
COMPLIANCE CERTIFICATE

To: The Royal Bank of Scotland plc as Agent
Deutsche Trustee Company Limited as Note Trustee

From: Kelda Finance (No.2) Limited

Dated: 27 November 2015

Dear Sirs

**Kelda Finance (No.2) Limited - £290,000,000 Facility Agreement
dated 14 June 2012 as amended and restated on 22 January 2013 (the "Agreement")**

We refer to the Agreement. This is a Compliance Certificate. Terms defined in the Agreement have the same meaning when used in this Compliance Certificate unless given a different meaning herein.

1. We confirm that:

(a) Group RAR is, as at a Calculation Date, the ratio of Total Net Debt to RCV. As at the Calculation Date, on 30 September 2015:

(i) Total Net Debt was £4,808.9m; and

(ii) RCV was £5,720.9m.

Therefore Group RAR was 84.1% as at such Calculation Date and the covenant contained in paragraph (a) of Clause 20.1 (Financial condition) has been complied with;

(b) Group PMICR is, in respect of a Calculation Period, the ratio of Cash Flow for that Calculation Period less Capital Maintenance Expenditure to the Total Interest Service for the same Calculation Period.

In respect of the Calculation Period ending 30 September 2015:

(i) Cash Flow was £290.5m;

(ii) Capital Maintenance Expenditure was (£0.0m); and

(iii) Total Interest Service was (£158.1m).

In respect of the Calculation Period ending 31 March 2016:

(i) Cash Flow is projected to be £275.7m;

(ii) Capital Maintenance Expenditure is projected to be (£0.0m) and

(iii) Total Interest Service is projected to be (£79.9m).

Therefore Group PMICR is projected to be 2.38 times for such Calculation Period and the covenant contained in paragraph (b) of Clause 20.1 (Financial condition) has been complied with.

2. We confirm that the Permitted Distributions made by the Obligors in the 12 calendar months prior to the date of this certificate amount to £35.2m in aggregate.

3. We confirm that no Default is continuing.

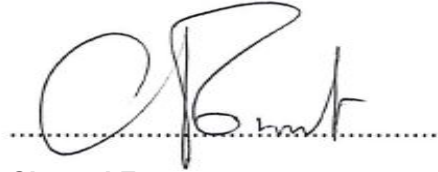
Signed:

A handwritten signature in black ink, appearing to read 'Liz Barber', written over a horizontal dotted line.

Liz Barber

Director

Signed:

A handwritten signature in black ink, appearing to read 'Chantal Forrest', written over a horizontal dotted line.

Chantal Forrest

Director