VODAFONE GROUP PUBLIC LTD CO
Form F-3
December 05, 2003

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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

Issuer

(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

Janet L. Fisher
Cleary, Gottlieb, Steen & Hamilton
1 Liberty Plaza
New York, NY 10006
Tel. No.: 212-225-2000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement as determined by market conditions.

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

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, please check the following box. x

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 delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Unit(2)(3)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Debt Securities(4)				
Warrants(4)				
	$700,000,000	100%	$700,000,000	$57,000
Preference Shares(4)				
Ordinary Shares, nominal value $0.10 each(4)(5)				

(1) In U.S. dollars or their equivalent in foreign denominated currencies or composite currencies.
(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act.
(3) In no event will the aggregate initial public offering price of the securities issued under this Registration Statement exceed $700,000,000 or if any Debt Securities are issued (i) at an original issue discount, such greater amount as shall result in aggregate net proceeds not in excess of $700,000,000 to the Registrant or (ii) with a principal amount denominated in a foreign currency or composite currency, such amount as shall result in an aggregate initial offering price equivalent to a maximum of $700,000,000.
(4) 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.
(5) 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).

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such dates as the Commission, acting pursuant to Section 8(a), may determine.

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The Information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 5, 2003

PROSPECTUS

(VODAFONE LOGO)

$700,000,000

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 with an aggregate offering price of up to $700,000,000 (or the equivalent amount in other currencies, currency units or composite currencies). 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 3.

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 December , 2003

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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 this prospectus and, in particular, the risks described below, before you make any decision to invest in the securities.

Risks Associated with Our Business

Regulatory decisions and changes in the regulatory environment could adversely affect the Group s business.

Because we own businesses in a large number of geographic areas, we must comply with an extensive range of requirements that regulate and supervise the licensing, construction and operation of our telecommunications networks and services. In particular, there are agencies which regulate and supervise the allocation of frequency spectrum and which monitor and enforce regulation and competition laws which apply to the mobile telecommunications industry. Decisions by regulators regarding the granting, amendment or renewal of licenses, to us or to third parties, could adversely affect our future operations in these geographic areas. We cannot provide any assurances that governments in the countries in which we operate will not issue telecommunications licenses to new operators whose services will compete with ours. In addition, other changes in the regulatory environment concerning the use of mobile phones may lead to a reduction in the usage of mobile phones or otherwise adversely affect us. Additionally, decisions by regulators could further adversely affect the pricing for services we offer. Further details on the regulatory framework in certain regions in which we operate can be found in our Annual Report on Form 20-F and in our Report on Form 6-K, dated December 5, 2003.

Increased competition may reduce market share and/or revenues.

We face intensifying competition. Competition could lead to a decrease in the rate at which we add new customers and to a decrease in the size of our market share as customers choose to receive mobile services from other providers.

The focus of competition in many of our markets continues to shift from customer acquisition to customer retention as the market for mobile telecommunications has become increasingly penetrated. Customer deactivations are measured by our churn rate. There can be no assurance that we will not experience increases in churn rates, particularly as competition intensifies. An increase in churn rates could adversely affect profitability because we would experience lower revenues and additional selling costs to replace customers, although such costs would have a future revenue stream to mitigate the impact.

Increased competition has also led to declines in the prices we charge for our mobile services and is expected to lead to further price declines in the future. Competition could also lead to an increase in the level at which we must provide subsidies for handsets. Additionally, we could face increased competition should there be an award of additional third generation, or 3G, mobile telecommunications licenses in jurisdictions in which one of our members already has a 3G license.

Delays in the development of handsets and network compatibility and components may hinder the deployment of new technologies.

Our operations depend in part upon the successful deployment of continuously evolving mobile telecommunications technologies. We use technologies from a number of vendors and make significant capital expenditures in connection with the deployment of such technologies. There can be no assurance that common standards and specifications will be achieved, that there will be inter-operability across our other networks, that technologies will be developed according to anticipated schedules, that they will perform according to expectations or that they will achieve commercial acceptance. Commercially viable 3G handsets may not be available in the timeframe required, which may delay commercial launch of 3G services. The introduction of software and other network components may also be delayed. The failure of vendor performance or technology performance to meet our expectations or the failure of a technology to achieve commercial acceptance could result in additional capital expenditures by us or a reduction in profitability.

