

9 July 2002

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The File Desk (Ref 822819)
Securities Exchange Commission
Division of Corporate Finance
Room 3094 (3-6)
450 Fifth Street
Washington DC 205549
USA



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Our Ref MLW

Dear Sir/Madam

I enclose a copy of a Company Announcement released today.

Yours faithfully,

Michelle Woodall
Senior Company Secretarial Assistant

Enc.

SUPPL

PROCESSED

AUG 01 2002

**THOMSON
FINANCIAL**

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On 9 July 2002, Severn Trent QUEST Limited (a wholly owned subsidiary of Severn Trent Plc permitted to subscribe for shares in the company to satisfy options granted under the Company's Sharesave scheme) subscribed for 910 Ordinary shares of 65 5/19 pence each to satisfy the exercise of options by participants in the scheme. These shares were then transferred to participants on the same day. The executive directors of Severn Trent Plc were deemed to have a technical interest in the 910 shares when Severn Trent QUEST Limited subscribed for the shares and ceased to have an interest when the shares were transferred to the participants.

www.severntrent.com