

**Vodacom Group Limited**

(Incorporated in the Republic of South Africa)

Registration number: 1993/005461/06

(ISIN: ZAE000132577 Share Code: VOD)

("Vodacom" or "the company")

**Placing by Vodafone of 90 million Vodacom shares**

Vodacom shareholders are advised that Vodafone Group Plc ("Vodafone Group") has announced that its wholly owned subsidiary, Vodafone International Holdings B.V. ("Vodafone"), has sold an aggregate of 90 million ordinary shares in Vodacom representing approximately 5.2% of Vodacom's ordinary share capital at a price of ZAR 165 per ordinary share to institutional investors by way of an accelerated bookbuild process ("Placing").

Following the completion of the Placing, Vodafone will own approximately 64.5% of Vodacom's ordinary share capital.

The Vodafone announcement stated the following "Following Vodacom's recent acquisition of a 35% interest in Safaricom, announced on 15 May 2017 (the "Safaricom Transaction"), Vodafone increased its ownership in Vodacom from 65.0% to 69.7% and at the time of announcement it was expected that Vodacom's free float would decline to approximately 18%. As part of the Safaricom Transaction, Vodafone therefore committed to Vodacom that it would sell down a sufficient number of shares to ensure that Vodacom will meet the 20% minimum free float requirement on the Johannesburg Stock Exchange ("JSE").

The objective of the Placing was to ensure that Vodacom meets the free float requirement and to restore Vodafone's shareholding in Vodacom to a percentage that is broadly similar to that which it held prior to implementation of the Safaricom Transaction. Vodafone remains committed to Vodacom and intends to retain a controlling majority shareholding in Vodacom for the long-term.

In connection with the Placing, Vodafone has agreed not to sell or otherwise dispose of any ordinary shares in Vodacom that are not sold in the Placing for a period of 90 calendar days after completion of the Placing, subject to consent by the Joint Bookrunners."

Johannesburg

6 September 2017

Sponsor: UBS South Africa (Pty) Limited