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Our business could be adversely affected by the non-supply of equipment and support services by a major supplier.

Our members source their mobile network infrastructure and related support services from a limited number of third party suppliers. The departure from the market of one or more of these third party suppliers could adversely affect our operations and may result in additional capital expenditures by us.

Our strategic objectives may be impeded by the fact that we do not have a controlling interest in some of our ventures.

Some of our interests in mobile licenses are held through entities in which we are a significant but not controlling owner. Under the governing documents for some of these partnerships and corporations, certain key matters such as the approval of business plans and decisions as to the timing and amount of cash distributions require the consent of the partners. In others, these matters may be approved without our consent. We may enter into similar arrangements as we participate in ventures formed to pursue additional opportunities. Although we have not been materially constrained by the nature of our mobile ownership interests, no assurance can be given that our partners will not exercise their power of veto or their controlling influence in any of our ventures in a way that will hinder our corporate objectives and reduce any anticipated cost savings or revenue enhancement resulting from these ventures.

Expected benefits from investment in networks, licenses and new technology may not be realized.

We have made substantial investments in the acquisition of 3G licenses and in our mobile networks, including the rollout of 3G networks. We expect to continue to make significant investments in our mobile networks due to increased usage and the need to offer new services and greater functionality afforded by 3G technology. Accordingly, the rate of our capital expenditures in future years could remain high or exceed that which we have experienced to date. Moreover, there can be no assurance that the commercial launch of 3G services will proceed according to anticipated schedules or that the level of demand for 3G services will justify the cost of setting up and providing 3G services. Failure or a delay in the completion of networks and the launch of new services, or increases in the associated costs, could have a material adverse effect on our operations.

We may experience a decline in revenues per customer notwithstanding our efforts to increase revenues from the introduction of new services.

As part of our strategy to increase usage of our networks, we will continue to offer new services to our existing customers, and to increase non-voice service revenues as a percentage of total service revenue. However, we may not be able to introduce these new services commercially, or may experience significant delays due to problems such as the availability of new mobile handsets or higher than anticipated prices of new handsets. In addition, even if these services are introduced in accordance with expected time schedules, there is no assurance that revenues from such services will increase average revenue per customer.

Our business and our ability to retain customers and attract new customers may be impaired by actual or perceived health risks associated with the transmission of radiowaves from mobile telephones, transmitters and associated equipment.

Concerns have been expressed in some countries in which we operate, particularly the United Kingdom and the United States, that the electromagnetic signals emitted by mobile telephone handsets and base stations may pose health risks at exposure levels below existing guideline levels, and interfere with the operation of electronic equipment. In addition, several mobile industry participants, including companies in the Group, have had lawsuits filed against them alleging various health consequences as a result of mobile phone usage, including brain cancer. While we are not aware that such health risks have been substantiated, there can be no assurance that the actual, or perceived, risks associated with radiowave transmission will not impair our ability to retain customers and attract new customers, reduce mobile telecommunications usage or result in further litigation. In

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such event, because of our strategic focus on mobile telecommunications, our business and results of operations may be more adversely affected than that of other companies in the telecommunications sector.

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 841 of the U.K. Income and Corporation Taxes Act 1988. 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 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 58. 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 with the U.S. Securities and Exchange Commission using the shelf registration process. Under this shelf process, we may sell any combination of the securities described in this prospectus in one or more offerings up to a total aggregate offering price of $700,000,000 (or the equivalent amount in other currencies, currency units or composite currencies).

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 Plc, 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 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 450 Fifth Street, N.W., Room 1200, 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 both on the London Stock Exchange and on the Frankfurt Stock Exchange. We have applied for our ordinary shares to be delisted from the Frankfurt Stock Exchange and expect this process to be completed in approximately six months. 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, as amended. 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 Exchange Act until we sell all of the securities.

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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.

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	Year ended March 31, 2003.
Report on Form 6-K	Dated December 5, 2003, containing Vodafone s unaudited consolidated interim financial information as of and for the periods ended September 30, 2003 and 2002, including financial statements and management s discussion and analysis of financial condition and results of operations, as well as a brief description of recent transactions of Vodafone and other recent developments.
Amendment No. 3 to Registration Statement on Form 8-A/A	Dated December 5, 2003, containing a description of Vodafone s ordinary shares and ADSs.

