Drax Group plc
("Drax" or the "Group")

Symbol:DRX

Interim Management Statement

Drax today publishes its interim management statement for the period from 1 January 2010 to date.

Trading Performance

Whilst trading conditions in the commodity markets in which we operate have remained challenging, we continue to benefit from a very strong contracted position. In addition, we have delivered good operational performance so far in 2010 and we have the ability to take advantage of Drax Power Station's flexibility and reliability to improve profitability in such market conditions. As a result, we continue to trade in line with expectations.

Positions under Contract for 2010, 2011 and 2012

As at 11 May 2010, the positions under contract for 2010, 2011 and 2012 were as follows:

	2010	**2011**	**2012**
Power sales (TWh) comprising:	24.5	15.2	9.5
- Fixed price power sales (TWh) at an average achieved price (per MWh) (1)	20.8 at £51.2	7.3 at £57.9	1.6 at £62.9
- Fixed margin and structured power sales (TWh) (2)	3.7	7.9	7.9
CO_2 emissions allowances hedged, including UK NAP allocation, market purchases, structured contracts, and benefit of biomass co-firing (TWh equivalent)	22.6	19.8	20.3
Solid fuel at fixed price/hedged, including structured contracts (TWh equivalent)	22.5	16.1	9.9

Notes

1. Fixed price power sales include approximately 2.2TWh supplied to Centrica in the period 1 January 2010 to 11 May 2010 under the five and a quarter year baseload contract with Centrica which commenced on 1 October 2007.

2. Fixed margin and structured power sales include approximately 3.7TWh in 2010 and 7.9TWh in each of 2011 and 2012 in connection with the above contract and the five year 300MW baseload contract commencing 1 October 2010 with Centrica, announced on 5 November 2009. Under these contracts the Group will supply power on terms which include Centrica paying for coal, based on international coal prices, and delivering matching CO_2 emissions allowances amounting in aggregate to approximately 5.4 million tonnes in 2010 and approximately 7.2 million tonnes in each of 2011 and 2012. The contracts provide the Group with a series of fixed dark green spreads, with the spreads in the first contract having been agreed in the first quarter of 2006 and with those in the second contract having been agreed in October 2009.

Our forward contracted position represents an accelerated hedge, captured mainly through mid-2009 in response to market conditions at that time. As previously described, we are now reverting to a hedge profile more in line with our historic practice.

We will next update the market on the Group's positions under contract on 3 August 2010, when we announce our half year results for the six months ending 30 June 2010.

Other than as described above, there have been no material events or transactions, nor any material change in the underlying financial position of the Group during the period.

Enquiries:
Drax Investor Relations: Michael Scott
+44 (0) 1757 612 230

Media:
Drax External Affairs: Melanie Wedgbury
+44 (0) 1757 612 438

Brunswick: Mike Harrison and Nick Claydon
+44 (0) 207 404 5959

Website: www.draxgroup.plc.uk