

FULL YEAR 2017/18 RESULTS

23 MAY 2018



WONDERFUL ON TAP



Cautionary statement regarding forward-looking statements

This document contains statements that are, or may be deemed to be, 'forward-looking statements' with respect to Severn Trent's financial condition, results of operations and business and certain of Severn Trent's plans and objectives with respect to these items.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'anticipates', 'aims', 'due', 'could', 'may', 'will', 'would', 'should', 'expects', 'believes', 'intends', 'plans', 'projects', 'potential', 'reasonably possible', 'targets', 'goal', 'estimates' or words with a similar meaning, and, in each case, their negative or other variations or comparable terminology. Any forward-looking statements in this document are based on Severn Trent's current expectations and, by their very nature, forward-looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future.

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LIV GARFIELD

CHIEF EXECUTIVE



2017/18 KEY HIGHLIGHTS

11.5%

Strongest Return on Regulated Equity (RoRE) performance to date

£80m

Customer ODI⁽¹⁾ net outperformance payments despite the harsh winter

£870m

Forecast AMP6 totex⁽²⁾ efficiencies. Additional £100m announced since half-year

£100m

Additional £100m reinvested into the business, on top of £120m previously announced

PR19

Progressing well, with clear opportunities for companies who deliver for customers



OUR VISION

By 2020 to be the most trusted water company: delivering an outstanding customer experience, the best value service and environmental leadership

1. Customer Outcome Delivery Incentives, quoted pre-tax at 2012/13 prices

2. Totex = total expenditure at nominal prices

JAMES BOWLING

CHIEF FINANCIAL OFFICER



2017/18 FINANCIAL HIGHLIGHTS

Group turnover⁽¹⁾

£1,694.1m
+3.4%

Underlying PBIT^(1,2)

£541.0m
+4.0%

Effective interest rate

4.5%
+10 bps

Net customer ODI⁽³⁾ outperformance payments

£80m

Underlying basic EPS^(1,4)

121.0 pence
+4.6%

Return on Regulated Equity (RoRE)⁽⁵⁾

11.5%
+150bps

Full-year 2017/18 dividend: 86.55p

1. Comparative restated to exclude discontinued operations

2. Underlying PBIT = Profit Before Interest, Tax and exceptional items. Reported PBIT of £528.4m (2016/17: £536.7m) includes an exceptional charge of £12.6m (2016/17: credit of £16.6m)

3. Customer Outcome Delivery Incentives. Overall pre-tax outperformance payments at 2012/13 prices

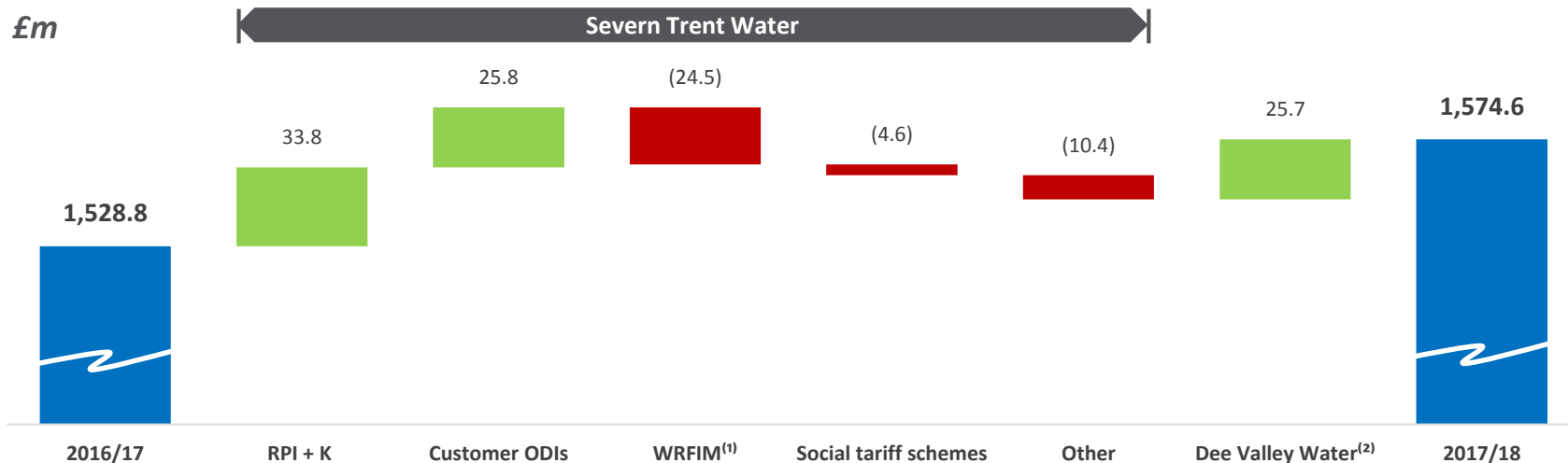
4. Underlying EPS = Earnings Per Share before exceptional items, net gains/losses on financial instruments, current tax on exceptional items and on financial instruments, exceptional current tax and deferred tax. Reported basic EPS from continuing operations of 102.2p (2016/17: 136.8p)

5. Reported using Ofwat's RoRE methodology. Under our previously reported methodology, RoRE for 2017/18 was 10.6% (2016/17: 11.0%)

REGULATED WATER AND WASTE WATER

Turnover
£1,574.6m

- Up 3% driven by RPI-linked price increases in Severn Trent Water (£33.8m) and a full year of Dee Valley (£25.7m)
- Revenue uplift from 2015/16 customer ODI rewards offset by WRFIM⁽¹⁾ adjustment for the same year