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 contains audited consolidated financial statements with a report by our independent auditors. These financial statements are prepared in accordance with accounting principles generally accepted in the United Kingdom. We refer to these accounting principles as U.K. GAAP later in this prospectus. Our Form 20-F also 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 later in this prospectus.

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 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 our expectations as to launch and roll-out dates for products and services, including, for example, 3G services, Vodafone live! and other new or existing products, services or technologies offered by Vodafone; intentions regarding the development of products and services; the ability to integrate operations throughout the Group in the same format and on the same technical platform and the ability to be operationally efficient; the development and impact of new mobile technology, including the expected benefits of general packet radio service, or GPRS, 3G and other services and demand for such services; the results of our brand awareness and brand preference campaigns; growth in customers and usage, including improvements in customer mix; future performance, including turnover, average revenue per user, 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; expectations regarding the Group s access to adequate funding for its working capital requirements; the ability to realize 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 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;
- the impact on capital spending from investment in network capacity and the deployment of new technologies, or the rapid obsolescence of existing technology;
- any limitations on or inability to access the Group s sources of funding;
- 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 realize expected synergies and benefits associated with 3G technologies, and the integration of our operations and those of recently acquired companies;
- 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 other new or existing products, services or technologies on the Group s future revenues, cost structure and capital expenditure outlays;
- the ability of the Group to harmonize mobile platforms and any delays, impediments or other problems associated with the roll-out and scope of 3G technologies and services and Vodafone live! and other new or existing products, services or technologies in new markets;

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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 realize 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 the Group s financial performance and may affect the level of dividends;

any unfavorable 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 or other applicable regulators 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, the U.S. 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;

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;

timing of tax payments relating to the resolution of open issues; and

the 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 on page 3. We also suggest that you review the disclosure contained in the description of our business and our management s discussion and analysis of financial condition and results of operations contained in our Annual Report on Form 20-F. Our Annual Report on Form 20-F for the year ended March 31, 2003 is incorporated by reference in this prospectus. All subsequent written or oral forward-looking statements attributable to Vodafone, any members of the Group or persons acting on our behalf are expressly qualified in their entirety by the factors referred to above.

No assurance can be given that the forward-looking statements in this document or any accompanying prospectus supplement 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 provides an extensive range of mobile telecommunications services, including voice and data communications, with a significant presence in Continental Europe, the United Kingdom, the United States and the Far East through our subsidiary undertakings, associated undertakings and investments. We operate in 26 countries worldwide. All of our mobile subsidiaries operate under the brand name Vodafone . In the United States our associated undertaking operates as Verizon Wireless. Since December 2001, we have also entered into arrangements with network operators in countries where we do not hold an equity stake. Under the terms of these partner network agreements, Vodafone and its partner networks cooperate in the development and marketing of global services under dual brand logos. Through these agreements, we have extended our brand reach into ten further countries. We also own interests in two fixed line businesses.

At September 30, 2003, based on the registered customers of mobile telecommunications ventures in which the Group had ownership interests at that date, we had approximately 125.3 million customers, calculated on a proportionate basis in accordance with our percentage interest in these ventures, and approximately 314.0 million registered venture customers.

Our ordinary shares are listed on the London Stock Exchange and the Frankfurt Stock Exchange and our ADSs are listed on the New York Stock Exchange. We have applied for our ordinary shares to be delisted from the Frankfurt Stock Exchange and expect this process to be completed in approximately six months. The Company had a total market capitalization of approximately £93 billion at December 3, 2003, making it the second largest company in the Financial Times Stock Exchange 100 index, or FTSE 100, and the tenth largest company in the world based on market capitalization at that date.

We have maintained a strategy of focusing on global mobile telecommunications and providing network coverage to allow our customers to communicate using mobile products and services. Our strategy is increasingly focused on revenue growth and margin improvement from providing enhanced services to our customer base. This growth strategy has three principal components:

- to grow voice and data revenues through an increased marketing focus on our established high quality customer base;
- to extend our operational leadership of the industry through maximizing the benefits of scale and scope, through the use of partner network agreements, by increasing equity interests in businesses where the Group has existing shareholdings and by promoting the Vodafone brand; and
- to extend service differentiation by investing in delivering Vodafone branded, easy to use, customer propositions for mobile voice and data.

