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Severn Trent Plc
Sterling-denominated RPI-Linked Notes due July 2022
under the
€4,000,000,000 Euro Medium Term Note Programme

Final Terms Confirmation Announcement relating to the Final Terms dated 20 June 2012

Terms used herein shall be deemed to be defined as such for the purposes of the Final Terms (the **Final Terms**) of Severn Trent Plc (the **Issuer**) set out in the drawdown prospectus dated 20 June 2012 (the **Drawdown Prospectus**), which constitutes a prospectus for the purposes of Directive 2003/71/EC (the **Prospectus Directive**) relating to the issue by the Issuer of Sterling-denominated RPI-Linked Notes due July 2022 (the **Notes**).

This announcement constitutes the Final Terms Confirmation Announcement referred to in the Final Terms and must be read in conjunction with the Drawdown Prospectus (including the documents incorporated by reference therein) and the Final Terms contained therein. The Drawdown Prospectus has been prepared and made available to the public in accordance with the Prospectus Directive. The Drawdown Prospectus and the documents incorporated by reference therein are available for viewing during normal business hours and copies may be obtained from the registered office of the Issuer, from the specified office of the Paying Agents for the time being and the website of the London Stock Exchange.

The offer period relating to the Notes ended at 12.00 p.m. (London time) on 4 July 2012, and accordingly Notes can no longer be subscribed pursuant to the offer. In accordance with Article 8(1) of the Prospectus Directive, the Issuer confirms the following in connection with the offer and issue of the Notes:

Aggregate Nominal Amount:

(i) Series: £75,000,000

(ii) Tranche: £75,000,000

Estimated net proceeds: £74,437,500

Estimated total expenses: Approximately £765,000 (including fees payable to the Financial Intermediaries and other expenses).

DISCLAIMERS

Neither this announcement nor any copy of it may be taken or transmitted into the United States, Australia, Canada, South Africa, the Republic of Ireland or Japan or to a resident, national or citizen of the United States, Australia, Canada, South Africa, the Republic of Ireland or Japan. The offering and the distribution of this announcement and other information in connection with the offer in certain jurisdictions may be restricted by law and persons into whose possession any document or other information referred to herein comes should inform

themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The restriction on financial promotions contained in section 21(1) of the Financial Services and Markets Act 2000 does not apply to this announcement by virtue of article 70(1A) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.

This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase, any Notes. Any purchase of Notes pursuant to the offer should only be made on the basis of the information contained and incorporated by reference in the Drawdown Prospectus including the Final Terms contained therein, available as described above.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) (the **Securities Act**) and are securities in bearer form that are subject to certain U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to, or for the account of or benefit of, U.S. persons.

The Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance and may not be offered, sold or delivered directly or indirectly, within the United States or its possessions. In connection with the original issuance of the Notes no communication, directly or indirectly, may be made from or within the United States or its possessions nor may any U.S. office be otherwise involved in connection with the offer or sale of such Notes.

Unlike a bank deposit, the Notes are not protected by the Financial Services Compensation Scheme (the **FSCS**). As a result, the FSCS will not pay compensation to an investor in the Notes upon the failure of Severn Trent Plc.

In the event that Severn Trent Plc is not able to pay its debts in full or goes out of business, investors in the Notes may lose some or all of their investment. The market price of the Notes could fall below their face value of £100 during the life of the investment, and investors may lose some or all of their investment if investors sell their Notes before maturity.