debt securities permits us to effect an internal reorganization without the consent of holders of our debt securities, even if this affects the credit rating of the debt securities or gives us the option to redeem the notes.

Under the indenture, if we transfer our assets to another entity, that entity would be required either to assume the obligations of Vodafone under the debt securities or to provide a full and unconditional guarantee of those obligations. If a guarantee were to be provided, the original issuer (Vodafone) would have no assets other than a receivable from the guarantor in the amount of the debt securities and thus no ability to generate revenue to make payments of interest and principal on the debt securities. Holders of the debt securities would then effectively need to look exclusively to the guarantor for any such payments. The consent of holders of our debt securities would not be required in connection with such a reorganization transaction.

The indenture contains no restrictions on the legal or financial characteristics of the transferee and no restrictions addressing the potential effects of any reorganization transaction on Vodafone or the debt securities. In particular, the indenture would not prohibit such a transaction if it resulted in the credit rating assigned to Vodafone or the debt securities being downgraded by any rating agency or caused additional amounts to become payable in respect of withholding tax on the debt securities. A downgrade of the credit rating could adversely affect the trading prices of the debt securities and, possibly, the liquidity of the market for the debt securities. If additional amounts become payable in respect of withholding tax, the debt securities will thereafter be subject to redemption at our option (or the option of the transferee entity) at any time, as described under Description of Debt Securities We May Offer Special Situations Optional Tax Redemption . We have no obligation under the indenture to seek to avoid these results, or any other legal or financial effects that are disadvantageous to you, in connection with a reorganization transaction that is permitted under the indenture, and there can be no assurance that they will not occur.

If we fail to maintain a listing on a recognized stock exchange interest on our debt securities may be subject to U.K. withholding tax and our liquidity and financial position may be adversely affected by the requirement to pay additional amounts on our debt securities.

Interest payable on our debt securities on or after the date of this prospectus will be paid free of U.K. withholding tax if we maintain a listing of the debt securities on a recognized stock exchange within the meaning of Section 1005 of the U.K. Income Tax Act 2007. We may apply for listing of the debt securities on the London Stock Exchange or the New York Stock Exchange, each of which is currently designated as a recognized stock exchange . The inability to list the debt securities or to maintain such a listing may have an adverse effect on our liquidity and financial position by reason of our obligation to pay such additional amounts as may be necessary so that the net amount received by the holders after such reduction will not be less than the amount the holder would have received in the absence of such withholding or deduction. While if we apply for such a listing we will use our best efforts to obtain and maintain such a listing, as needed, we cannot guarantee that we will be successful. See Description of the Debt Securities We May Offer Payment of Additional Amounts and Taxation United Kingdom Taxation .

The debt securities, warrants and preference shares lack a developed public market.

There can be no assurance regarding the future development of a market for the debt securities, warrants or preference shares or the ability of holders of the debt securities, warrants or preference shares to sell their debt

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securities, warrants or preference shares or the price at which such holders may be able to sell their debt securities, warrants or preference shares. If such a market were to develop, the debt securities, warrants or preference shares could trade at prices that may be higher or lower than the initial offering price depending on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. Underwriters, broker-dealers and agents that participate in the distribution of the debt securities, warrants or preference shares may make a market in the debt securities, warrants or preference shares as permitted by applicable laws and regulations but will have no obligation to do so, and any such market-making activities with respect to the debt securities, warrants or preference shares may be discontinued at any time without notice. Therefore, there can be no assurance as to the liquidity of any trading market for the debt securities, warrants or preference shares or that an active public market for the debt securities, warrants or preference shares will develop. See Plan of Distribution on page 65. We may apply for listing of the debt securities, warrants or preference shares on the Official List of the U.K. Listing Authority and for trading of the debt securities, warrants or preference shares on the London Stock Exchange, and for listing of the debt securities, warrants or preference shares on the New York Stock Exchange or any other recognized stock exchange .

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed on July 31, 2007 with the U.S. Securities and Exchange Commission using the shelf registration process. We may sell any combination of the securities described in this prospectus in one or more offerings.