Where appropriate, and if circumstances allow, we may also make acquisitions or disposals of businesses.

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RATIO OF EARNINGS TO FIXED CHARGES AND TO FIXED CHARGES AND

PREFERENCE SHARE DIVIDENDS

Our unaudited consolidated ratio of earnings to fixed charges and earnings to fixed charges and preference share dividends computed under U.K. GAAP and U.S. GAAP for each of our fiscal years ended March 31, 1999 through 2003 and for the six months ended September 30, 2003 are as follows:

	Year Ended March 31,					Six months ended September 30,
	1999	2000	2001	2002	2003	2003
U.K. GAAP						
Ratio of Earnings to Fixed Charges	6.7	4.0	(4.2)	(8.6)	(2.5)	(1.0)
Deficit (£ in millions)			(6,947)	(11,277)	(4,828)	(1,450)
Ratio of Earnings to Fixed Charges and Preference Share Dividends	6.7	4.0	(4.2)	(8.6)	(2.5)	(1.0)
Deficit (£ in millions)			(6,947)	(11,277)	(4,828)	(1,450)
U.S. GAAP						
Ratio of Earnings to Fixed Charges	6.4	3.9	(6.6)	(14.9)	(6.4)	(5.7)
Deficit (£ in millions)			(10,038)	(18,701)	(10,081)	(4,795)
Ratio of Earnings to Fixed Charges and Preference Share Dividends	6.4	3.9	(6.6)	(14.9)	(6.4)	(5.7)
Deficit (£ in millions)			(10,038)	(18,701)	(10,081)	(4,795)

For the purpose of computing these ratios, earnings consist of income on ordinary activities before taxation, adjusted for:

fixed charges;

dividend income from associated undertakings;

share of profits and losses from associated undertakings; and

profits and losses on ordinary activities before tax from discontinued operations.

Fixed charges comprise one-third of rental expense, including the portion of rental expense representative of interest, and interest expense as reported in our consolidated financial statements.

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CAPITALIZATION AND INDEBTEDNESS

The following table sets out our unaudited consolidated called up share capital, and the borrowings and indebtedness of Vodafone Group Plc under UK GAAP as at October 31, 2003.

	At October 31, 2003	
	£	$
	(in millions)	
Share Capital		
Called up share capital (78 billion ordinary shares of $0.10 each, authorized, 68,206,783,646 ordinary shares allotted, issued and fully paid and 50,000 7% cumulative fixed rate shares denominated in £1 shares)	4,277	7,252

Borrowings and Indebtedness

Borrowings and indebtedness of the Group, excluding intra-group borrowings, at October 31, 2003 were as follows:

	At October 31, 2003	
	£	$
	(in millions)	
Total borrowings and indebtedness(1)-(12)	14,924	25,305

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(1) The total sterling amount has been expressed in U.S. dollars solely for convenience and translated at the Federal Reserve noon buying rate on October 31, 2003, which was $1.6956 to £1.00.

(2) All borrowings and indebtedness are unsecured, except for indebtedness in respect of Vodafone Egypt of £169 million ($286 million). Borrowings and indebtedness include long term and short term borrowings.

(3) As at October 31, 2003, Vodafone had issued guarantees in respect of notes issued by its wholly-owned subsidiary Vodafone Americas Inc. (previously Airtouch Communications, Inc.) amounting to £345 million ($584 million) and guaranteed debt of its wholly-owned subsidiary J-Phone Finance Co. Ltd of £1,206 million ($2,045 million). Such notes and debt are included in total borrowings and indebtedness above. No other indebtedness in the nature of borrowing in the Group is guaranteed by Vodafone.

(4) As at October 31, 2003, the Group had issued credit guarantees, on amounts not included in total borrowings and indebtedness above, comprising guarantees and indemnities of £75 million ($127 million), of which £22 million ($37 million) related to the Group s former interest in Xfera Moviles S.A. in Spain. Additionally, the Group has also issued other guarantees, on amounts not included in total borrowings and indebtedness above, which principally consist of commitments to support disposed entities, of a further £57 million ($97 million).

