

Final Terms dated 2 October 2009

THAMES WATER UTILITIES CAYMAN FINANCE LIMITED

Issue of £55,000,000 2.091% Class A Guaranteed Unwrapped Index-Linked Bonds due October 2042
under the £10,000,000,000 Guaranteed Bond 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 Prospectus dated 15 September 2009 which constitute (i) a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) and (ii) listing particulars for the purposes of Listing Rule 2.2.11 of the Listing Rules of the Financial Services Authority (the “**Listing Rules**”). This document constitutes the Final Terms of the Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. Full information on the Issuer, the Guarantors and the offer of the Bonds is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing at Deutsche Trustee Company Limited, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

1	(i) Issuer:	Thames Water Utilities Cayman Finance Limited
	(ii) Guarantors:	Thames Water Utilities Holdings Limited, Thames Water Utilities Limited, Thames Water Utilities Finance Limited and Thames Water Utilities Cayman Finance Holdings Limited
	(iii) Financial Guarantors:	Not Applicable
2	(i) Series Number:	6
	(ii) Sub-Class Number:	Not Applicable
3	Relevant Currency or Currencies:	Pounds Sterling (“£”)
4	Aggregate Nominal Amount:	
	(i) Series:	£55,000,000
	(ii) Sub-Class:	£55,000,000
	(iii) Tranche:	£55,000,000
5	(i) Issue Price:	100 per cent. of the Aggregate Nominal Amount
	(ii) Net proceeds: (required only for listed issues)	£54,835,000
6	(i) Specified Denominations:	£75,000 and integral multiples of £1,000 in excess thereof up to and including £99,000. No Bonds in definitive form will be issued with a denomination above £99,000.
	(ii) Calculation Amount	£1000
7	(i) Issue Date:	6 October 2009
	(ii) Interest Commencement Date (if different from the Issue Date):	Issue Date
8	Maturity Date:	6 October 2042

9	Instalment Date:	Not Applicable
10	Interest Basis:	Index Linked Interest (further particulars specified below)
11	Redemption/Payment Basis:	Redemption at par subject to indexation as provided in Condition 7
12	Change of Interest or Redemption/Payment Basis:	Not Applicable
13	Call Options:	Not Applicable
14	(i) Status and Ranking:	The Class A Wrapped Bonds and Class A Unwrapped Bonds rank <i>pari passu</i> among each other in terms of interest and principal payments and rank in priority to the Class B Bonds.
	(ii) Status of the Guarantees:	Senior
	(iii) Status of the Financial Guarantee:	Not Applicable
	(iv) FG Event of Default	Not Applicable
	(v) Date Board approval for issuance of Bonds obtained:	10 September 2009
15	Method of distribution:	Non-syndicated
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE		
16	Fixed Rate Bond Provisions:	Not Applicable
17	Floating Rate Bond Provisions:	Not Applicable
18	Zero Coupon Bond Provisions:	Not Applicable
19	Indexed Bond Provisions:	Applicable
	(i) Index/Formula:	UK Retail Price Index, as set out in Condition 7(a)
	(ii) Interest Rate:	2.091 per cent per annum, subject to the application of the Index Ratio in accordance with Condition 7(b)
	(iii) Party responsible for calculating the Rate(s) of Interest, Interest Amount and Redemption Amount(s) (if not the Agent Bank):	Agent Bank
	(iv) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	Applicable — Condition 7(c) and 7(e) "3 month lag"
	(v) Interest Payment Dates:	6 April and 6 October in each year up to and including the Maturity Date
	(vi) First Interest Payment Date:	6 April 2010
	(vii) Business Day Convention:	Following Business Day Convention
	(viii) Business Centres:	London

(ix) Minimum Indexation Factor:	Not Applicable
(x) Maximum Indexation Factor:	Not Applicable
(xi) Limited Indexation Month(s):	Not Applicable
(xii) Reference Gilt:	UKTI 0.625% November 2042
(xiii) Day Count Fraction:	Actual/Actual (ICMA)
(xiv) Base Index Figure	213.56129
20 Dual Currency Bond Provisions:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

21 Call Option:	Not Applicable
22 Final Redemption Amount:	Principal Amount Outstanding, as adjusted for indexation, plus accrued but unpaid interest. The Redemption Amount of each Bond payable on redemption for an Event of Default in accordance with Condition 11 (c) is the Principal Amount Outstanding, as adjusted for indexation, plus accrued but unpaid interest.

