

9 November 2010

Drax Group plc
 (“Drax” or the “Group”)

Symbol:DRX

Interim Management Statement

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

Trading Performance

Whilst the UK market continues to experience low dark green spreads, our exposure is mitigated by a strong forward contracted position. Good operational performance has allowed us to take advantage of Drax Power Station’s reliability and flexibility to maintain a high load factor. As a result, we continue to trade in line with expectations for the year.

Positions Under Contract for 2010, 2011 and 2012

As at 2 November 2010, the positions under contract for 2010, 2011 and 2012 were as follows:

	2010	2011	2012
Power sales (TWh) comprising:	25.6	16.7	10.1
– Fixed price power sales (TWh) at an average achieved price (per MWh) ⁽¹⁾	24.7 at £51.3	8.8 at £56.0	2.2 at £59.0
– Fixed margin and structured power sales (TWh) ⁽²⁾	0.9	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)	25.6	17.9	20.8
Solid fuel at fixed price/hedged, including structured contracts (TWh equivalent)	26.0	16.4	10.8

Notes

1. Fixed price power sales include approximately 5.0TWh supplied to Centrica in the period 1 January 2010 to 2 November 2010 under the five and a quarter year 600MW baseload contract which commenced on 1 October 2007 and the five year 300MW baseload contract which commenced on 1 October 2010.
2. Fixed margin and structured power sales include approximately 0.9TWh in 2010 and 7.9TWh in each of 2011 and 2012 in connection with the above contracts. Under these contracts the Group will supply power on terms which include Centrica paying for coal, based on international coal prices, and delivering matching CO₂ 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 strong forward contracted position, as previously indicated, represents an accelerated hedge taken out mainly in mid-2009 in response to market conditions at that time. We are now reverting to a hedge profile more in line with our historic norm.

We confirm that there have been no material events or transactions, nor any material change in the underlying financial position of the Group during the period.

We will issue a pre close statement on 14 December 2010 in which we will update the market on any material events, transactions or changes in our underlying financial position up to that date. We will next update the market on the Group's positions under contract on 22 February 2011, when we announce our results for the year ending 31 December 2010.

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