This prospectus provides you with a general description of the securities that we may offer. Each time we sell securities, we will provide one or more prospectus supplements that will contain specific information about the terms of those securities and their offering. The prospectus supplements may also add, update or change information contained in this prospectus. You should read both this prospectus and any applicable prospectus supplement(s) together with the additional information described under the heading "Where You Can Find More Information" prior to purchasing any of the securities offered by this prospectus.

Unless otherwise stated in this prospectus or unless the context otherwise requires, references in this prospectus to "we", "our", "us", "Vodafone" or "the Company" are to Vodafone Group Plc. References to "the Group" are to Vodafone Group and its subsidiaries and, where the context requires, its interests in joint ventures and associated undertakings.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, applicable to a foreign private issuer and, in accordance with these requirements, file annual and special reports and other information with the SEC. You may read and copy any document that we file at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may also obtain documents we file with the SEC on the SEC website at www.sec.gov. Please visit this website or call the SEC at 1-800-SEC-0330 for further information about its public reference room.

Our ordinary shares are listed on the London Stock Exchange. Our American Depositary Shares, referred to as ADSs, are listed on the New York Stock Exchange. You can consult reports and other information about us that we have filed pursuant to the rules of the New York Stock Exchange at such exchange.

The SEC allows us to incorporate by reference the information we file with them, which means that:

incorporated documents are considered part of this prospectus;

we can disclose important information to you by referring to those documents; and

information that we file with the SEC in the future and incorporate by reference herein will automatically update and supersede information in this prospectus and information previously incorporated by reference herein.

The information that we incorporate by reference is an important part of this prospectus.

Each document incorporated by reference is current only as of the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the affairs of Vodafone Group Plc since the date thereof or that the information contained therein is current as of any time subsequent to its date. Any statement contained in such incorporated documents shall be deemed to be modified or superseded for the purpose of this prospectus to the extent that a subsequent statement contained in another document we incorporate by

reference at a later date modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

We incorporate by reference the documents below filed with the SEC by Vodafone Group Plc pursuant to the Securities Exchange Act of 1934. We also incorporate by reference any future filings that we make with the SEC under Sections 13(a), 13(c) or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities. Our reports on Form 6-K furnished to the SEC after the date of this prospectus (or portions thereof) are incorporated by reference in this prospectus only to the extent that the forms expressly state that we incorporate them (or such portions) by reference in this prospectus.

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The documents incorporated by reference herein in the future and set forth below contain important information about us and our financial condition.

Vodafone SEC Filings (File No. 1-10086)

Period

Annual Report on Form 20-F
Report on Form 6-K

Year ended March 31, 2007.
Dated July 27, 2007, containing an update to the Group's
key performance indicators for the quarter ended June
30, 2007.

You can obtain copies of any of the documents incorporated by reference through Vodafone or the SEC. Documents incorporated by reference are available without charge, excluding all exhibits unless an exhibit has been specifically incorporated by reference into this prospectus. You may obtain Vodafone documents incorporated by reference into this prospectus, at no cost, by requesting them in writing or by telephone at the following address and telephone number:

Company Secretary's and Legal Department
Vodafone Group Public Limited Company
Vodafone House
The Connection
Newbury, Berkshire
RG14 2FN, England
(011 44) 1635 33251

Our Form 20-F for the year ended March 31, 2007 contains a reconciliation to accounting principles generally accepted in the United States of revenues, net earnings or net loss, as the case may be, earnings or loss per share, as the case may be, cash flows, shareholders' equity and total assets. We refer to these accounting principles as U.S. GAAP.

You should rely only on the information that we incorporate by reference or provide in this prospectus or any applicable prospectus supplement(s). We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents.

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FORWARD-LOOKING STATEMENTS

This prospectus contains or incorporates by reference forward-looking statements within the meaning of the U.S. 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.