GENERAL PROVISIONS APPLICABLE TO THE BONDS

23 Form of Bonds:	Bearer
(i) If issued in Bearer form:	Temporary Global Bond exchangeable for a Permanent Global Bond which is exchangeable for Definitive Bonds in the limited circumstances specified in the Permanent Global Bond.
(ii) If Registered Bonds:	Not Applicable
24 Relevant Financial Centre(s) or other special provisions relating to payment dates:	London
25 Talons for future Coupons or Receipts to be attached to Definitive Bonds (and dates on which such Talons mature):	Yes. Talons will be attached to Definitive Bonds if required.
26 Details relating to Partly Paid Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Bonds and interest due on late payment:	Not Applicable
27 Details relating to Instalment Bonds:	Not Applicable
28 Redenomination, renominatisation and reconventioning provisions:	Not Applicable
29 Consolidation provisions:	Not Applicable
30 Other terms or special conditions:	Not Applicable
31 TEFRA rules:	TEFRA D

ISSUER/TWUL LOAN TERMS

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|----|---|---|
| 32 | Interest rate on relevant Term Advance/Index Linked Advances: | 2.091 per cent. per annum, subject to application of the Index Ratio as stated at Clause 19 |
| 33 | Term of relevant Term Advance/Index Linked Advances: | 6 October 2042 (or on early redemption of the Bonds) |
| 34 | Other relevant provisions: | |

DISTRIBUTION

- | | | |
|----|---------------------------------------|-------------------------------------|
| 35 | (i) If syndicated, names of Managers: | Not Applicable |
| | (ii) Stabilising Manager (if any): | Not Applicable |
| 36 | If non-syndicated, name of Dealer: | Royal Bank of Canada Europe Limited |
| 37 | U.S. Selling Restrictions: | Reg S ;TEFRA D |
| 38 | Additional selling restrictions: | Not Applicable |

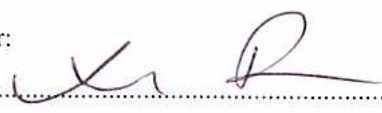
LISTING AND ADMISSION TO TRADING APPLICATION

This Final Terms comprises the details required for issue and admission to trading on the London Stock Exchange's Regulated Market and admission to the Official List of the UK Listing Authority of the Bonds described herein pursuant to the listing of the Programme for the issuance of up to £10,000,000,000 Guaranteed Bonds financing Thames Water Utilities Limited.

RESPONSIBILITY

The Issuer and each Guarantor accepts responsibility for the information contained in this Final Terms.

Signed on behalf of the Issuer:

By:.....
....

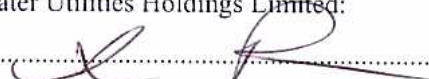
Duly authorised

Signed on behalf of Thames Water Utilities Limited:

By:.....
....

Duly authorised

Signed on behalf of Thames Water Utilities Holdings Limited:

By:.....
....

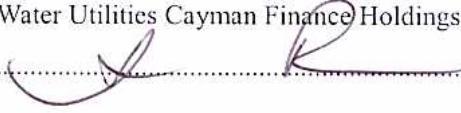
Duly authorised

Signed on behalf of Thames Water Utilities Finance Limited:

By:.....
....

Duly authorised

Signed on behalf of Thames Water Utilities Cayman Finance Holdings Limited:

By:..........
....

Duly authorised

PART B - OTHER INFORMATION

- 1 **Listing**
- (i) Listing: London
- (ii) Admission to trading: Application has been made for the Bonds to be admitted to trading on the London Stock Exchange's Regulated Market with effect from 6 October 2009.
- (iii) Estimate of total expenses related to admission to trading: £4200
- 2 **Ratings**
- Ratings: The Bonds to be issued have been rated:
S&P: BBB+
Moody's: A3
- 3 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**
- Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Bonds has an interest material to the offer.
- 4 **Reasons for the offer, estimated net proceeds and total expenses**
- (i) Reasons for the offer: See Chapter 9 "Use of Proceeds" wording in Prospectus.
- 5 **Fixed Rate Bonds only – YIELD**
N/A
- 6 **Floating Rate Bonds Only - HISTORIC INTEREST RATES**
N/A
- 7 **Index-Linked or other variable-linked Bonds only – PERFORMANCE OF INDEX AND OTHER INFORMATION CONCERNING THE UNDERLYING**
Information on the UK Retail Price Index can be found on Bloomberg page UKRPI
- 8 **Dual currency Bonds only – PERFORMANCE OF RATE[S] OF EXCHANGE**
N/A
- 9 **Operational information**
- ISIN Code: XS0455926260
- Common Code: 045592626
- Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme and the relevant identification number(s): Not Applicable
- Delivery: Delivery against payment
- Names and address of initial Paying Agent: Deutsche Bank AG, London Branch
Winchester House, 1 Great Winchester Street, London
EC2N 2DB
- Names and addresses of additional Paying: N/A

Agent(s) (if any):