

**AMENDED AND RESTATED FINAL TERMS DATED 6 AUGUST 2008 WHICH
AMENDS AND RESTATES THE FINAL TERMS DATED 24 APRIL 2007**

FINAL TERMS

**Severn Trent Utilities Finance Plc
(formerly known as Severn Trent Water Utilities Finance Plc)
Issue of JPY 1,500,000,000
1.510 per cent. Notes due 26 April 2012
Guaranteed by Severn Trent Water Limited
under the €4,000,000,000
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 4 August 2006. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) and must be read in conjunction with the Prospectus dated 31 July 2008 which constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Prospectus dated 4 August 2006 and are incorporated by reference into the Prospectus dated 31 July 2008. 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, the Prospectus dated 31 July 2008 and the Prospectus dated 4 August 2006. Copies of such Prospectus are available for viewing at <http://www.londonstockexchange.com/en-gb/pricesnews/marketnews/> and copies may be obtained from the registered office of the Issuer at 2297 Coventry Road, Birmingham B26 3PU, United Kingdom.

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| 1. | (i) | Issuer: | Severn Trent Utilities Finance Plc |
| | (ii) | Guarantor: | Severn Trent Water Limited |
| 2. | (i) | Series Number: | 85 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Japanese Yen (“ JPY ”) |
| 4. | | Aggregate Nominal Amount: | |
| | (i) | Series: | JPY 1,500,000,000 |
| | (ii) | Tranche: | JPY 1,500,000,000 |
| 5. | | Issue Price: | 100 per cent. of the Aggregate Nominal Amount of the Tranche |
| 6. | | Specified Denomination: | JPY 100,000,000 |
| 7. | (i) | Issue Date and Interest | 26 April 2007 |

Commencement Date:

- (ii) Interest Commencement Date (if different from the Issue Date):

Not Applicable

8. Maturity Date: 26 April 2012, subject to adjustment in accordance with the Modified Following Business Day Convention
9. Interest Basis: 1.510 per cent. Fixed Rate (further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. (i) Status of the Notes: Senior
- (ii) Status of the Guarantee: Senior
14. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** Applicable
- (i) Rate(s) of Interest: 1.510 per cent. per annum payable semi-annually in arrear
- (ii) Interest Payment Date(s): 26 April and 26 October in each year from and including 26 October 2007 up to and including the Maturity Date, in each case subject to adjustment in accordance with the Modified Following Business Day Convention in respect of payment dates only. For the avoidance of doubt, the next Interest Payment Date following the signing of this Amended and Restated Final Terms shall be 26 October 2008, the interest payable on 26 October 2007 having already been paid.
- (iii) Fixed Coupon Amount(s): JPY 755,000 per JPY 100,000,000 in nominal amount
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: 30/360
- (vi) Determination Date(s): Not Applicable
- (vii) Other terms relating to the method Not Applicable

of calculating interest for Fixed Rate Notes:

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| 16. | Floating Rate Note Provisions | Not Applicable |
| 17. | Zero Coupon Note Provisions | Not Applicable |
| 18. | Index Linked Interest Note Provisions | Not Applicable |
| 19. | Dual Currency Interest Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 20. | Issuer Call: | Not Applicable |
| 21. | Investor Put: | Not Applicable |
| 22. | Final Redemption Amount: | JPY 100,000,000 per Note of JPY 100,000,000 Specified Denomination |
| 23. | Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/ or the method of calculating the same (if required or if different from that set out in Condition 6(f)): | As set out in the Conditions |
| 24. | Put Event: | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25. | (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: | No |
| 26. | Additional Financial Centre(s) or other special provisions relating to Payment Dates: | London and Tokyo |
| 27. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 28. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late | Not Applicable |

payment:

29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): Not Applicable
- (ii) Instalment Date(s): Not Applicable
30. Redenomination applicable: Redenomination not applicable
31. Other terms or special conditions: Not Applicable

DISTRIBUTION

32. (i) If syndicated, names of Managers: Not Applicable
- (ii) Stabilising Manager (if any): Not Applicable
33. If non-syndicated, name of relevant Dealer: The Royal Bank of Scotland plc
34. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D
35. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue and admission to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's regulated market of Notes described herein pursuant to the €4,000,000,000 Euro Medium Term Note Programme of Severn Trent Plc, Severn Trent Utilities Finance Plc and Severn Trent European Placement S.A.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:
Duly authorised

Signed on behalf of the Guarantor:

By:
Duly authorised

PART B — OTHER INFORMATION

1. LISTING

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| (i) | Listing: | London |
| (ii) | Admission to trading: | Application has been made 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 7 August 2008 |
| (iii) | Estimate of total expenses related to admission to trading: | GBP 3,600 |

2. RATINGS

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| Ratings: | The following ratings reflect the ratings allocated to the Notes of the type being issued under the Programme generally: |
| | Moody's: A2
Standard & Poor's: A |

3. NOTIFICATION

Not Applicable

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

Save as described in "Subscription and Sale" and for any fees payable to the Dealer, 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.

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

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| (i) | Reasons for the offer: | See "Use of Proceeds" wording in Prospectus |
| (ii) | Estimated net proceeds: | JPY 1,500,000,000 |
| (iii) | Estimated total expenses: | Not Applicable |

6. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (Index-Linked Notes Only)

Not Applicable

7. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes Only)

Not Applicable

8. OPERATIONAL INFORMATION

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| (i) | ISIN Code: | XS0296592909 |
| (ii) | Common Code: | 029659290 |
| (iii) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, <i>societe anonyme</i> and the relevant identification number(s): | Not Applicable |
| (iv) | Delivery: | Delivery against payment |
| (v) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (vi) | Intended to be held in a manner which would allow Eurosystem eligibility: | No |