(5) As at October 31, 2003, the Group s performance bonds totalled £829 million ($1,406 million) of which £190 million ($322 million) have counter-indemnities from Vodafone and include undertakings to roll out second and third generation networks by Vodafone s subsidiaries including £574 million ($973 million) in Germany, £173 million ($294 million) in Spain and £31 million ($52 million) in Ireland. These amounts are not included in total borrowings and indebtedness above.

(6) As at October 31, 2003, the Group had cash and liquid investments of £4,491 million ($7,615 million), giving total net borrowings and indebtedness of £10,433 million ($17,690 million).

(7) On November 14, 2003, the Group completed the disposal of its Japanese fixed line business (Japan Telecom Co., Ltd.). Receipts from this transaction are ¥261.3 billion (£1.4 billion), comprising ¥228.8 billion (£1.2 billion) of cash and ¥32.5 billion (£0.2 billion) of transferable redeemable preferred equity.

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(8) On November 18, 2003, Vodafone announced the introduction of a £2.5 billion ($4.2 billion) share repurchase program of which £103 million ($178 million at a $/£ exchange rate of 1.724) had been spent to December 4, 2003 and the shares placed in treasury.

(9) On November 26, 2003, Vodafone announced that it had purchased a 9.433% interest in Vodafone-Panafon Hellenic Telecommunications Company S.A. for a total consideration of 316,725 million ($265 million at a $/ exchange rate of 1.195), which purchase completed on November 28, 2003.

(10) On December 1, 2003, Vodafone announced the launch of a public offer for the remaining interests in a subsidiary undertaking not already owned by it and by December 4, 2003 had made market purchases taking its effective ownership to approximately 80.769%. A maximum consideration of 846.3 million ($708 million at a $/ exchange rate of 1.195) is expected to be paid in connection with this offer.

(11) On December 4, 2003, Vodafone issued £250 million 5.625% bonds with a maturity of December 4, 2025.

(12) Except as described above, there has been (i) no material change in Vodafone s share capital and (ii) no material change in the borrowings and indebtedness or contingent liabilities of the Group since October 31, 2003.

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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LEGAL OWNERSHIP

Street Name and Other Indirect Holders

We generally will not recognize investors who hold securities in accounts at banks or brokers as legal holders of securities. When we refer to the holders of securities, we mean only the actual legal and (if applicable) record holder of those securities. Holding securities in accounts at banks or brokers is called holding in street name . If you hold securities in street name, we will recognize only the bank or broker or the financial institution the bank or broker uses to hold its securities. These intermediary banks, brokers and other financial institutions pass along principal, interest, dividends and other payments on the securities, either because they agree to do so in their customer agreements or because they are legally required. If you hold securities in street name, you should check with your own institution to find out:

- how it handles securities payments and notices;
- whether it imposes fees or charges;
- how it would handle voting if it were ever required;
- whether and how you can instruct it to send you securities and, if the securities are in registered form, have them registered in your own name, so you can be a direct holder as described below; and
- how it would pursue rights under the securities if there were a default or other event triggering the need for holders to act to protect their interests.

Direct Holders

Our obligations, as well as the obligations of the trustee and those of any third parties employed by us or the trustee, under the securities run only to the person with whom the securities are deposited, in the case of debt securities in bearer form, or in the special situations described on page 16, to persons who are registered as holders of the securities, in the case of securities in registered form. As noted above, we do not have obligations to you if you hold in street name or other indirect means, either because you choose to hold securities in that manner or because the securities are issued in the form of global securities as described below. For example, once we make payment to the registered holder or person with whom the security is deposited, we have no further responsibility for the payment even if that holder is legally required to pass the payment along to you as a street name customer but does not do so.

Global Securities

What is a Global Security?

A global security is a special type of indirectly held security. If we choose to issue securities in the form of global securities, the ultimate beneficial owners can only be indirect holders. We may do this in two ways, depending on whether the security is in registered or bearer form.

If the security is in registered form, we require that the global security be registered in the name of a financial institution we select. If the security is a debt security in bearer form, we will deposit the global security with a financial institution we select.

In both cases, we require that the securities included in the global security not be transferred to the name of any other direct holder unless the special circumstances described below occur. The financial institution that acts as the sole direct holder of the global security is called the depositary . Any person wishing to own a security must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with the depositary. A prospectus supplement relating to the offering of a series of securities will indicate whether the series will be issued only in the form of global securities, and whether such global securities will be in bearer form, fully registered form or both. For a description of provisions relating to global debt securities in bearer form, see Special Arrangements for Global Securities in Bearer Form on page 17.

