

Final Terms dated 29 June 2012

**THAMES WATER UTILITIES CAYMAN FINANCE LIMITED**

Issue of £300,000,000 4.375% Class A Guaranteed Unwrapped Bonds due 3 July 2034

unconditionally and irrevocably guaranteed as to scheduled payments of principal and interest  
by

**THAMES WATER UTILITIES LIMITED**  
**THAMES WATER UTILITIES HOLDINGS LIMITED**  
**THAMES WATER UTILITIES FINANCE LIMITED**  
*(each incorporated with limited liability in England and Wales)*

**THAMES WATER UTILITIES CAYMAN FINANCE HOLDINGS LIMITED**  
*(incorporated in the Cayman Islands with limited liability)*

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 18 June 2012 which constitutes (i) a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended to the extent implemented (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.

Repayment of the principal and payment of any interest or premium in connection with the Bonds has not been guaranteed by any Financial Guarantor or by any other financial institution.

- |   |                             |  |
|---|-----------------------------|--|
| 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:          | 14   |
|   | (ii) Sub-Class Number:      | Not Applicable   |

*(If fungible with an existing Sub-Class, details of that Sub-Class, including the date on which the Bonds become fungible).*

3	Relevant Currency or Currencies:	Sterling ("£")
4	Aggregate Nominal Amount:	
	(i) Series:	£300,000,000
	(ii) Sub-Class:	£300,000,000
	(iii) Tranche:	£300,000,000
5	(i) Issue Price:	98.787% of the Aggregate Nominal Amount
	(ii) Net proceeds: (required only for listed issues)	£294,936,000
6	(i) Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Bonds in definitive form will be issued with a denomination above £199,000.
	(ii) Calculation Amount	£1,000
7	(i) Issue Date:	3 July 2012
	(ii) Interest Commencement Date (if different from the Issue Date):	Issue Date
8	Maturity Date:	3 July 2034
9	Instalment Date:	Not Applicable
10	Interest Basis:	4.375% Fixed Rate
11	Redemption/Payment Basis:	Redemption at par
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 and Guarantee obtained:	7 June 2012

15 Method of distribution: Syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 16 Fixed Rate Bond Provisions: Applicable
- (i) Interest Rate: 4.375% per annum payable annually in arrear
- (ii) Interest Payment Date(s): 3 July in each year starting on 3 July 2013, up to and including the Maturity Date, not adjusted
- (iii) Fixed Coupon Amounts: £43.75 per Calculation Amount
- (iv) Broken Amounts: Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
- (vi) Determination Date: 3 July in each year
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Bonds: Not Applicable
- (viii) Reference Gilt: UKT 4.25% due 2032
- 17 Floating Rate Bond Provisions: Not Applicable
- 18 Zero Coupon Bond Provisions: Not Applicable
- 19 Indexed Bond Provisions: Not Applicable
- 20 Dual Currency Bond Provisions: Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

- 21 Call Option: Not Applicable
- 22 Final Redemption Amount: Par

**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 No

Receipts to be attached to Definitive Bonds (and dates on which such Talons mature):

- |    |   |                |
|----|---|----------------|
| 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**

- |    |   |   |
|----|---|---|
| 32 | Interest rate on relevant Term Advance/Index Linked Advances: | 4.375% per annum  |
| 33 | Term of relevant Term Advance/Index Linked Advances:          | Until 3 July 2034, or earlier if the Bonds are redeemed early |
| 34 | Other relevant provisions:                                    | Not Applicable  |

#### **DISTRIBUTION**

- |    |                                       |   |
|----|---------------------------------------|---|
| 35 | (i) If syndicated, names of Managers: | Barclays Bank PLC<br>Deutsche Bank AG, London Branch<br>Lloyds TSB Bank plc<br>RBC Europe Limited |
|    | (ii) Stabilising Manager (if any):    | Lloyds TSB Bank plc   |
| 36 | If non-syndicated, name of Dealer:    | Not Applicable  |
| 37 | Additional selling restrictions:      | Not Applicable  |

#### **LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise 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.

## EXECUTION PAGE

### ISSUER

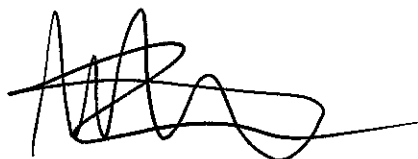
Signed by  
for and on behalf of **Thames Water  
Utilities Cayman Finance Limited:**

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AUSTIN MATTHEWS

Duly authorised person

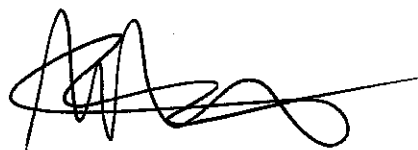
### GUARANTORS

Signed by  
for and on behalf of **Thames Water  
Utilities Limited:**

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AUSTIN MATTHEWS

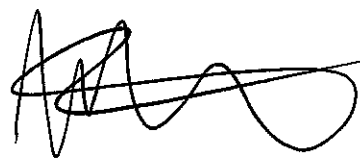
Duly authorised person

Signed by  
for and on behalf of **Thames Water  
Utilities Holdings Limited:**

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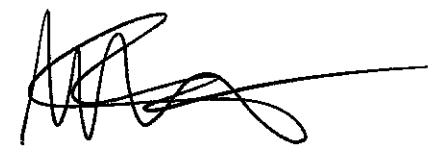
Duly authorised person

Signed by  
for and on behalf of **Thames Utilities  
Finance Limited:**

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AUSTIN MATTHEWS

Duly authorised person

Signed by  
for and on behalf of **Thames Water  
Utilities Cayman Finance Holdings  
Limited:**

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AUSTIN MATTHEWS.

Duly authorised person

## **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 3 July 2012.
- (iii) Estimate of total expenses related to admission to trading: £3,600

### **2 Ratings**

- Ratings: The Bonds to be issued have been rated:
- S&P: A-
- Moody's: A3

### **3 Interest of Natural and Legal Persons involved in the Issue/Offer**

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*" in Prospectus
- (ii) Estimated net proceeds: £294,936,000
- (iii) Estimated total expenses: £1,425,000

### **5 Yield**

- Indication of yield: 4.375% 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 Operational information**

- ISIN Code: XS0800185174
- Common Code: 080018517

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 addresses of Initial Paying Agent: Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB

Names and addresses of additional Paying Agent(s) (if any): Not Applicable