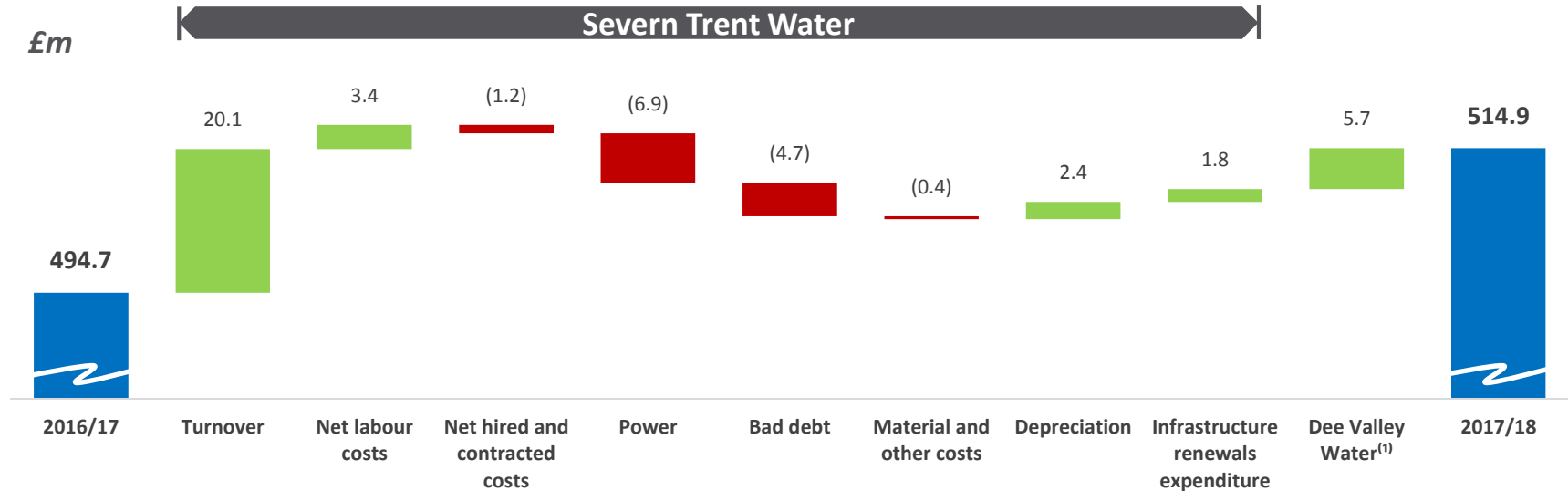
1. WRFIM = Wholesale Revenue Forecasting Incentive Mechanism

2. This movement compares 12 months of revenue for Dee Valley in 2017/18, to two months in 2016/17, as we did not own the company until February 2017.

REGULATED WATER AND WASTE WATER

Underlying PBIT
£514.9m

- Up 4.1% driven by higher turnover, good control of our underlying cost base, and a full year of Dee Valley
- Operating costs are up 1.7%, excluding Dee Valley, following previously guided rises in power pass through costs and business rates, and an increase in our bad debt provision

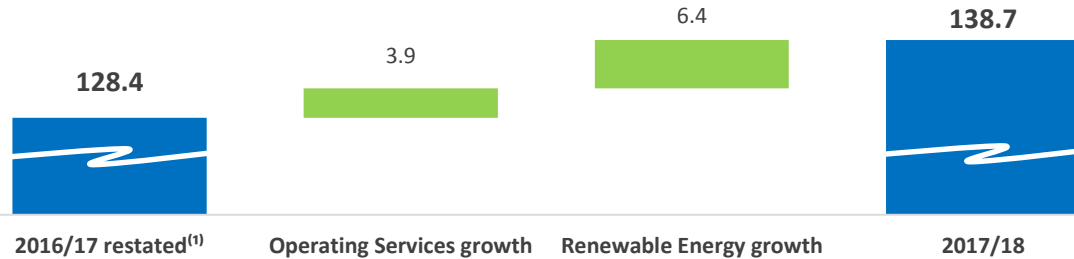


1. The movement compares 12 months of underlying PBIT for Dee Valley in 2017/18, to two months in 2016/17, as we did not own the company until February 2017. Please see the Regulated Water and Waste Water section of the CFO Review for details

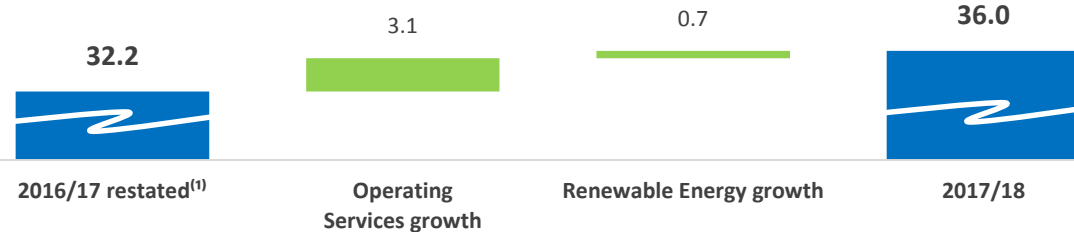
BUSINESS SERVICES



Turnover £138.7m



Underlying PBIT £36.0m



- Top and bottom line growth in both our Operating Services and Renewable Energy businesses
- Growth in long term contracts and higher commission income in Operating Services
- Renewables revenue up 11.9%, PBIT growth held back by new food waste plant set up costs
- Now generating 38% of our power needs, hedging group exposure to price increases

