

Registered no: 02403744 (England & Wales)

Thames Water Utilities Finance Limited

Interim Financial Statements

For the 6 month period ended 30 September 2007

THAMES WATER UTILITIES FINANCE LIMITED

INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2007

Profit and loss account

	Note	Half year to 30 September 2007 (unaudited) £'000	Half year to 30 September 2006 (unaudited) £'000	15 month period to 31 March 2007 £'000
Turnover		83,272	67,227	155,162
Interest payable	2	<u>(83,260)</u>	<u>(67,227)</u>	<u>(155,141)</u>
Profit on ordinary activities before taxation		12	-	21
Taxation on profit on ordinary activities	3	<u>(10)</u>	<u>-</u>	<u>-</u>
Retained profit for the period		<u>2</u>	<u>-</u>	<u>21</u>

All amounts above relate to continuing operations.

The Company has no recognised gains and losses other than the profit above therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the results for the periods stated above and their historical cost equivalents.

THAMES WATER UTILITIES FINANCE LIMITED

INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2007

Balance Sheet

	Note	30 September 2007 (unaudited) £'000	30 September 2006 (unaudited) £'000	31 March 2007 £'000
Current assets				
Debtors amounts falling due within one year		46,955	44,268	52,107
Debtors amounts falling due after more than one year		2,893,320	2,868,676	2,877,579
Cash at bank		17	-	-
		2,940,292	2,912,944	2,929,686
Creditors: amounts falling due within one year		(46,949)	(44,268)	(52,086)
Net current assets		2,893,343	2,868,676	2,877,600
Creditors: amounts due after more than one year		(2,893,270)	(2,868,626)	(2,877,529)
Net assets		73	50	71
Capital and reserves				
Called up share capital		50	50	50
Profit and loss reserve	4	23	-	21
Equity shareholder's funds	5	73	50	71

The financial statements were approved by the Board of Directors on 27 November 2007.

THAMES WATER UTILITIES FINANCE LIMITED

INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2007

Notes to the interim accounts

1. Basis of preparation

The unaudited interim financial statements for the half year ended 30 September 2007 have been prepared on a going concern basis and in accordance with the historic cost convention and with applicable Accounting Standards in the United Kingdom and with the Companies Act 1985.

These interim financial statements are consistent with the statutory historic cost financial statements for the 15 month period ended 31 March 2007.

The statutory accounts for the 15 months ended 31 March 2007 have been delivered to the Registrar of Companies. The auditors' report on these accounts was unqualified and did not contain a statement under s.237(2) or (3) of the Companies Act 1985.

The financial information contained in this announcement does not constitute statutory accounts within the meaning of s.240 of the Companies Act 1985.

These interim statements were approved by the Board of Directors on 22 November 2007.

2. Interest payable and similar charges

	Half year to 30 September 2007 (unaudited)	Half year to 30 September 2006 (unaudited)	15 month period to 31 March 2007
	£'000	£'000	£'000
Loan interest	83,260	67,227	155,141

3. Taxation

The tax charge is based upon UK corporation tax of 30%.

The interim charge for the half year to 30 September 2007 is based upon the effective tax rate for the full year to 31 March 2008 applied to the profits earned in the six months to September 2007, together with an adjustment for taxation relating to the 15 months ended 31 March 2007.

4. Profit and loss account reserve

	Half year to 30 September 2007 (unaudited)	Half year to 30 September 2006 (unaudited)	15 month period to 31 March 2007
	£'000	£'000	£'000
Profit and loss account reserve at the beginning of the period	21	-	-
Profit for the period	2	-	21
Profit and loss account reserve at the end of the period	23	-	21

THAMES WATER UTILITIES FINANCE LIMITED

INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2007

Notes to the interim accounts

5. Reconciliation of movements in shareholder's funds

	Half year to 30 September 2007 (unaudited)	Half year to 30 September 2006 (unaudited)	15 month period to 31 March 2007
	£'000	£'000	£'000
Profit for the period	2	-	21
Shareholder's funds at the beginning of the period	71	50	50
Shareholder's funds at the end of the period	73	50	71