

Dee Valley Group plc
Interim Management Statement

Dee Valley Group plc today publishes its Interim Management Statement for the period from 1 October 2009 to 16 February 2010.

Group revenue during 2009/10 remains on budget. Demand for water by measured customers is levelling out after the decline since the economic downturn.

The additional cost of repairing water main bursts due to the severe freezing conditions had an adverse impact on operating costs during January. Despite this, total operating costs for the year to date remain within 1% of budget.

The Board confirms that there have been no material trading events or transactions in the period affecting the outcome for the current financial year. The Group's trading results for the first ten months of the financial year are in line with management's expectations.

Capital investment in the regulated business continues as planned with forecast expenditure of £5.3m for the financial year.

In November 2009, Ofwat published its Final Determination of price limits for 2010 to 2015 for the Group's regulated operating subsidiary, Dee Valley Water plc. After carefully considering the detail of Ofwat's decision, the Board announced on 19 January 2010 that it will not be seeking a referral of the decision to the Competition Commission.

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