Special Investor Considerations for Global Securities

As an indirect holder, an investor s rights relating to a global security will be governed by the account rules of the investor s financial institution and of the depositary, as well as general laws relating to securities transfers. We do not recognize this type of investor as a holder of securities and instead deal only with the depositary that holds the global security.

If you are an investor in securities that are issued only in the form of global securities, you should be aware that:

- You cannot get securities registered in your own name.

- You cannot receive physical certificates for your interest in the securities.

- You will be a street name holder and must look to your own bank or broker for payments on the securities and protection of your legal rights relating to the securities, as explained earlier under Street Name and Other Indirect Holders on page 15.

- You may not be able to sell interests in the securities to some insurance companies and other institutions that are required by law to own their securities in the form of physical certificates.

- The depositary s policies will govern payments, transfers, exchange and other matters relating to your interest in the global security. We and the trustee have no responsibility for any aspect of the depositary s actions or for its records of ownership interests in the global security. We and the trustee also do not supervise the depositary in any way.

- The depositary will require that interests in a global security be purchased or sold within its system using same-day funds. By contrast, payment for purchases and sales in the market for corporate bonds and other securities is generally made in next-day funds. This difference could have some effect on how interests in global securities trade, but we do not know what that effect will be.

Special Situations in Which a Global Security Will Be Terminated

In a few special situations described below, a global security will terminate and interests in it will be exchanged for physical certificates representing securities. After that exchange, the choice of whether to hold securities directly or in street name will be up to the investor. Investors must consult their own bank or brokers to find out how to have their interests in securities transferred to their own name so that they will be direct holders. The rights of street name investors and direct holders in the securities have been previously described in the subsections entitled Street Name and Other Indirect Holders and Direct Holders on page 15.

The special situations for termination of a global security are:

- When the depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary and, in the case of debt securities in bearer form, we do not appoint a successor within 120 days.

- When, in the case of debt securities in bearer form, The Depository Trust Company, referred to later as DTC, notifies the depositary that it is unwilling, unable or no longer qualified to continue holding certificateless depositary interests issued by the depositary with respect to the global securities, and we do not appoint a successor within 120 days.

- When we, in the case of debt securities in bearer form, elect to exchange the global securities representing such debt securities for physical certificates representing such debt securities.

- When an event of default on the securities has occurred and has not been cured. Defaults on debt securities are discussed below under Description of Debt Securities We May Offer Default and Related Matters Events of Default on page 27.

The prospectus supplement(s) may also list additional situations for terminating a global security that would apply only to the particular series of securities covered by the prospectus supplement. When a global security terminates, the depositary, and neither we nor, in the case of debt securities, the trustee is responsible for deciding the names of the institutions that will be the initial direct holders. For more information, see Description of Debt Securities We May Offer Description of the Securities Depositary Agreement Procedures for Issuing Definitive Securities on page 30.

Special Arrangements for Global Securities in Bearer Form

If the debt securities of a series are issued in bearer form, we will deposit a global security representing the debt securities of that series with Citibank, N.A., acting as depositary , or any successor depositary who will hold the global security. In turn, it will issue certificateless depositary interests representing 100% of the global security and deposit them with or on behalf of DTC.

You can hold a beneficial interest in the certificateless depositary interests only directly through DTC or indirectly through participants or indirect participants in DTC. These beneficial interests may be held in such denominations as are permitted by DTC. Indirect participants are banks, brokers, dealers, trust companies and other parties, including the Euroclear System and Clearstream, Luxembourg, that clear through or maintain a custodial relationship with a participant. For a description of the arrangements we have made with Citibank relating to the deposit of the global security with Citibank and Citibank s issuance of certificateless depositary interests, see Description of Debt Securities We May Offer Description of the Securities Depositary Agreement on page 29. Beneficial interests in the certificateless depositary interests are called book-entry securities.

In the remainder of this description you means direct holders and not street name or other indirect holders of securities. Indirect holders should read the previous subsection on page 15 entitled Street Name and Other Indirect Holders .

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 Citibank, N.A., 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 28 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.

Types of Debt Securities

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 indentu