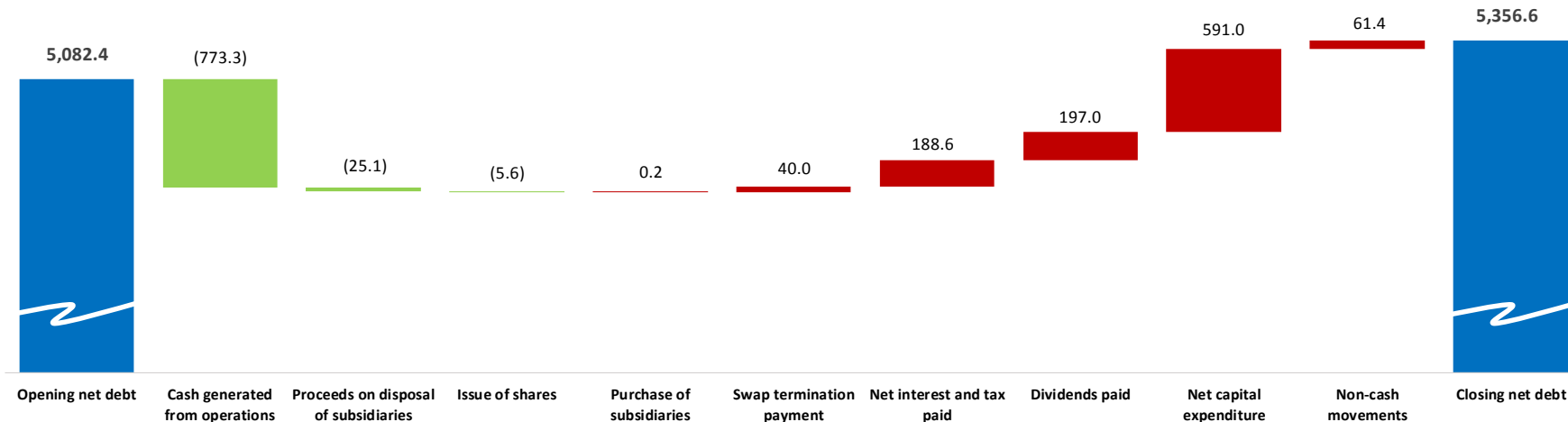
1. Excludes our Operating Services activities in the USA and Italy, which have been reclassified as discontinued operations, as detailed in the RNS announcement dated 19 July 2017 – “Trading update for the period 1 April to 19 July 2017”

GROUP CASH FLOW AND NET DEBT

Net debt
£5,356.6m

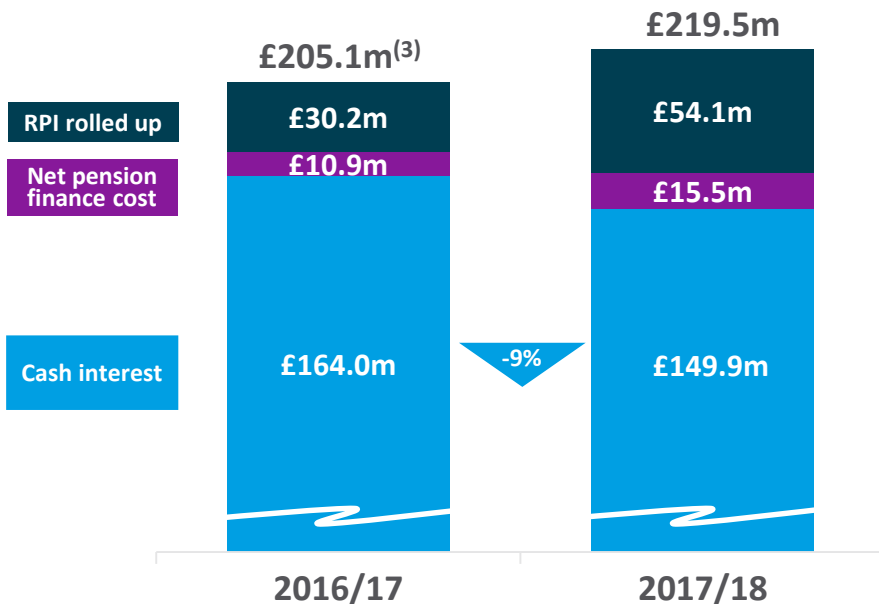
Increase in net debt of £274.2m following a significant increase in net capital expenditure to £591m as we ramp up our capital programme

£m



FINANCING PERFORMANCE

Finance cost^(1,2)



4.5%

Effective interest rate

up 10 basis points from 2016/17

3.4%

Effective cash interest cost⁽⁴⁾

down 40 basis points from 2016/17

2017/18 Performance

- **£14.1m reduction** in cash interest cost
- Refinancing of legacy £400m high cost debt at current low rates, will **drive future outperformance**
- The benefits of higher RPI on revenue and our RCV **more than offset** the impact on RPI-linked debt
- **Outperformed** Ofwat's allowed cost of debt by £79m

1. Average inflation applied to index linked debt 2017/18: 4.1% (2016/17: 2.5%)

2. After deducting capitalised interest

3. Comparative restated to exclude discontinued operations

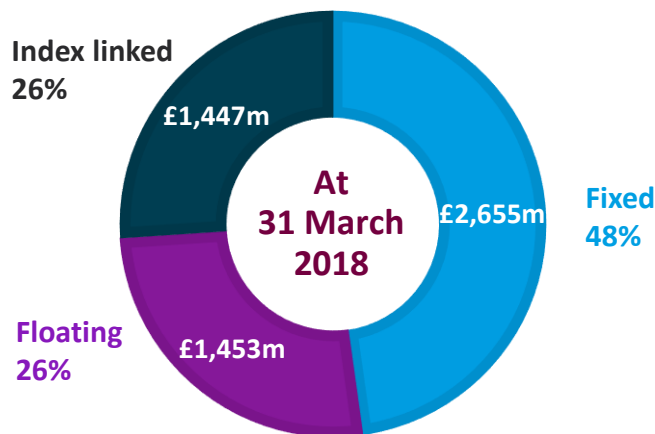
4. Effective cash interest cost (before net pension finance costs and RPI rolled up)

A BALANCED DEBT PORTFOLIO

Responding to changing market conditions...

