
COMPLIANCE CERTIFICATE

To: ING Bank N.V., London Branch as Agent under the 2015 ING Facility Agreement and as Facility Agent under the 2017 ING Facility Agreement (each as defined below).

Elavon Financial Services DAC, U.K. Branch as Facility Agent under the 2017 Westbourne and Whitehelm Facility Agreement (as defined below).

From Kelda Finance (No.2) Limited

Dated: 29 November 2018

Dear Sirs

Kelda Finance (No.2) Limited - Facility Agreement dated 4 December 2015

(the "2015 ING Facility Agreement"),

Kelda Finance (No.2) Limited - Facility Agreement dated 9 May 2017

(the "2017 ING Facility Agreement"),

Kelda Finance (No.2) Limited - Facility Agreement dated 9 May 2017

(the "2017 Westbourne and Whitehelm Facility Agreement"),

together, the "Agreements"

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

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 2018:

(i) Total Net Debt was £5,487.8m; and

(ii) RCV was £6,621.9m.

Therefore Group RAR was 82.9% as at such Calculation Date and the covenant contained in paragraph (a) of Clause 20.1 (*Financial condition*) has been complied with;

(b) Conformed Group PMICR is, in respect of a Calculation Period, the ratio of Cash Flow for that Calculation Period less Depreciation, IRE not already deducted in the calculation of Cash Flow or Depreciation and Fast/Slow Adjustment to the Total Interest Service for the same Calculation Period.

In respect of the six month Calculation Period ending 30 September 2018:

(i) Cash Flow was £336.1m;

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- (ii) Depreciation was (£126.8m);
 - (iii) IRE not already deducted in the calculation of Cash Flow or Depreciation was (£42.7m);
 - (iv) Fast/Slow Adjustment was £18.4m; and
 - (v) Total Interest Service was £111.6m.

In respect of the six month Calculation Period ending 31 March 2019:

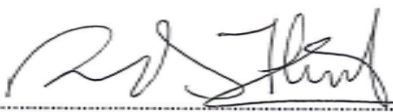
- (i) Cash Flow is projected to be £282.9m;
- (ii) Depreciation is projected to be (£126.8m);
- (iii) IRE not already deducted in the calculation of Cash Flow or Depreciation is projected to be (£42.7m);
- (iv) Fast/Slow Adjustment is projected to be £18.4m; and
- (v) Total Interest Service is projected to be £99.8m.

Therefore Conformed Group PMICR is projected to be 1.42 times for the Calculation Period ending 31 March 2018 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 six calendar months prior to the date of this certificate amount to £27.6m in aggregate.


- 3. We confirm that no Default is continuing.

Signed:



Richard Flint
Director of
Kelda Finance (No.2) Limited

Signed:



Liz Barber
Director of
Kelda Finance (No.2) Limited