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23 May, 2005

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OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Office of International Corporation Finance
Division of Corporation Finance
Securities and Exchange Commission
40 Fifth Street, N.W.
Washington D.C. 20549
USA



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CUPPL 82-4578

Dear Sir / Madam

Centrica plc
Share Incentive Plan

The enclosed document is to be furnished to the Securities and Exchange Commission (the "SEC") on behalf of Centrica plc (the "Company") pursuant to the exemption from the Securities Exchange Act 1934 (the "Act") afforded by Rule 12g 3-2 (b) thereunder.

This information is being furnished under paragraph (1) of Rule 12g 3-2 (b) with the understanding that such information and documents will not be deemed to be "filed" with the SEC or otherwise subject to the liabilities of Section 18 of the Act and that neither this letter nor the furnishing of such information and documents shall constitute an admission for any purpose that the Company is subject to the Act.

Yours faithfully

For and on behalf of
Centrica plc

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FINANCIAL

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Purchase of ordinary shares of 6¹⁴/₈₁ pence in Centrica plc ("**Shares**" and the "**Company**", respectively) by Directors of the Company under its Share Incentive Plan ("**SIP**").

The SIP trustee, Hill Samuel ESOP Trustees Limited (the "**Trustee**"), notified the Company on the 23 May 2005 that:

(1) The following Directors of the Company acquired Shares under the SIP on 19 May 2005 from the Shares acquired by the Trustee on that date:

Director	Number of Shares Acquired*	Aggregate shares held Beneficially (across all accounts following acquisition)
Phil Bentley	75	250,722
Mark Clare	75	705,650
Sir Roy Gardner	75	2,175,382
Jake Ulrich	75	593,978

* The 'Number of Shares Acquired' includes 55 Partnership shares acquired at 230.25 pence and 20 Matching shares acquired at 228.50 pence. Both Partnership and Matching elements are registered in the name of the Trustee.

(2) They had transferred 7,787 ordinary shares of 6¹⁴/₈₁ pence each from Lloyds TSB Registrars Corporate Nominee Limited AESOP1 (Allocated shares) to Lloyds TSB Registrars Corporate Nominee Limited AESOP2 (Unallocated shares). The transfer was made following the forfeiture of shares, under the rules of the SIP, by participants who have left the group since the last purchase and the shares had been used towards May's allocation of Matching shares. The Directors listed above, together with 5,406 other employees, are potential participants in the Plan and are to be treated as interested in the remaining 2,968 shares held by Lloyds TSB Registrars Corporate Nominee Limited AESOP2 left following the purchase.

The SIP operates as follows

- Each month the Trustee uses participants' contributions (which may not exceed £125 per participant per month) to purchase shares in the market. These shares are called '**Partnership Shares**'.
- At the same time the Company allots to participants via the Trustee one '**Matching Share**' for every two partnership shares purchased that month (up to a maximum of 20 matching shares per month).
- Participants may change their monthly savings rate whenever they wish. However, Directors and others bound by the Company's Securities Dealing Code (the "**Code**") may not make such a change during a close period or when otherwise prohibited from dealing by the Code.