...but maintaining flexibility as we move towards AMP7

Gross debt profile



£5,357m

Group net debt^(1, 2)

60.8%

STW net debt/RCV^(3, 4)

Sourcing low cost debt

- £400m 6% sterling bond matured in January 2018
- £250m four year sterling bond raised at 1.125%
- £250m five year sterling bond raised at 1.625%

Managing interest rate risk

- Interest rate exposure carefully monitored by Treasury Committee
- Floating rate exposure at 26%

Increasing CPI exposure

- Latest RPI to CPI swap: £100m
- Forward starting, from 2020
- Takes total CPI swaps to £250m

1. Includes cross currency swaps
2. 31 March 2017: £5,082m

3. Based on Regulated net debt £5,375m (31 March 2017: £5,004m) per Severn Trent Water Annual Performance Report to be published 13 July 2018
4. Estimated Regulatory Capital Value (RCV) at 31 March 2018 for Severn Trent Water £8,740m and Dee Valley Water £99m (31 March 2017: £8,244m)

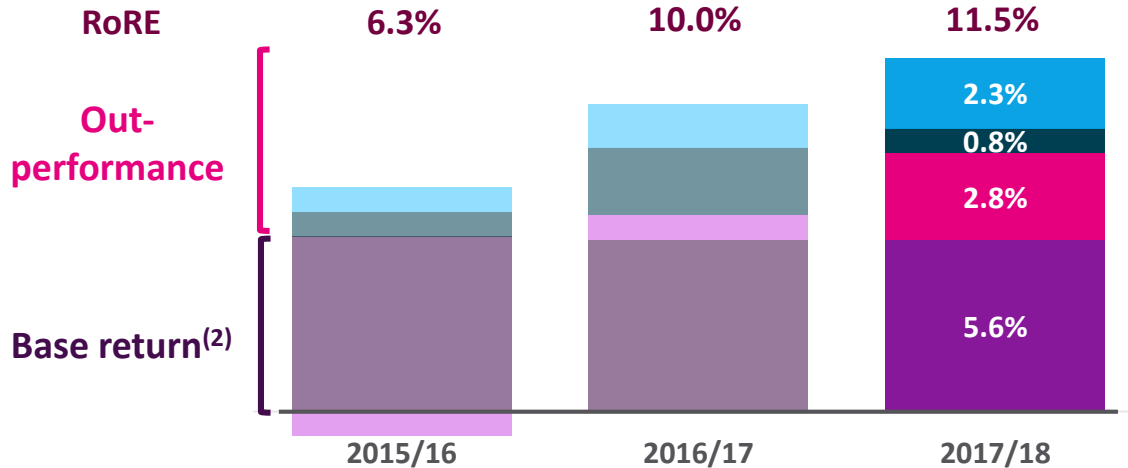
RETURN ON REGULATED EQUITY (RoRE)⁽¹⁾

11.5%

For 2017/18, our highest RoRE to date

9.3%

AMP6 cumulative RoRE



CUSTOMER ODIs

- £80m of ODI reward from strong performance in most key metrics

TOTEX/RETAIL

- Continued delivery of totex efficiencies

FINANCING

- Effective balanced debt strategy
- Benefiting from high RPI in 2017/18

ODI outperformance capping, £220m totex reinvestment and forecasted falling RPI limit future RoRE outperformance in AMP6

1. Calculated in accordance with Ofwat guidance

2. 2016/17 onwards adjusted to exclude the non-household retail return now being earned by Water Plus

PROPERTY PROFITS

£100m
by 2027

- Great start to 18/19 with £18.2m profit secured
- 25% of 10 year property PBIT plan completed

Sale of land at Teal Close, Nottingham

- 135 acres of land sold to Persimmon Homes on 30 April 2018
- 830 homes to be built, helping to address the housing shortage and bringing jobs to the area
- Profits shared with customers through an end of AMP RCV adjustment

£18.2M

Teal Close

£7.0M

2017/18

BIORESOURCES GETTING READY FOR COMPETITION



Moved Bioresources business into Business Services,
effective from 1 April 2018

Early actions taken to ready ourselves for competition:

- **Created regional treatment hubs** - six regions to deliver optimised treatment routes
- **Streamlined logistics** - rationalised tanker bases, reducing miles travelled
- **Optimised treatment strategy** - advanced treatment techniques, offering economies of scale and greater gas generation
- **Rationalised sites** - least efficient sites identified for closure

Resulting in a £17m accelerated depreciation and £4m other restructuring costs - included as exceptional costs this year

Already active in the market, completing our first trial trade

FY2018/19 TECHNICAL GUIDANCE

Regulated Water and Waste Water		FY 17/18	Year-on- Year
Turnover	£1.62 billion to £1.65 billion	£1.57bn	▲
Opex	Higher year-on-year as upward cost pressures of EA licence fees and continued higher energy pass-through costs offset ongoing efficiency programmes	£604m	▲
IRE	£135 million to £155 million	£135m	▲
Customer ODIs ⁽¹⁾	Expected to outturn in a net neutral position as only £7m of Waste cap remains, which we expect to hit in 2018/19	£80m	▼
Business Services			
Turnover	Higher year-on-year	£139m	▲
PBIT	Marginally higher year-on-year, impacted by new plant start up costs	£36m	▲
Group			
Property PBIT	Around £20 million, including the sale of Teal Close	£7m	▲
Interest charge	Down year-on-year due to lower interest rates on new and replacement debt and lower forecast RPI	£220m	▼
Tax rate	Total tax rate expected to be around 19% and the underlying effective current tax rate between 11% and 13% due to higher capital allowances from increased capex	12.7%	▼
Group capex	£650 million to £750 million	£591m	▲
Dividend	Annual dividend growth of at least RPI+4% until March 2020. 2018/19 dividend set at 93.37p ⁽²⁾	86.55p	▲

1. Customer Outcome Delivery Incentives (ODIs), quoted pre-tax at 2012/13 prices

2. 2018/19 dividend growth is based on November 2017 RPI of 3.88% plus 4%

LIV GARFIELD

CHIEF EXECUTIVE



OUR STRATEGY

Our vision is to be the most trusted water company by 2020: delivering an outstanding customer experience, the best value service and environmental leadership



EMBEDDING CUSTOMERS AT THE HEART OF ALL WE DO



Improvements in customer experience...