In particular, such forward-looking statements include statements with respect to Vodafone's expectations as to launch and roll out dates for products, services or technologies offered by Vodafone; intentions regarding the development of products and services introduced by Vodafone or by Vodafone in conjunction with initiatives with third parties, including Yahoo! and Microsoft; the ability to integrate all operations throughout the Group and the ability to be operationally efficient; the benefits of acquisitions, including the Hutchison Essar acquisition; the development and impact of new mobile technology; growth in customers and usage, including growth in emerging markets; the Group's expectations for revenue, adjusted operating profit, capitalised fixed asset additions and free cash flow for the 2008 financial year contained within the outlook statement in our Annual Report on Form 20-F for the year ended March 31, 2007, and expectations for the Group's future performance generally, including average revenue per user (ARPU), costs, capital expenditures, operating expenditures and margins and non-voice services and their revenue contribution; share purchases; the rate of dividend growth by the Group or its existing investments; expectations regarding the Group's access to adequate funding for its working capital requirements; expected effective tax rates and expected tax payments; the ability to realise synergies through revenue stimulation activities in Europe and cost reduction initiatives, including the IT application development and maintenance (AD&M) programme, supply chain centralisation, data centre consolidation, network sharing and enterprise resource planning initiatives; future acquisitions and future disposals; contractual obligations; mobile penetration and coverage rates; the impact of regulatory and legal proceedings involving Vodafone; expectations with respect to long-term shareholder value growth; Vodafone's ability to be a market leader in providing voice and data communications; 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, statements are inherently predictive and 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, from both existing competitors and new market entrants, including Mobile Virtual Network Operators (MVNOs), which could require changes to the Group's pricing models, lead to customer churn and make it more difficult to acquire new customers and reduce profitability;

the impact of investment in network capacity and the deployment of new technologies, or the rapid obsolescence of existing technology;

slower than expected customer growth and reduced customer retention;

changes in spending patterns of existing customers;

the possibility that new products and services will not be commercially accepted or perform according to expectations or that vendors' performance in marketing these technologies will not meet the Group's requirements;

a lower than expected impact of new or existing products, services or technologies on the Group's future revenue, cost structure and capital expenditure outlays;

the ability of the Group to harmonise mobile platforms and delays, impediments or other problems associated with the roll out and scope of new or existing products, services or technologies in new markets;

the ability of the Group to offer new services and secure the timely delivery of high quality, reliable network equipment and other key products from suppliers;

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the Group's ability to develop competitive data content and services that will attract new customers and increase average usage;

future revenue contributions of both voice and non-voice services;

greater than anticipated prices of new mobile handsets;

changes in the costs to the Group of or the rates the Group may charge for terminations and roaming minutes;

the Group's ability to achieve meaningful cost savings and revenue improvements as a result of its cost reduction initiatives;

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 the Group's financial performance;

developments in the Group's financial condition, earnings and distributable funds and other factors that the Board takes into account in determining the level of dividends;

any unfavourable conditions, regulatory or otherwise, imposed in connection with pending or future acquisitions or disposals and the integration of acquired companies in the Group's existing operations;

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 other negative implications;

changes in the regulatory framework in which the Group operates, including possible action by regulators in markets in which the Group operates or by the EU regulating rates the Group is permitted to charge;

the impact of legal or other proceedings against the Group or other companies in the mobile telecommunications industry;

the possibility that new marketing or usage stimulation campaigns or efforts and customer retention schemes are not an effective expenditure;

the possibility that the Group's integration efforts do not reduce the time to market for new products or improve the Group's cost position;

loss of suppliers or disruption of supply chains;

the Group's ability to satisfy working capital requirements through borrowing in capital markets, bank facilities and operations;

changes in exchange rates, including particularly the exchange rate of pounds sterling to the euro and the US dollar;

changes in statutory tax rates and profit mix which would impact the weighted average tax rate;

changes in tax legislation in the jurisdictions in which the Group operates;

final resolution of open issues which might impact the effective tax rate; and

timing of tax payments relating to the resolution of open issues.

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** on page 5 and **Performance Risk Factors, Seasonality and Outlook** on pages 58 to 60 of our Annual Report on Form 20-F for the fiscal year ended March 31, 2007. 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.

