

Final Terms dated 30 January 2013

AFFINITY WATER PROGRAMME FINANCE LIMITED

Issue of Sub-Class A2 £250,000,000 4.50 per cent. Guaranteed Bonds due 2036

under the £2,500,000,000 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 January 2013 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended (the "**Prospectus Directive**"). 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 Programme Issuer, the Guarantors and the offer of the Sub-Class A2 £250,000,000 4.50 per cent. Bonds due 2036 is only available on the basis of the combination of these Final Terms and the Prospectus.

The Prospectus has been published on the website of the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html and a copy is available for viewing at the Specified Office of the Principal Paying Agent and at the registered office of the Programme Issuer c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, Cayman Islands KY1 1104 during usual business hours on any weekday apart from Saturdays, Sundays and public holidays, and copies may be obtained from AWL at the following address: Tamblin Way, Hatfield, Hertfordshire, AL10 9EZ.

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

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|-----|-------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | (i) | Issuer: | Affinity Water Programme Finance Limited |
| | (ii) | Guarantors: | Affinity Water Holdings Limited, Affinity Water Limited, Affinity Water Finance (2004) Limited |
| 2. | (i) | Series Number: | 1 |
| | (ii) | Sub-Class Number: | A2 |
| 3. | | Relevant Currency or Currencies: | Pounds Sterling ("£") |
| 4. | | Aggregate Nominal Amount: | |
| | (i) | Series: | £480,000,000 |
| | (ii) | Sub-Class: | £250,000,000 |
| | (iii) | Tranche: | £250,000,000 |
| 5. | (i) | Issue Price: | 99.976 per cent. of the Aggregate Nominal Amount |
| 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: | 4 February 2013 |
| | (ii) | Interest Commencement Date (if different from the Issue Date): | Issue Date |
| 8. | | Maturity Date: | 31 March 2036 |
| 9. | | Instalment Date: | Not Applicable |
| 10. | | Interest Basis: | 4.50 per cent. 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 of the Guarantees: Senior
- (ii) Date approval for issuance of Bonds and Guarantee obtained: 15 January 2013 in the case of the issuance of the Bonds and 12 December 2012, 15 January 2013 and 30 January 2013 in the case of the Guarantee

15. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Bond Provisions: Applicable
- (i) Interest Rate: 4.50 per cent. per annum payable semi-annually in arrear
- (ii) Interest Payment Date(s): 31 March and 30 September in each year, commencing on 30 September 2013
- (iii) Fixed Coupon Amounts: £22.50 per Calculation Amount
- (iv) Broken Amounts: £29.30 per Calculation Amount in respect of the Interest Period from, and including, the Issue Date to, but excluding, the first Interest Payment Date, payable on the Interest Payment Date falling on 30 September 2013
- (v) Day Count Fraction: Actual/Actual (ICMA)
- (vi) Determination Date: As set out in the Conditions
- (vii) Reference Gilt: Not Applicable
17. Floating Rate Bond Provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

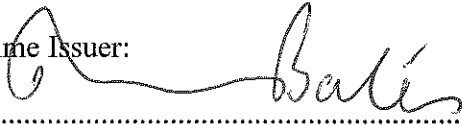
18. Call Option: Not Applicable
19. Final Redemption Amount: £1,000 per Calculation Amount
20. Indexed Bond Provisions: Not Applicable

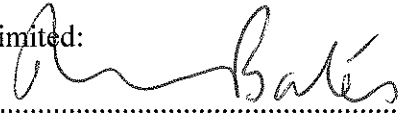
GENERAL PROVISIONS APPLICABLE TO THE BONDS

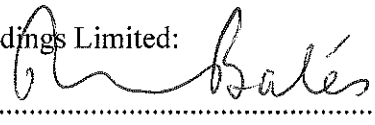
21. Form of Bonds: Bearer
- Temporary Global Bond exchangeable for a Permanent Global Bond which is exchangeable for Definitive Bearer Bonds in the limited circumstances specified in the Permanent Global Bond.
22. Relevant Financial Centre(s) or other special provisions relating to Payment Dates: Not Applicable
23. Talons for future Coupons or Receipts to be attached to Definitive Bearer Bonds (and dates on which such Talons mature): Yes
24. Details relating to Instalment Bonds: Not Applicable
25. Redenomination, renominatisation and reconventioning provisions: Not Applicable
26. TEFRA rules: TEFRA D

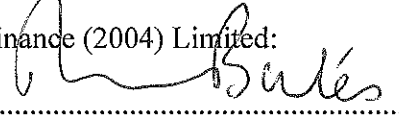
DISTRIBUTION

27. If syndicated, names of Managers: HSBC Bank plc
Lloyds TSB Bank plc
National Australia Bank Limited
RBC Europe Limited
The Royal Bank of Scotland plc

Signed on behalf of the Programme Issuer:  **Duncan Bates
Director**
By:.....
.....
Duly authorised

Signed on behalf of Affinity Water Limited:  **Duncan Bates
Director**
By:.....
.....
Duly authorised

Signed on behalf of Affinity Water Holdings Limited:  **Duncan Bates
Director**
By:.....
.....
Duly authorised

Signed on behalf of Affinity Water Finance (2004) Limited:  **Duncan Bates
Director**
By:.....
.....
Duly authorised

PART B - OTHER INFORMATION

1. Listing

- (i) Listing: Application has been made for the Bonds to be admitted to listing on Official List of the UK Listing Authority with effect from the Issue Date
- (ii) Admission to trading: Application has been made for the Bonds to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from the Issue Date
- (iii) Estimate of total expenses related to admission to trading: £3,600

2. Ratings

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

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

Save as discussed in "Subscription and Sale", so far as the Programme Issuer and the Guarantors are aware, no person involved in the offer of the Bonds has an interest material to the offer.

4. YIELD

- Indication of yield: 4.501 per cent.
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. Operational information

- ISIN Code: XS0883686650
- Common Code: 088368665
- 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(s): 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