- Upper quartile ranking in **UKCSI**⁽¹⁾ for utilities for 2017/18
- 17% reduction in **written complaints**
- **Easier to contact**: 24/7 service for all queries and up to nine different communication channels

...with a strong focus on affordability

- **Affordability** is top of our agenda
 - Supporting over 50,000 **vulnerable customers**
 - **Deferring ODI reward** to future periods to manage bill profile
 - **Lowest combined bills** in Britain⁽²⁾
 - People of Birmingham pay just over half the amount of those in Berlin⁽³⁾
- Our **Care and Assistance team** has been actively engaging with other organisations, such as housing associations and Citizens Advice

1. UK CSI = UK Customer Service Index

2. Severn Trent 2018/19 bill of £348, compared to average in England and Wales of £405, and £363 in Scotland

3. Per Global Water Intelligence's Global Water Tariff Survey 2017. Data for Birmingham (Severn Trent's largest city) used for the comparison

OPERATIONAL EXCELLENCE THROUGH THE REGULATOR'S LENS

82%

of performance commitments on track

2017/18 APR
Assessments

Service now -
Waste

Resilience

Responsible,
efficient
investment

Asset health

Service now –
Retail

Environment

Serving our
community

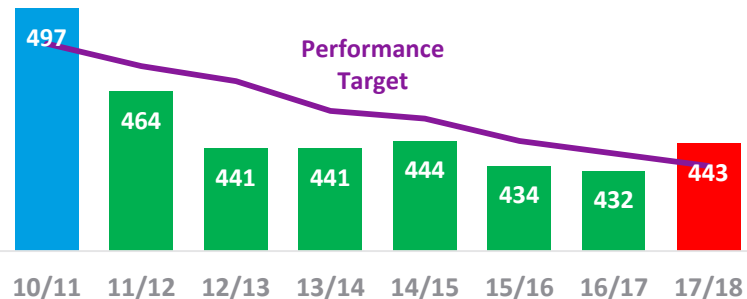
Service now -
Water

- 31 out of 38 performance commitments on track in the year
- 41 out of 45 forecast by the end of the AMP

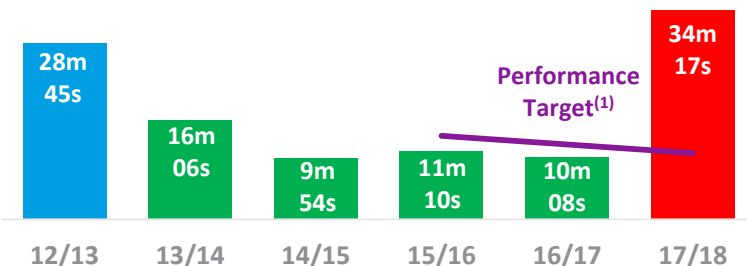
WATER PERFORMANCE IN FOCUS

A mixed performance year with promising long-term improvement

Leakage: first miss in seven years



Supply interruptions: bad year bucks trend



Other AMP6 progress to date

Drinking water compliance

99.96%

Low pressure

-11%

Water use restrictions

No restrictions

Coliforms

-38%

Value for money

+16%

Catchment management

On track

Birmingham Resilience

On track

Water quality complaints

-12%

WASTE PERFORMANCE IN FOCUS

Continued outstanding performance. Only £7m left of AMP6 cap

Embedded performance delivering consistently strong results

▶ Accelerated investment

▶ Re-skilled, re-organised

▶ Customer education

▶ Supplier collaboration

Other AMP6 progress to date

External sewer flooding

-62%

Internal sewer flooding

-43%

Category 3 pollutions

-11%

Serious pollutions

-80%

Customer education

+284%

Blockages

-1%

Carbon footprint

-4%

Category 4 pollutions

-23%

Environmental compliance

98% compliant

Biodiversity

On track



STRONG ENVIRONMENTAL PERFORMANCE



Environment
Agency

Expect to receive 4* rating for
second time in three years



Reaccredited to the
Carbon Trust Standard

On track to meet our end of AMP performance commitments

Improvements in river water
quality against WFD criteria

On track to reduce our impact on the environment by
more than our WFD⁽¹⁾ commitment

Catchment management

Expect to exceed commitment to improve 12
catchment areas

Biodiversity

On track to improve 75 hectares of land by 2020.

1. WFD = Water Framework Directive

INVESTING RESPONSIBLY – TOTEX EFFICIENCIES



£870m

Forecast AMP6
Totex efficiencies

of which an additional
£100m announced today

£220m Re-invested

Sharing **outperformance** with our customers through investing in service improvement

Previously announced

£120m

Water Quality, Security
& Vulnerable Customers

New today

£100m

Resilience, Innovation &
People

INVESTING £100M FOR A FAST START IN AMP 7

£100m

AMP 7 Strategic Criteria

- Reduce **leakage** by 15%
- Get to upper quartile position on **supply interruptions**
- Continue to drive **water quality** improvement plan
- Combat impact of rising **energy** pass through costs
- People with best in class **technical competency**

Benefits to customers

Impact on performance commitments

200 ideas

Smart data

Energy and process efficiency

Proactive asset management

People

PR19 PREPARATIONS

Getting the balance right

“We have an obligation to build a sustainable business, that satisfies the goals of a broad cross-section of stakeholders in a socially responsible manner”

PR19 plan built with extensive customer engagement

- Applied new approaches including an online community, Tap Chat
- Targeted 17,000 customers, analysed 1.9 million customer contacts and seven million social media conversations

