

FINAL TERMS

21 April 2015

UNITED UTILITIES WATER FINANCE PLC

Issue of GBP 25,000,000 0.013 per cent. Index-Linked Notes due April 2025
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 supplement to it dated 10 April 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: | 48 |
| | (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: | Pounds sterling (GBP) |
| 4. | | Aggregate Nominal Amount: | |
| | (a) | Series: | GBP 25,000,000 |
| | (b) | Tranche: | GBP 25,000,000 |
| 5. | | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. | (a) | Specified Denominations: | GBP 100,000 and integral multiples of GBP 1,000 in excess thereof up to and including GBP 199,000. No Notes in definitive form will be issued with a denomination above GBP 199,000. |

	(b)	Calculation Amount:	GBP 1,000
7.	(a)	Issue Date:	23 April 2015
	(b)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	23 April 2025
9.		Interest Basis:	RPI Linked Interest (see paragraph 18 below)
10.		Redemption/Payment Basis:	RPI Linked Redemption
11.		Change of Interest Basis:	Not Applicable
12.		Put/Call Options:	Not Applicable
13.	(a)	Status of the Notes:	Senior, unsecured
	(b)	Date of approval for issuance obtained:	13 April 2015
14.		Method of Distribution	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Not Applicable
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable
18.	RPI Linked Note Provisions	Applicable – Conditions 5 and 6 apply
(a)	Rate of Interest:	0.013 per cent. per annum multiplied by the Index Ratio (in accordance with Condition 5.3)
(b)	Name and address of Calculation Agent:	Citibank, N.A.
(c)	Specified Period(s)/Specified Interest Payment Dates:	Semi-annually in arrear on 23 April and 23 October in each year, commencing on 23 October 2015 and up to and including the Maturity Date
(d)	Business Day Convention:	Not Applicable
(e)	Additional Business Centre(s):	Not Applicable
(f)	Day Count Fraction:	Actual/Actual (ICMA)

(g)	Base Index Figure:	256.35333, being the Index Figure applicable to 23 April 2015
(h)	Index Figure applicable to:	3 month lag applies
(i)	Reference Gilt:	0.125 per cent. Index-Linked Treasury Stock due 22 March 2024
(j)	Minimum Rate of Interest:	Not Applicable
(k)	Maximum Rate of Interest:	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:	Nominal Amount, subject in the case of Condition 8.1 to indexation as provided in Condition 6.2
	(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:	Nominal Amount, subject in the case of Conditions 8.2 and 11 to indexation as provided in Condition 6.2
	(i) Minimum Early Redemption Amount:	Not Applicable
	(ii) Maximum Early Redemption Amount:	Not Applicable

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):	Not Applicable

27. Talons for future Coupons to be attached to Definitive Notes: No
28. Redenomination applicable: Redenomination not applicable

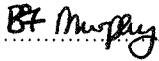
DISTRIBUTION

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

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: 

Duly authorised

Signed on behalf of the Guarantor:

By: 

Duly authorised

PART B - OTHER INFORMATION

1. LISTING

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| (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: | GBP 1,750 (excluding VAT) |

2. RATINGS

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| Ratings: | The Notes to be issued are expected to be rated: |
| | S&P: BBB+ |
| | Moody's: A3 |

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

Save for any fees payable to the Manager, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

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

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| (a) Reasons for the offer | See "Use of Proceeds" section of the Offering Circular |
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5. YIELD

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| Indication of yield: | 0.013 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

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| (a) ISIN: | XS1222728260 |
| (b) Common Code: | 122272826 |
| (c) Any clearing system(s) other than Euroclear and Clearstream, | Not Applicable |

Luxembourg and the relevant
identification number(s):

- (d) Delivery: Delivery against payment
- (e) Names and addresses of Not Applicable
additional Paying Agent(s) (if
any):

528424301