



PRESS RELEASE

- for immediate publication -

Tuesday 21st August 2007

Inexus, the owner of Independent Water Networks Limited (“IWNL”), is pleased to announce Ofwat’s proposal to grant the appointment of a new Water and Sewerage Company (“WASC”). Philip Gibb, Chief Executive of Inexus, said “This is the culmination of a two year process involving detailed negotiations with Ofwat and demonstrates that Inexus has the competency and financial credibility to supply potable water and sewerage services. Securing a water and sewerage licence now puts the Inexus Group in a position to offer gas, electricity, water and waste water connections to developers”.

Ofwat is proposing to grant an inset appointment to allow IWNL to supply water and sewerage services to a 950 home development near Corby, Northamptonshire. The development is within Anglian Water’s current area of supply.

IWNL is looking forward to bringing its customers the benefits of being connected to an independent water network – lower prices, high quality drinking water, an efficient wastewater service and outstanding customer service.

Inexus was the first company to break the former British Gas monopoly in connecting new properties to the gas network in the early 1990s. This was followed up with the first operational independent electricity distribution licence in 2005. Inexus currently owns and operates gas and electricity networks at over 9,000 locations across Great Britain and has connected more than 420,000 properties serving around 1 million customers, with contracts in place to connect a further 230,000 properties serving another half a million customers.

Obtaining an inset appointment puts Inexus in a unique position in developing national independent competition for house builders and developers.

Philip Gibb continued: “Inexus’ plan is to roll this offering out in England and Wales as quickly as possible. To date developers have been denied real choice by monopolistic incumbent utilities. That era is now at an end”.

-RELEASE ENDS-