

EXECUTION VERSION

FINAL TERMS

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

28 March 2019

Severn Trent Utilities Finance Plc

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

Legal entity identifier (LEI): 213800KY9PT6WBH33232

Issue of

£100,000,000 4.875 per cent. Guaranteed Notes due January 2042

Guaranteed by Severn Trent Water Limited

(to be consolidated and form a single series with the

£250,000,000 4.875 per cent. Guaranteed Notes due January 2042 issued on 24 January 2012)

under the €6,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Prospectus dated 1 July 2011 which are incorporated by reference in the Prospectus dated 20 June 2018 and the supplement to it dated 25 March 2019 and are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus dated 20 June 2018 and the supplement to it dated 25 March 2019 which together constitute a base prospectus for the purposes of the Prospectus Directive. The “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), including any

relevant implementing measure in a relevant Member State. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus dated 20 June 2018 and the supplement to it dated 25 March 2019. The Prospectus and such supplement are available for viewing on Severn Trent's website at www.severntrent.com and during normal business hours at Severn Trent Centre, 2 St John's Street, Coventry CV1 2LZ, United Kingdom and copies may be obtained from such address.

1. (i) Issuer: Severn Trent Utilities Finance Plc
- (ii) Guarantor: Severn Trent Water Limited
2. (i) Series Number: 96
- (ii) Tranche Number: 2
- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with the £250,000,000 4.875 per cent. Guaranteed Notes due January 2042 issued on 24 January 2012 on the date that is 40 days after the Issue Date (the "**Consolidation Date**").
3. Specified Currency or Currencies: Sterling ("£")
4. Aggregate Nominal Amount:
 - (i) Series: £350,000,000
 - (ii) Tranche: £100,000,000
5. Issue Price: 131.489 per cent. of the Aggregate Nominal Amount of the Tranche plus accrued interest from (and including) 24 January 2019 up to (but excluding) the Issue Date for the Tranche
6. (i) Specified Denominations: £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Definitive Notes will be issued with a denomination above £199,000
- (ii) Calculation Amount: £1,000
7. (i) Issue Date: 29 March 2019
- (ii) Interest Commencement Date: 24 January 2019
8. Maturity Date: 24 January 2042
9. Interest Basis: 4.875 per cent. Fixed Rate
(further particulars specified below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at par

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| 11. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Redemption at the option of the Noteholders on a Put Event
<i>(further particulars specified at item 25 below)</i> |
| 13. | Date Board and Committee approval for issuance of Notes obtained: | The Issue of Notes by the Issuer has been approved by a resolution of the Board of Directors of the Issuer passed on 15 June 2016 and by resolutions of the Severn Trent Treasury Committee passed on 19 March 2019.

The guarantee of the Notes by the Guarantor has been approved by resolutions of the Board of Directors of the Guarantor passed on 20 May 2016 and by resolutions of the Severn Trent Treasury Committee passed on 19 March 2019. |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 14. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate(s) of Interest: | 4.875 per cent. per annum payable annually in arrear |
| | (ii) Interest Payment Date(s): | 24 January in each year from (and including) 24 January 2020 up to (and including) the Maturity Date |
| | (iii) Fixed Coupon Amount(s): | £48.75 per Calculation Amount |
| | (iv) Broken Amount(s): | Not Applicable |
| | (v) Day Count Fraction: | Actual/Actual (ICMA) |
| | (vi) Determination Date(s): | 24 January in each year |
| | (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: | None |
| 15. | Floating Rate Note Provisions | Not Applicable |
| 16. | Zero Coupon Note Provisions | Not Applicable |
| 17. | Index-Linked Interest/Redemption Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

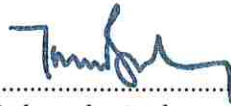
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| 18. | Issuer Call: | Not Applicable |
| 19. | Issuer Residual Call | Not Applicable |

20.	Make-Whole Redemption by the Issuer	Not Applicable
21.	Issuer Maturity Call	Not Applicable
22.	Investor Put:	Not Applicable
23.	Final Redemption Amount	£1,000 per Calculation Amount
	(a) Minimum Final Redemption Amount:	Not Applicable
	(b) Maximum Final Redemption Amount:	Not Applicable
24.	Early Redemption Amount Payable on redemption for taxation reasons or on event of default or (if applicable) upon an Indexation Redemption Event:	As set out in Condition 6(f)
	(a) Minimum Early Redemption Amount:	Not Applicable
	(b) Maximum Early Redemption Amount:	Not Applicable
25.	Put Event:	Applicable
	(a) Event Put Amount:	£1,000 per Calculation Amount
	(b) Minimum Event Put Amount:	Not Applicable
	(c) Maximum Event Put Amount:	Not Applicable


GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.	(i) Form of Notes:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
	(ii) New Global Note:	Yes
27.	Additional Financial Centre(s):	Not Applicable
28.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No

Signed on behalf of the **Issuer:**

By: 
Duly authorised

Signed on behalf of the **Guarantor:**

By: 
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and for listing on the Official List of the UK Listing Authority with effect from on or around the Issue Date.

The £250,000,000 4.875 per cent. Guaranteed Notes due January 2042 issued on 24 January 2012 are admitted to trading on the London Stock Exchange's regulated market and are listed on the Official List of the UK Listing Authority.

2. RATINGS

Ratings:

The Notes to be issued have been rated BBB+ (stable) by S&P Global Ratings Europe Limited and A3 (negative) by Moody's Investors Service Limited.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as described in "*Subscription and Sale*" and for any fees payable to the Managers, so far as the Issuer and the Guarantor is aware, no person involved in the issue of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Guarantor and their affiliates in the ordinary course of business.

4. YIELD

Indication of yield:

2.958 per cent. per annum for the Tranche

The yield is calculated at the Issue Date on the basis of the Issue Price, using the formula below. It is not an indication of future yield.

$$P = \frac{C}{r} (1 - (1 + r)^{-n}) + A(1 + r)^{-n}$$

Where:

"P" is the Issue Price of the Notes;

"C" is the annualised Interest Amount;

"A" is the principal amount of Notes due on redemption;

"n" is time to maturity in years; and

"r" is the annualised yield.

5. **OPERATIONAL INFORMATION**

- (i) ISIN: Up to (but excluding) the Consolidation Date:
XS1973624213
From (and including) the Consolidation Date:
XS0735781675
- (ii) Common Code: Up to (but excluding) the Consolidation Date:
197362421
From (and including) the Consolidation Date:
073578167
- (iii) CFI: The CFI will be as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.
- (iv) FISN: The FISN will be as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.
- (v) Name(s) and address(es) of any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.
- (ix) U.S. Selling Restrictions: Reg. S Category 2; TEFRA D

(x) Prohibition of Sales to EEA Applicable
Retail Investors:

ICM:32329753.5