

FINAL TERMS

21 October 2015

UNITED UTILITIES WATER FINANCE PLC

**Issue of EUR 30,000,000 2.058 per cent. Fixed Rate Notes due October 2030
unconditionally and irrevocably guaranteed by UNITED UTILITIES WATER LIMITED
under the EUR 7,000,000,000
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 Conditions set forth in the Offering Circular dated 19 November 2014 and the supplements to it dated 10 April 2015 and 28 July 2015 which together constitute a base prospectus for the purposes of the Prospectus Directive (the “**Offering Circular**”). 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 Offering Circular. 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 Offering Circular. The Offering Circular has been published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/news/market-news/rns/rns.htm>.

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| 1. | (a) | Issuer: | United Utilities Water Finance PLC |
| | (b) | Guarantor | United Utilities Water Limited |
| 2. | (a) | Series Number: | 51 |
| | (b) | Tranche Number: | 1 |
| | (c) | Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. | | Specified Currency or Currencies: | Euros (“EUR”) |
| 4. | | Aggregate Nominal Amount: | |
| | (a) | Series: | EUR 30,000,000 |
| | (b) | Tranche: | EUR 30,000,000 |
| 5. | | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. | (a) | Specified Denominations: | EUR 100,000 and integral multiples of EUR 100,000 in excess thereof |
| | (b) | Calculation Amount: | EUR 100,000 |
| 7. | (a) | Issue Date: | 26 October 2015 |

	(b)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	26 October 2030
9.		Interest Basis:	2.058 per cent. Fixed Rate
10.		Redemption/Payment Basis:	Par
11.		Change of Interest Basis:	Not Applicable
12.		Put/Call Options:	Not Applicable
13.	(a)	Status of the Notes:	Senior, unsecured
	(b)	Date approval for issuance obtained:	7 September 2015
14.		Method of Distribution	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.		Fixed Rate Note Provisions	Applicable
	(a)	Rate of Interest:	2.058 per cent. per annum payable annually in arrear on each Interest Payment Date
	(b)	Interest Payment Date(s):	26 October in each year, commencing on 26 October 2016, up to and including the Maturity Date
	(c)	Fixed Coupon Amount(s):	EUR 2058 per Calculation Amount
	(d)	Broken Amount(s):	Not Applicable
	(e)	Day Count Fraction:	Actual/Actual (ICMA)
	(f)	Determination Date(s):	26 October in each year
16.		Floating Rate Note Provisions	Not Applicable
17.		Zero Coupon Note Provisions	Not Applicable
18.		RPI Linked Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

19.		Notice periods for Condition 8.2	Not Applicable
20.		Issuer Call:	Not Applicable

21.	Investor Put:	Not Applicable
22.	Final Redemption Amount:	EUR 100,000 per Calculation Amount
	(i) Minimum Final Redemption Amount:	Not Applicable
	(ii) Maximum Final Redemption Amount:	Not Applicable
23.	Early Redemption Amount payable on redemption for taxation reasons, indexation reasons or on event of default:	EUR 100,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of Notes:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event.
25.	New Global Notes:	Yes
26.	Additional Financial Centre(s):	TARGET 2, London
27.	Talons for future Coupons to be attached to Definitive Notes:	No
28.	Redenomination applicable:	Redenomination not applicable

DISTRIBUTION

29.	(a) If syndicated, names of Managers:	Not Applicable
	(b) Date of Subscription Agreement:	Not Applicable
30.	If non-syndicated, name of relevant Manager:	Goldman Sachs International
31.	Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable:	TEFRA D applicable

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the EUR 7,000,000,000 Euro Medium Term Note Programme established by United Utilities PLC and United Utilities Water Finance PLC, with obligations under Notes issued by United Utilities Water Finance PLC unconditionally and irrevocably guaranteed by United Utilities Water Limited.

Signed on behalf of the Issuer:

By: BF Murphy

Duly authorised

Signed on behalf of the Guarantor:

By: BF Murphy

Duly authorised

PART B - OTHER INFORMATION**1. LISTING**

- (a) Listing: London
- (b) Admission to trading: Application has been made for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market with effect from the Issue Date.
- (c) Estimate of total expenses related to admission to trading: £300

2. RATINGS

- Ratings: The Notes to be issued are expected to be rated:
- “A3” by Moody’s Investors Services Ltd
- “BBB+” by Standard and Poor’s Credit Market Services Europe Limited
- Each of Moody’s Investors Services Ltd and Standard and Poor’s Credit Market Services Europe Ltd is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the CRA Regulation).

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

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its 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 Issuers, the Guarantor and their affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (a) Reasons for the offer See “Use of Proceeds” section of the Offering Circular.

5. YIELD

Indication of yield: 2.058 per cent. per annum.

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

6. HISTORIC INTEREST RATES

Not Applicable.

7. OPERATIONAL INFORMATION

- (a) ISIN: XS1309718572
- (b) Common Code: 130971857
- (c) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (d) Delivery: Delivery against payment
- (e) Names and addresses of additional Paying Agent(s) (if any): Not Applicable