

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.**

**THIS ANNOUNCEMENT IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE, NOR AS TO THE TERMS ON WHICH ANY OFFER WILL BE MADE.**

**FOR IMMEDIATE RELEASE**

23 November 2016

**Seven Trent PLC**  
("Severn Trent" or the "Company")

**Response to Ancala Fornia Limited's ("Ancala") intention to switch from a Scheme of Arrangement to a Takeover Offer in respect of its increased recommended cash offer for Dee Valley Group PLC ("Dee Valley")**

The Board of Severn Trent notes the further announcement by Ancala on 23 November 2016 of its intention to switch its offer for the Voting Ordinary Shares from a Scheme to a Contractual Offer following Ancala's announcement on 22 November 2016 of an increased recommended cash offer for Dee Valley.

Severn Trent continues to consider its options and will make a further announcement in due course.

Dee Valley shareholders are advised to take no action in respect of their shares at this stage.

A copy of this announcement will be available at [www.severntrent.com/investors](http://www.severntrent.com/investors)

The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Enquiries:

Severn Trent  
Ruban Chandran  
+44 (0)7957 166615

Rothschild (financial adviser to Severn Trent)  
Mark Warham  
+44 (0)20 7280 5000

Barclays (corporate broker to Severn Trent)  
Alisdair Gayne  
+44 (0) 20 7623 2323

Morgan Stanley (corporate broker to Severn Trent)  
Paul Baker  
+44 (0) 20 7677 8000

N.M. Rothschild & Sons Limited ("Rothschild"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Severn Trent and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other

than Severn Trent for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority, is acting exclusively for Severn Trent and no one else in connection with the matters referred to in this Announcement and will not be responsible to anyone other than Severn Trent for providing the protections afforded to clients of Barclays nor for providing advice in relation to the matters referred to in this Announcement.

Morgan Stanley & Co. International plc ("Morgan Stanley"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Severn Trent and no one else in connection with the Acquisition. In connection with such matters, Morgan Stanley & Co. International plc, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in relation to the Acquisition, the contents of this announcement or any other matter referred to herein.

### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.