

Dee Valley Group plc (the "Group")

Interim Review of Prices

On 5 November, the water industry financial regulator (Ofwat) announced its draft decision on the application for a review of prices by the Group's operating company, Dee Valley Water. Ofwat has proposed that the maximum price limit will rise from 0.6% to 4.0% in 2008/09 and from -0.7% to -0.4% in 2009/10. The increase in revenue would amount to approximately £640,000 in 2008/09 and £718,000 in 2009/10.

Dee Valley Water will consider the draft price limits and respond to Ofwat by 16 November. Final price limits will be announced no later than 14 December.

Note

Dee Valley Water applied to Ofwat for an interim review of prices on 12 September. The application was in respect of significant new costs that were not taken account of in price limits at the 2004 price review because the costs were not known at that time or were too uncertain.

Enquiries

Bryn Bellis (Managing Director)

David Guest (Finance Director)

Tel. 01978 846946