

COMPLIANCE CERTIFICATE

To: Deutsche Trustee Company Limited as Security Trustee
 cc: Fitch Ratings, Moody's Investors Service and S&P Global Ratings
 From: Yorkshire Water Finance plc (the "Issuer")
 Yorkshire Water Services Finance Limited ("YWSF")
 Yorkshire Water Services Limited ("YWS")

15 November 2019

Dear Sirs

Amended and Restated Common Terms Agreement dated 15 July 2015 between, among others, the Programme Issuer, the Exchange Issuer, YWSF, YWS and Deutsche Trustee Company Limited (the "Security Trustee") (the "Common Terms Agreement")

Capitalised terms not defined in this certificate have the meaning given to them in the Master Definitions Agreement.

1. We refer to the Common Terms Agreement. This is a Compliance Certificate.
2. We confirm that the ratios are as detailed in the table below in respect of the Calculation Date of 30 September 2019.

Date	30/09/2019 Actual	31/03/2020 Forecast	31/03/2021 Forecast
Class A RAR	68.8%	69.1%	71.0%
Senior RAR	76.8%	77.0%	78.7%

Test Period	31/03/2020 Forecast	31/03/2021 Forecast
Class A ICR	3.65x	3.97x
Class A Adjusted ICR	3.65x	3.97x
Senior Adjusted ICR	3.30x	3.58x
Class A Average Adjusted ICR	3.68x	3.68x
Senior Average Adjusted ICR	3.26x	3.26x
Conformed Class A Adjusted ICR	1.62x	1.53x
Conformed Senior Adjusted ICR	1.46x	1.38x
Conformed Class A Average Adjusted ICR	1.58x	1.58x
Conformed Senior Average Adjusted ICR	1.43x	1.43x

(together the "**Ratios**").

3. We confirm that each of the above Ratios has been calculated in respect of the relevant period(s) for which it is required to be calculated under the Common Terms Agreement and has not breached the Trigger Event Ratio Levels and has not caused Paragraph 17 (Ratios) of Part 2 (Events of Default - Non-YWH) of Schedule 6 to be breached.
4. We set out below the computation of the following ratios set out in the table in Paragraph 2 above for your information.

Test Period		Year ending 31/03/2020 Forecast	Year ending 31/03/2021 Forecast
Net Cash Flow divided by	£m	567.6	583.1
Class A Debt Interest	£m	155.6	146.9
Class A ICR	times	3.65	3.97
Net Cash Flow	£m	567.6	583.1
Less CCD and IRC	£m	0.0	0.0
Adjusted Cash Flow divided by	£m	567.6	583.1
Class A Debt Interest	£m	155.6	146.9
Class A Adjusted ICR	times	3.65	3.97
Net Cash Flow	£m	567.6	583.1
Less CCD and IRC	£m	0.0	0.0
Adjusted Cash Flow divided by	£m	567.6	583.1
Senior Debt Interest	£m	172.0	162.7
Senior Adjusted ICR	times	3.30	3.58
Year 1 Class A Average Adjusted ICR	times	3.41	3.41
Year 2 Class A Average Adjusted ICR	times	3.65	3.65
Year 3 Class A Average Adjusted ICR	times	3.97	3.97
Class A Average Adjusted ICR	times	3.68	3.68
Year 1 Senior Average Adjusted ICR	times	2.90	2.90
Year 2 Senior Average Adjusted ICR	times	3.30	3.30
Year 3 Senior Average Adjusted ICR	times	3.58	3.58
Senior Average Adjusted ICR	times	3.26	3.26
Net Cash Flow	£m	567.6	583.1
Less Depreciation	£m	(212.6)	(272.2)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	(115.6)	(119.0)
Fast/Slow Adjustment	£m	12.0	32.6
Adjusted Cash Flow divided by	£m	251.5	224.4
Class A Debt Interest	£m	155.6	146.9
Conformed Class A Adjusted ICR	times	1.62	1.53
Net Cash Flow	£m	567.6	583.1
Less Depreciation	£m	(212.6)	(272.2)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	(115.6)	(119.0)
Fast/Slow Adjustment	£m	12.0	32.6
Adjusted Cash Flow divided by	£m	251.5	224.4
Senior Debt Interest	£m	172.0	162.7
Conformed Senior Adjusted ICR	times	1.46	1.38

Test Period		31/03/2020 Forecast	31/03/2021 Forecast
Year 1 Conformed Class A Average Adjusted ICR	times	1.61	1.61
Year 2 Conformed Class A Average Adjusted ICR	times	1.62	1.62
Year 3 Conformed Class A Average Adjusted ICR	times	1.53	1.53
Conformed Class A Average Adjusted ICR	times	1.58	1.58
Year 1 Conformed Senior Average Adjusted ICR	times	1.46	1.46
Year 2 Conformed Senior Average Adjusted ICR	times	1.46	1.46
Year 3 Conformed Senior Average Adjusted ICR	times	1.38	1.38
Conformed Senior Average Adjusted ICR	times	1.43	1.43

Test Period		30/09/2019 Actual	31/03/2020 Forecast	31/03/2021 Forecast
Class A Net Indebtedness divided by	£m	4,724.7	4,805.0	5,164.7
RCV	£m	6,868.7	6,955.3	7,270.0
Class A RAR	%	68.8%	69.1%	71.0%
Senior Net Indebtedness divided by	£m	5,272.8	5,354.7	5,718.3
RCV	£m	6,868.7	6,955.3	7,270.0
Senior RAR	%	76.8%	77.0%	78.7%

5. Under the terms of the CTA, Compliance Certificates are completed for the whole YW Financing Group and therefore certain adjustments are required to be made to the financial information contained within the financial statements of YW when calculating the current period ratios as reported in the above tables. The table below detail these adjustments.

Net debt	Reference	30/09/2019 Actual
YW net debt at 30 September 2019	Note 6 to YW's Interims	£m 4,228.5
Net amounts owed in relation to loans to parent companies	Note 6 to YW's Interims	963.3
Fair value adjustment of bonds	Note 6 to YW's Interims	(145.6)
Unamortised issue costs	Note 6 to YW's Interims	17.5
Discount on RPI accretion on inflation linked swaps	Note 8 to YW's Interims	209.1
Senior Net Indebtedness		5,272.8
<i>of which Class A Net Indebtedness</i>		4,724.7

We also confirm that:

- (a) no Default or Potential Trigger Event is outstanding;
- (b) YWS's insurances are being maintained in accordance with:
 - (i) the Common Terms Agreement; and
 - (ii) the provisions of the Finance Leases;
- (c) the aggregate amount of all accretions by indexation to the original notional amounts of any Super-Senior RPI Linked Hedging Agreements is 3.04% of RCV as at 30 September 2019; and

- (d) no Event of Default or event which would be (with the expiry of a grace period, the giving of notice or the making of any determination or any combination thereof) an Event of Default under any Non-Participating YWSF Bond Debt has occurred and is outstanding.

Yours faithfully

For and on behalf of
Yorkshire Water Services Limited

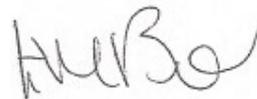


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Liz Barber
Chief Executive Officer



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Nevil Muncaster
Director

For and on behalf of
Yorkshire Water Services Finance Limited

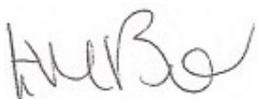


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Liz Barber
Director



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Kathy Smith
Director

For and on behalf of
Yorkshire Water Finance plc



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Liz Barber
Director



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Kathy Smith
Director