

United Utilities Group PLC
1 June 2016

COMPLETION OF UNITED UTILITIES AND SEVERN TRENT JV, WATER PLUS

United Utilities (UU) and Severn Trent are pleased to confirm that all conditions relating to their joint venture, Water Plus, have been satisfied and the transaction has been completed today.

The joint venture, initially announced on 1 March 2016, will combine UU and Severn Trent's non-household water and wastewater retail businesses, principally comprising billing and customer service activities, into one business. Operations will be progressively transferred to a new head office located in Stoke-on-Trent over the course of this year. Competition and Markets Authority (CMA) approval was granted on 3 May.

UU and Severn Trent have strong track records in operating and growing successful non-household retail services in Scotland. With the non-household retail market in England opening for competition in 2017, Water Plus will combine the complementary skills of both companies, including sales, customer service, business strategy and credit management, to deliver an attractive proposition for large and small business customers across England and Scotland. Bringing their businesses together will create a JV with the synergies to provide an efficient and cost-effective operation focussed on improved customer service and growth.

United Utilities contacts

Gaynor Kenyon, Corporate Affairs Director	+44 (0) 7753 622282
David Rogers, Investor Relations Manager	+44 (0) 1925 237019
Peter Hewer / Martin Pengelley, Tulchan Communications	+44 (0) 20 7353 4200

Notes to editors

The economic regulator for the water industry, Ofwat, is opening up fully the water and wastewater non-household retail market in England to competition from April 2017. The retail market principally comprises billing and customer service activities. The non-household market comprises business and other non-domestic users. Large non-household customers are already able to switch their retail supplier for water services. All other activities, including retail services to the household market and all wholesale activities in the supply of water and wastewater services are unaffected by this announcement.