

VODAFONE GROUP PUBLIC LTD CO

Form 6-K

August 25, 2017

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer

**Pursuant to Rules 13a-16 or 15d-16 under
the Securities Exchange Act of 1934**

Dated August 25, 2017

Commission File Number: 001-10086

**VODAFONE GROUP
PUBLIC LIMITED COMPANY**

(Translation of registrant's name into English)

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

(Address of principal executive offices)

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

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Form 20-F

Form 40-F

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

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

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

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

This Report on Form 6-K contains a Stock Exchange Announcement dated 25 August 2017 entitled MATURING MANDATORY CONVERTIBLE BOND AND ASSOCIATED SHARE BUYBACK PROGRAMME

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MATURING MANDATORY CONVERTIBLE BOND AND ASSOCIATED SHARE BUYBACK PROGRAMME

In February 2016, Vodafone Group Plc (**Vodafone**) issued a two-tranche mandatory convertible bond (**MCB**), the first tranche of which is due to mature in August 2017. As a result, Vodafone today announces it is to commence a new irrevocable and non-discretionary share buy-back programme (the **Programme**). The sole purpose of this Programme is to reduce the issued share capital of Vodafone and thereby to avoid any change in Vodafone's issued share capital as a result of the maturing of the first tranche of the MCB.

In order to satisfy the redemption of the first tranche of the MCB, a maximum of 729,077,008 shares will be issued on 25 August 2017 at a conversion price of £1.9751. This reflects the conversion price at issue (£2.1730) adjusted for the pound sterling equivalent of aggregate dividends paid in August 2016, February 2017, and August 2017.

As announced on 19 February 2016, when the MCB was issued Vodafone also entered into an accompanying option structure. This option structure will ensure that the total cash outflow to execute the Programme will be broadly equivalent to the £1.44 billion raised on issuing the first tranche of the MCB, regardless of any differential between the conversion price and the ordinary share price during the execution of the Programme. Therefore, the maximum pecuniary amount allocated to the Programme is £1.5 billion (taking into account money received or paid under this accompanying option structure).

The Programme will be financed out of the proceeds from Vodafone's Verizon loan notes, which Vodafone received in two tranches as partial consideration for the sale of its 45% stake in Verizon Wireless in 2014. Vodafone received US\$2.5 billion in cash in December 2016 following the redemption of the first tranche of these loan notes.

Further details of the Programme

Vodafone gave irrevocable and non-discretionary instructions on 31 July 2017 to J.P. Morgan Securities plc (**J.P. Morgan**) in relation to the Programme which will commence on 31 August 2017 and will end no later than 15 December 2017 (the **Designated Period**). J.P. Morgan will act as principal during the Programme and will make its trading decisions concerning the timing of the purchases of Vodafone s ordinary shares independently of Vodafone.

The number of ordinary shares permitted to be purchased by Vodafone, pursuant to the authority granted by the shareholders at the Annual General Meeting of Vodafone on 28 July 2017 (the **2017 AGM**), is 2,662,384,793 ordinary shares. The number of ordinary shares to be purchased under the Programme will not exceed 729,077,008 ordinary shares and is therefore within the 2017 AGM approved limit. The purchased shares will be held as treasury shares.

Pursuant to the terms of the Programme, J.P. Morgan may elect to purchase Vodafone ordinary shares and sell such shares to Vodafone at the volume weighted price per share it paid for the shares, and/or sell to Vodafone ordinary shares it already holds at the start of the Programme as a result of its role in the option structure entered into by Vodafone when the MCB was issued. The agreed terms of the Programme include an incentive/rebate fee which will be calculated based on the price paid by Vodafone for ordinary shares J.P. Morgan purchases pursuant to the Programme and / or the price paid by Vodafone for ordinary shares sold to Vodafone by J.P. Morgan which J.P. Morgan already holds at the start of the Programme, as compared to the average volume weighted price for such ordinary shares on the days which J.P. Morgan elects to sell ordinary shares to Vodafone as part of the Programme during the Designated Period.

Any purchases of ordinary shares by Vodafone in relation to this announcement will be made on the London Stock Exchange and effected within certain pre-set parameters and in accordance with the authority granted by shareholders at the 2017 AGM, the Market Abuse Regulation 596/2014 and Chapter 12 of the Listing Rules and will be discontinued in the event Vodafone ceases to have the necessary general authority to repurchase ordinary shares.

Details of the authority granted at the 2017 AGM can be found on our website under:

<http://www.vodafone.com/content/dam/vodafone-images/investors/shareholder-centre/pdfs/2017-Annual-General-Meeting-Notice.pdf>

Details of the mandatory convertible bond can also be found on our website under:

<http://www.vodafone.com/content/index/media/vodafone-group-releases/2016/mandatory-convertible-bonds.html>

For further information:

Investor Relations
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Media Relations
www.vodafone.com/media/contact

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

VODAFONE GROUP
PUBLIC LIMITED COMPANY
(Registrant)

Dated: August 25, 2017

By: /s/ R E S MARTIN
Name: Rosemary E S Martin
Title: Group General Counsel and Company
Secretary