

SUPPLEMENTARY PROSPECTUS DATED 16 July 2008

SEVERN TRENT PLC

(incorporated with limited liability in England and Wales with registered number 2366619)

as an Issuer

SEVERN TRENT UTILITIES FINANCE PLC

(incorporated with limited liability in England and Wales with registered number 2914860)

as an Issuer

€3,500,000,000

Euro Medium Term Note Programme

SEVERN TRENT WATER LIMITED

(incorporated with limited liability in England and Wales with registered number 2366686)

as Guarantor of Notes issued by Severn Trent Utilities Finance Plc

This Supplement (the “**Supplement**”), to the Prospectus (the “**Prospectus**”) dated 3 August 2007, which comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC, constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”) and is prepared in connection with the €3,500,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Severn Trent plc (“**Severn Trent**”) (as an Issuer), Severn Trent Utilities Finance plc (“**STUF**”) (as an Issuer) and Severn Trent Water Limited (“**STWL**”) (as Guarantor of Notes issued by STUF). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by Severn Trent, STUF and STWL.

Severn Trent, STUF and STWL each accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each of Severn Trent, STUF and STWL (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to incorporate by reference certain information into this Supplement and the Prospectus, as identified below.

Capitalised terms used in this Supplement shall have the meanings attributed to them in the Prospectus, save as the context otherwise requires.

Applicable Notes

Reference is made to the JPY 10,000,000,000 2.75 per cent. Notes due 20 January 2035 issued under the Programme by Severn Trent with series number 64 (ISIN Code XS0209710960 and Common Code 020971096) (the “**Applicable Notes**”).

For the purposes of the Applicable Notes, the Terms and Conditions of the Notes as set out in the Prospectus shall not apply. The Terms and Conditions which shall apply to such Applicable Notes are those set out in the offering circular published by Severn Trent (as Issuer), STUF (as Issuer) and STWL (as Guarantor of the Notes issued by STUF) dated 8 October 2004.

Such Terms and Conditions are hereby incorporated by reference into this Supplement and thereby are incorporated in and form part of the Prospectus for the purposes of the Applicable Notes only.

For any Notes issued under the Programme after the date of this Supplement, unless otherwise specified in the Final Terms relating to such Notes, the Terms and Conditions of the Notes set out in the Prospectus shall apply.

Copies of each document incorporated by reference in the Prospectus can be obtained from the registered office of the Issuer and the specified office of the Paying Agent for the time being in London, as described on pages 5 and 65, respectively, of the Prospectus.

General

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Factors which could be material for the purpose of assessing the risks associated with the Notes issued under the Programme are set out on pages 11 to 16 of the Prospectus.

If documents which are incorporated by reference to this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference to this Supplement.

Investors should be aware of their rights under Section 87Q(4) of the FSMA.

Save as disclosed in this Supplement, or any other supplements to the Prospectus issued by Severn Trent or STUF, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since the publication of the Prospectus.