A focus on financial resilience and sustainability

- Ofwat’s April 2018 consultation gave clear view of concerns
- Governance and financial model aligned with Ofwat goals

Investing in the long term future

- Cost adjustment claims submitted for OFWAT consideration as part of PR19
- Number of schemes to meet environmental obligations, balancing future supply and demand and resilience



CREATING AN AWESOME PLACE TO WORK



Our people's
engagement, safety
and wellbeing is of
primary importance

- **23% improvement** on LTI's. Our best ever year
- **Six** percentage point increase in engagement scores
- Leading on important **well-being** topics - including mental health and the menopause

Our people are our
most valuable assets

- Highly regarded **graduate and apprentice** programmes
- Investment in **technical training**
- Mean **gender pay gap** of just 2.4%

Our people can be
proud to work for
Severn Trent

- Raising awareness to help **eradicate modern slavery**
- Outstanding **Training Academy** plans
- More than 25 years of supporting **Water Aid**

2017/18 IN SUMMARY



£541m

underlying PBIT, up 4.0%

121.0p

underlying EPS, up 4.6%

£80m

Net outperformance payments
from customer ODIs

£870m

Forecast AMP6 efficiencies, with
a further £100m of reinvestment

11.5%

Return on Regulated Equity
(RoRE)

86.55 pence

2017/18 dividend, up 6.2%

Q&A



Liv Garfield
Chief Executive



Sarah Bentley
Chief Customer Officer



Martin Kane
Chief Engineer



Neil Morrison
Director, Human Resources



Helen Miles
Group Capital & Commercial Director



James Bowling
Chief Financial Officer



James Jesic
Production Director



Andy Smith
Managing Director, Business Services



Bronagh Kennedy
Group General Counsel and Company Secretary



Tony Ballance
Director, Strategy & Regulation

APPENDIX

RETURN ON REGULATORY EQUITY

5.6%⁽¹⁾

Base allowed return

ODIs

2.3%

- Overall pre-tax reward of £80.2m, using the relevant tax rate for FY2019/20 of 19%
- Post-tax reward of £65.0m
- £7m left of waste cap

TOTEX

0.8%

- Actual FY2017/18 wholesale totex (2012/13 prices) of £1,084m⁽²⁾ vs. FD allowance of £1,124m = £40m⁽³⁾ of outperformance, £17m⁽³⁾ after customer sharing and tax
- Actual retail household costs of £86m vs. £97m of FD allowed expenditure = £11m outperformance. Post-tax outperformance = £8m

FINANCING

2.8%

- Actual financing costs of £25m⁽⁴⁾ (12/13 prices) vs. FD allowance of £123m = £98m of financing outperformance, post-tax outperformance of £79m
- Significant outperformance driven by high inflation and continued low interest rates

11.5%

FY2017/18 RoRE⁽⁵⁾

1. FD base return adjusted to exclude the non-household retail return now being earned by Water Plus

2. Adjusted for the re-profiling of expenditure within the AMP

3. Includes company share of interest on over/underspent totex and RCV run off rate adjustment

4. Based on Ofwat's methodology of calculating financing performance using the actual real cost of debt multiplied by notional average regulated debt. Net interest cost excluding pension income and capitalised interest.

5. Based on notional gearing of 62.5%, using Ofwat Final Determination average RCV for 2017/18 of £7,587m. Our own measure of RoRE used for LTIPs uses a different definition for financing performance which results in a RoRE of 10.6%.

PR19 TIMETABLE

Key dates	
3 September 2018	Companies submit business plans to Ofwat
Late January 2019	Ofwat published initial assessment of business plans
March/April 2019	Draft determinations published for exceptional and fast track plans
July 2019	Draft determinations published for slow track and significant scrutiny plans
December 2019	Final Determinations published
Early 2020	Announcement of AMP7 dividend policy

UNDERLYING EBITDA⁽¹⁾ YEAR ENDED 31 MARCH 2018

2017 ⁽²⁾ (restated) £m		2018 £m	Variance £m	Variance %
811.5	Regulated Water and Waste Water	835.4	23.9	2.9
39.2	Business Services	44.4	5.2	13.3
(5.9)	Corporate and Other	(9.6)	(3.7)	(62.7)
(1.0)	Eliminations	(0.5)	0.5	50.0
843.8	Severn Trent Group	869.7	25.9	3.1

1. Earnings from continuing operations before interest, tax, depreciation and amortisation and exceptional items

2. Comparative restated to exclude discontinued operations

DEPRECIATION⁽¹⁾ YEAR ENDED 31 MARCH 2018

2017 ⁽²⁾ (restated) £m		2018 £m	Variance £m	Variance %
316.8	Regulated Water and Waste Water	320.5	3.7	1.2
7.0	Business Services	8.4	1.4	20.0
0.1	Corporate and Other	0.1	–	–
(0.2)	Eliminations	(0.3)	(0.1)	(50.0)
323.7	Severn Trent Group	328.7	5.0	1.5

1. Including amortisation of intangible assets
2. Comparative restated to exclude discontinued operations

POWER

YEAR ENDED 31 MARCH 2018

2017 ⁽¹⁾			2018			
Segmental analysis £m	Self generation £m	Group £m		Segmental analysis £m	Self generation £m	Group £m
Turnover						
54.0	(18.6)	35.4	Business Services	60.4	(19.0)	41.4
Costs						
(86.8)	18.1	(68.7)	Regulated Water and Waste Water ⁽²⁾	(95.9)	18.5	(77.4)
(2.2)	0.5	(1.7)	Business Services	(2.3)	0.5	(1.8)
(70.4)			Severn Trent Group	(79.2)		

