FOR IMMEDIATE RELEASE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

17 March 2017

NOTICE OF EARLY REDEMPTION

to the holders of the

YORKSHIRE WATER SERVICES BRADFORD FINANCE LIMITED

Sub-Class B1 £450,000,000 6 per cent. Fixed to Floating Rate Guaranteed Bonds due 2025 under the £8,000,000,000 Guaranteed Bond Programme (the "**Notes**")

ISIN: XS0504218990 Common Code: 050421899

NOTICE IS HEREBY GIVEN to the holders of the outstanding Notes of Yorkshire Water Services Bradford Finance Limited (the "**Issuer**") that, pursuant to the Final Terms of the Notes and Condition 8(b) (*Redemption, Purchase and Cancellation – Optional Redemption*), the Issuer hereby will redeem all outstanding Notes on 24 April 2017 (the "**First Call Date**") at their principal amount together with accrued and unpaid interest to (but excluding) the First Call Date.

Terms used in this Notice and not defined herein shall have the same meaning given to them in the Terms and Conditions of the Notes.

Payment of the redemption monies will be made through Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*, in accordance with their standard procedures.

For further information, please contact:

Yorkshire Water Western House Halifax Road Bradford BD6 2SZ

Fax: +44 (0)12 7460 5331 Attention: Adrian Hunt