No assurances can be given that the forward-looking statements in this document will be realized. Neither Vodafone nor any of its affiliates intends to update these forward-looking statements.

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VODAFONE

Vodafone Group Plc is a world leader in providing voice and data communications services for both consumers and enterprise customers, with a significant presence in Europe, the Middle East, Africa, the Asia Pacific region and the United States through the Company's subsidiary undertakings, joint ventures, associated undertakings and investments (collectively referred to as the Group). The Group also has arrangements to market certain of its services in additional territories, through Partner Networks, without the need for equity investment. The Group provides a wide range of mobile telecommunications services, including voice and data telecommunications. The Group also has a controlling interest in a fixed line telecommunications service provider in Germany.

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The following table sets out our audited called up share capital, and the borrowings and indebtedness of Vodafone, its consolidated subsidiaries and share of joint ventures, referred to as the Group, as at March 31, 2007.

	At March 31, 2007	
	£	\$
	(in millions)	
Share Capital		
Called up share capital (68.25 billion ordinary shares of \$0.11 3/7 each, authorized, 58,085,695,298 ordinary shares allotted, issued and fully paid)	4,172	8,213

Borrowings and Indebtedness

The borrowings and indebtedness of the Group, excluding intra-group borrowings, at March 31, 2007 were as follows:

	At March 31, 2007	
	£	\$
	(in millions)	
Short-term borrowings	4,817	9,482
Long-term borrowings	17,798	35,035
Derivative and Financial Instruments*	219	431
Total borrowings and indebtedness ⁽¹⁾⁻⁽¹⁰⁾	22,834	44,948

* Certain mark to market adjustments on financing instruments are included within derivative financial instruments, a component of trade and other payables

- (1) The total sterling amount in the table above has been expressed in U.S. dollars solely for convenience and translated at \$1.9685 to £1.00, the Noon Buying Rate on 30 March 2007. Within the footnotes the amounts have been expressed in U.S. dollars for convenience at the Noon Buying Rate on the date quoted in each respective footnote or the most recent business date if the quoted date is not a business date.
- (2) At March 31, 2007, all borrowings and indebtedness are unsecured, except for indebtedness in respect of Vodafone Egypt of £90 million (\$177 million) and Vodafone Holdings SA Pty Limited (VHSA) of ZAR8 billion (\$1.1 billion at the \$/ZAR Noon Buying Rate of 7.29).
- (3) At March 31, 2007, Vodafone had issued guarantees in respect of notes issued by its wholly-owned subsidiary Vodafone Americas Inc. (previously Airtouch Communications, Inc.) amounting to £162 million (\$319 million) and guaranteed debt of its wholly-owned subsidiary Vodafone Finance K.K. Limited (previously J-Phone Finance Co. Ltd) of £1,117 million (\$2,199 million). No other borrowings of the Group

are guaranteed as at this date.

- (4) At March 31, 2007, the Group had issued performance bonds with an aggregate value of £109 million (\$215 million) that are not included within the above table of indebtedness. These are primarily in respect of undertakings to roll out third generation networks by its subsidiaries in Spain and Ireland. Of this, £57 million (\$112 million) is in respect of performance commitments given in Spain.
- (5) As at March 31, 2007, the Group had cash, cash equivalents and trade and other receivables which comprise certain mark to market adjustments on financing instruments of £7,785 million (\$15,325 million), giving total net borrowings and indebtedness of £15,049 million (\$29,624 million).

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- (6) On 8 May 2007, the Group completed its acquisition of companies with interests in Vodafone Essar in India for a cash consideration of US\$10.9 billion and acquired debt of approximately US\$2 billion. The Group has also granted Essar options to sell all or part of its shareholding for a maximum consideration of US\$5 billion between the third and fourth anniversary of the completion of the acquisition.
- (7) On June 6, 2007, Vodafone issued 1.25 billion (\$1.69 billion at the \$/ Noon Buying Rate of 1.3492) floating rate notes with a maturity of June 6, 2014.
- (8) On June 6, 2007, Vodafone issued 500 million (\$675 million at the \$/ Noon Buying Rate of 1.3492) 5.375% bonds with a maturity of June 6, 2022.
- (9) On 18 July 2007, the Group received \$1.3 billion in respect of a 4.99% stake in Bharti Airtel following an irrevocable agreement by a Bharti group company on 9 May 2007 to purchase 5.6% of Bharti Airtel by November 2008.
- (10) Other than the changes mentioned in the above footnotes, there has been no material change in the capitalization and indebtedness of the Group since March 31, 2007.

