

VODAFONE GROUP PUBLIC LTD CO

Form 425

September 03, 2013

ACQUISITION OF VODAFONE S 45%

INTEREST IN VERIZON WIRELESS

September 3, 2013

Filed by Verizon Communications Inc.

pursuant to Rule 425 under the Securities Act of 1933

and deemed filed pursuant to Rule 14a-12

under the Securities Exchange Act of 1934

Subject Company: Vodafone Group Plc

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Date: September 3, 2013

SAFE HARBOR
STATEMENT AND LEGENDS

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STATEMENT AND LEGENDS
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Verizon
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These
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are
also
available
on
Verizon's
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at
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PARTICIPANTS IN THE SOLICITATION

Verizon, Vodafone and their respective directors and executive officers may be deemed to be participants in the solicitation of shareholders of Verizon in respect of the proposed transactions contemplated by proxy statement. Information regarding the process under the rules of the SEC, participants in the solicitation of the shareholders of Verizon in connection with the proposed transactions

description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement when
Information regarding Verizon's directors and executive officers is contained in Verizon's Annual Report on Form 10-K for the
31, 2012 and its Proxy Statement on Schedule 14A, dated March 18, 2013, which are filed with the SEC. Information regarding
and executive officers is contained in Vodafone's Annual Report on Form 20-F for the year ended December 31, 2012, which
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As required by SEC rules, Verizon has provided a reconciliation of the non-GAAP financial measures included in this presentation
directly
comparable
GAAP
measures
in
materials
on
our
website
at
www.verizon.com/investor.
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STRATEGIC BENEFITS

Sole ownership drives strategic and financial benefits across entire business

Accretive to earnings per share at close of transaction

Access to all of wireless cash flows

Favorable capital markets environment

U.S. wireless marketplace in growth phase

No integration risk

Transaction is a natural

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KEY TRANSACTION TERMS

Aggregate value of \$130 billion, primarily in cash and stock

Consideration structure

\$58.9 billion of cash

\$60.2 billion of common stock issued directly to Vodafone
shareholders

\$5.0 billion of notes with Vodafone

Sale of minority stake in Omnitel to Vodafone for \$3.5 billion

Other net consideration of \$2.5 billion

Balanced mix of cash and stock

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FINANCING STRATEGY

Strong balance sheet and financial flexibility today

Capacity to execute necessary debt financing

Incremental free cash flow more than covers funding costs

Maintaining solid investment grade credit ratings

Continue to invest in our networks and spectrum

Dividend policy extremely important to delivering returns

Self-funding transaction

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FINANCING STRATEGY

Fully executed bridge facility in place

Intend to reduce majority of bridge facility with permanent financing prior to closing

Anticipate steadily de-levering and returning to pre-transaction ratings

Track record of delivering on financial commitments after significant transactions

Capacity to support debt financing needs

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ROADMAP TO COMPLETION

Access global capital markets

Reduce bridge financing as quickly as possible

Receive regulatory approvals

Receive shareholder approvals

Issue new shares and close transaction
Expect transaction to close in 1Q 2014

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ONE VERIZON AND FUTURE GROWTH

Full ownership of wireless enables advancement of One Verizon

Unique asset portfolio drives continued growth and value

Powerful growth opportunities with mobile

Ability to develop more integrated and valuable services for customers

Value-creating transaction

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