1. Comparative restated to exclude discontinued operations

2. Includes both Severn Trent Water and Dee Valley

NET FINANCE COSTS

YEAR ENDED 31 MARCH 2018

Income statement charge ⁽¹⁾ 2017 £m	Capitalised interest 2017 £m	Gross interest incurred 2017 £m		Income statement charge 2018 £m	Capitalised interest 2018 £m	Gross interest incurred 2018 £m
164.0	18.6	182.6	"Cash" interest (including accruals)	149.9	26.2	176.1
10.9	–	10.9	Net pension interest costs	15.5	–	15.5
30.2	–	30.2	RPI interest	54.1	–	54.1
205.1	18.6	223.7		219.5	26.2	245.7

UNDERLYING EARNINGS PER SHARE YEAR ENDED 31 MARCH 2018

2017 ⁽¹⁾ (restated) £m		2018 £m	Variance £m	Variance %
520.1	Underlying profit before interest and tax	541.0	20.9	4.0
(205.1)	Net finance costs	(219.5)	(14.4)	(7.0)
315.0	Underlying profit before tax	321.5	6.5	2.1
(52.3)	Tax at the underlying effective rate of 12.7% (2016/17: 16.6%)	(40.8)	11.5	22.0
11.0	Current tax in respect of prior years (excluding exceptional tax)	3.9	(7.1)	(64.5)
(1.8)	Share of net profit/(loss) of joint ventures	0.2	2.0	111.1
271.9	Earnings for the purpose of underlying basic and diluted earnings per share	284.8	12.9	4.7
235.0	Weighted average number of ordinary shares for basic earnings per share	235.3	0.3	0.1
115.7	Underlying basic EPS from continuing operations	121.0	5.3	4.6

1. Comparative restated to exclude discontinued operations

GROUP BALANCE SHEET AT 31 MARCH 2018

31 March 2017 £m		31 March 2018 £m	Variance £m	Variance %
8,278.3	Property, plant and equipment; intangible assets and goodwill	8,622.5	344.2	4.2
37.4	Joint ventures, associates and other investments	37.6	0.2	0.5
41.7	Working capital	72.5	30.8	73.9
(965.8)	Deferred income	(1,023.9)	(58.1)	(6.0)
(574.6)	Net retirement benefit obligations	(519.8)	54.8	9.5
(33.8)	Provisions	(51.3)	(17.5)	(51.8)
7.3	Current tax	(8.6)	(15.9)	(217.8)
(623.7)	Deferred tax	(674.4)	(50.7)	(8.1)
(161.1)	Other derivative financial instruments	(104.3)	56.8	35.3
6,005.7	Capital employed	6,350.3	344.6	5.7
923.3	Equity	993.7	70.4	7.6
5,082.4	Net debt	5,356.6	274.2	5.4
6,005.7		6,350.3	344.6	5.7

CAPITAL EXPENDITURE (NET CASH)⁽¹⁾ YEAR ENDED 31 MARCH 2018

2017 £m		2018 £m	Variance £m	Variance %
453.6	Regulated Water and Waste Water	582.4	128.8	28.4
55.0	Business Services	11.0	(44.0)	(80.0)
0.1	Corporate and Other	(0.1)	(0.2)	(200.0)
(7.4)	Eliminations	(2.3)	5.1	68.9
501.3	Severn Trent Group	591.0	89.7	17.9

1. Including purchases of property, plant and equipment, intangible assets, proceeds on disposal of property, plant and equipment and contributions and grants received

NET DEBT AT 31 MARCH 2018

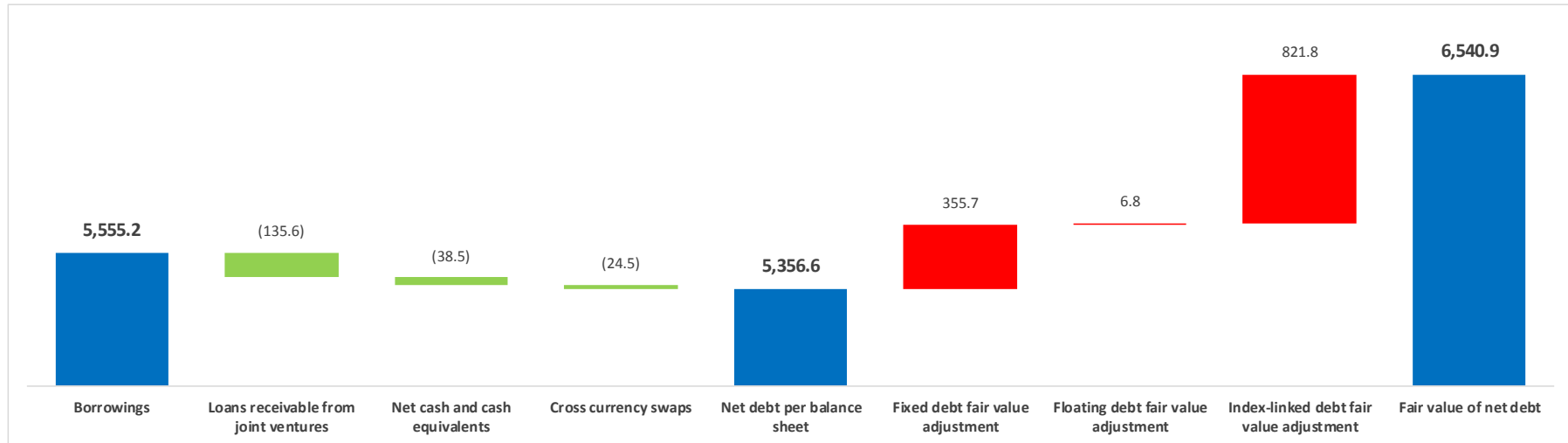
2017 £m		2018 £m	Variance £m	Variance %
44.6	Net cash and cash equivalents	38.5	(6.1)	(13.7)
(1,073.3)	Bank loans	(1,217.4)	(144.1)	(13.4)
(4,090.0)	Other loans	(4,223.9)	(133.9)	(3.3)
(115.7)	Finance leases	(113.9)	1.8	1.6
108.6	Loans receivable from joint ventures	135.6	27.0	24.9
43.4	Cross currency swaps	24.5	(18.9)	(43.5)
(5,082.4)	Net debt	(5,356.6)	(274.2)	(5.4)