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USE OF PROCEEDS

Unless otherwise indicated in an accompanying prospectus supplement, we will use the net proceeds from the sale of the securities for general corporate purposes. General corporate purposes may include working capital, the repayment of existing debt (including debt of acquired companies), for financing capital investments or acquisitions and any other purposes that may be stated. We may temporarily invest funds that we do not need immediately for these purposes in short-term marketable securities.

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DESCRIPTION OF DEBT SECURITIES WE MAY OFFER

Indenture

As required by U.S. federal law for all bonds and notes of companies that are publicly offered, any debt securities will be governed by a document called an indenture. The indenture is a contract entered into between us and The Bank of New York, which acts as trustee. The trustee has two main roles:

First, the trustee can enforce your rights against us if we default, although there are some limitations on the extent to which the trustee acts on your behalf that are described on page 29 under **Default and Related Matters** **Events of Default** **Remedies If an Event of Default Occurs** ; and

Second, the trustee performs administrative duties for us, such as sending interest payments and notices to you and transferring your debt securities to a new buyer if you sell.

The indenture and its associated documents contain the full legal text of the matters described in this section. New York law governs the indenture and the debt securities, except for certain events of default described in the indenture, which are governed by English law. We have filed a copy of the indenture with the SEC as an exhibit to our registration statement.

Section references below refer to sections of the Indenture, between Citibank, N.A. and us, dated as of February 10, 2000. The Bank of New York has become the successor trustee to Citibank pursuant to an Agreement of Resignation, Appointment and Acceptance, dated as of July 24, 2007, by and among the Company, The Bank of New York and Citibank.

Types of Debt Securities

Overview

We may issue as many distinct series of debt securities under our indenture as we wish. This section summarizes all material terms of the debt securities that are common to all series, unless otherwise indicated in the prospectus supplement relating to a particular series.

Because this section is a summary, it does not describe every aspect of the debt securities. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including the definition of various terms used in the indenture. For example, we describe the meanings for only the more important terms that have been given special meanings in the indenture. We also include references in parentheses to some sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in any prospectus supplement, those sections or defined terms are incorporated by reference herein or in such prospectus supplement.

We may issue the debt securities as fixed rate debt securities, which are debt securities that bear interest at a fixed rate described in the applicable prospectus supplement, or floating rate debt securities, which are debt securities that bear interest at rates that are determined by reference to an interest rate formula. In some cases, the rates may also be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate. The various interest rate formulas and these other features are described below under **Interest rates** . In addition, we may issue the debt securities as original issue discount securities, which are debt securities that are offered and sold at a substantial discount to their stated principal amount. (*Section 101*) We may also issue the

debt securities as indexed securities or securities denominated in foreign currencies, currency units or composite currencies, as described in more detail in the prospectus supplement relating to any such debt securities. We may, at our option, at any time and without the consent of the then existing holders of any series of notes, issue additional notes under such series in one or more transactions with terms (other than the issuance date and, possibly, issue price and the first interest payment date) identical to those with which such series was first issued. These additional notes will be deemed to be part of the same series as the notes first issued and the holders of these additional notes will have the right to vote together with holders of the notes first issued. We will describe the material U.K. and U.S. federal income tax consequences and any other special

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considerations applicable to indexed securities and further issuances of debt securities fungible with the same series in the applicable prospectus supplement(s).

Terms of a Particular Series of Debt Securities

The material financial, legal and other terms particular to a series of debt securities will be described in the prospectus supplement(s) relating to that series. Those terms may vary from