Average monthly net debt was £5,134.4 million (2017: £4,812.5 million)

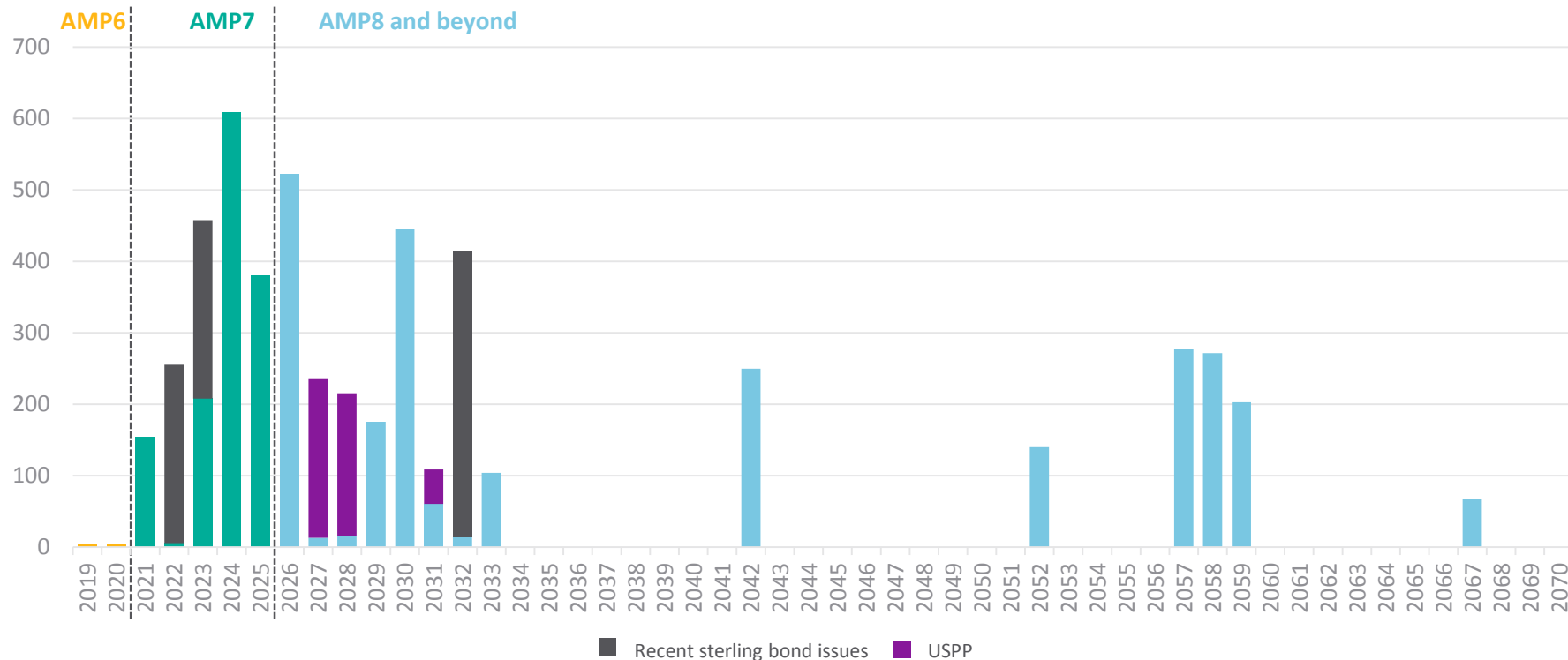
FAIR VALUE OF NET DEBT AT 31 MARCH 2018

2017 £m		2018 £m	Variance £m	Variance %
(978.5)	Floating rate debt	(1,109.8)	(131.3)	(13.4)
(3,467.4)	Fixed rate debt	(3,360.6)	106.8	3.1
(2,277.1)	Index-linked debt	(2,269.1)	8.0	0.4
(6,723.0)		(6,739.5)	(16.5)	(0.2)
44.6	Net cash and cash equivalents	38.5	(6.1)	(13.7)
108.6	Loans receivable from joint ventures and associates	135.6	27.0	24.9
43.4	Cross currency swaps	24.5	(18.9)	(43.5)
(6,526.4)	Fair value of net debt	(6,540.9)	(14.5)	(0.2)
(5,082.4)	Net debt (previous slide)	(5,356.6)	(274.2)	(5.4)
(1,444.0)	Difference	(1,184.3)	259.7	18.0

ANALYSIS OF BORROWINGS & NET DEBT AT 31 MARCH 2018



DEBT MATURITY AT 31 MARCH 2018



Based on carrying value of debt at 31 March 2018

GEARING & CREDIT RATINGS AT 31 MARCH 2018

GEARING

2017	Net Debt/RCV ⁽¹⁾	2018
61.6%	Severn Trent Group ⁽²⁾	60.6%
60.7%	Severn Trent Water Group ⁽³⁾	60.8%

CREDIT RATINGS

2017			2018		
Severn Trent Water	Severn Trent Plc		Severn Trent Water	Severn Trent Plc	Outlook
A3	Baa1	Moody's	A3	Baa1	Negative
BBB+	BBB-	Standard and Poor's	BBB+	BBB	Stable

1. Estimated RCV at 31 March 2018

2. Based on statutory net debt of £5,357m (2017: £5,082m)

3. Based on Severn Trent Water regulated net debt of £5,375m (2017: £5,004m)

WONDERFUL ON TAP

