



NWF Group plc

2006/07 Interim Results

to 30 November 2006





Group overview

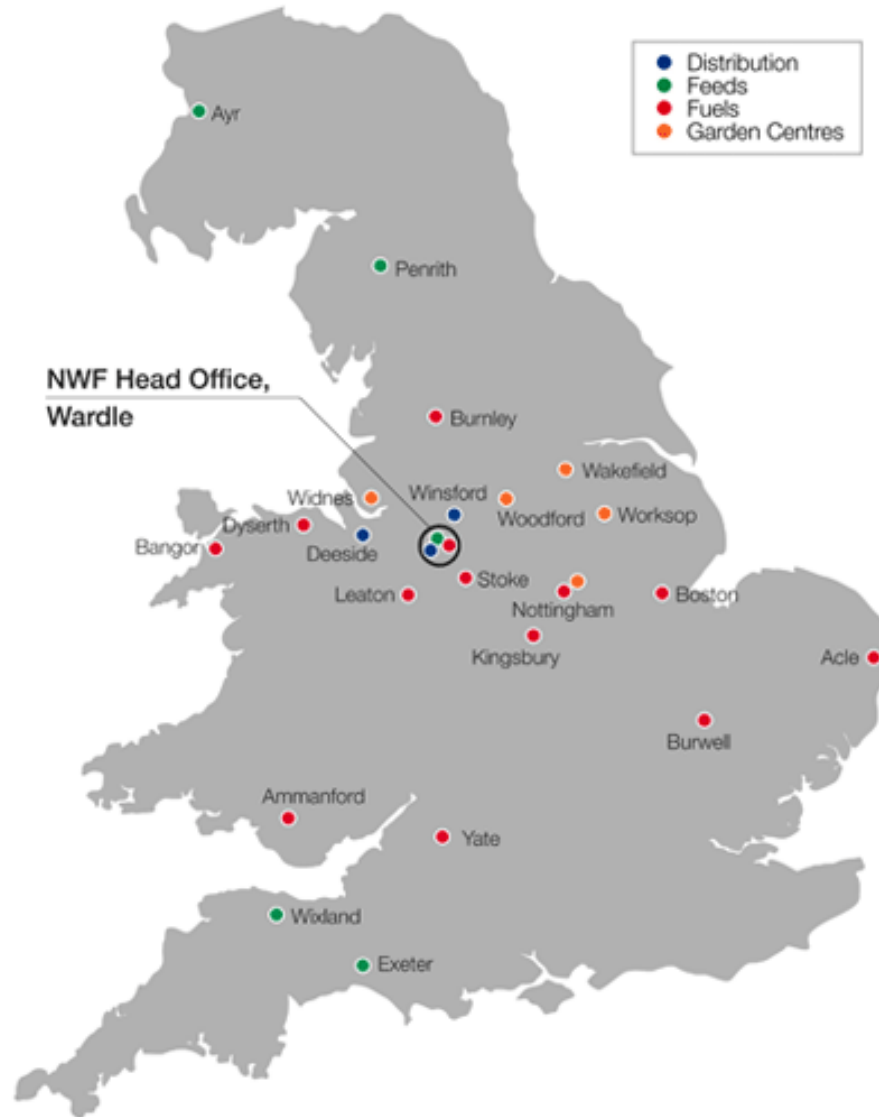
- 52nd company to list on AIM in 1995
- Based in Wardle, Cheshire, with 24 other locations
- Four growing businesses with a common history:
 - **Distribution** - grocery logistics to supermarkets
 - **Feeds** - mainly for dairy cows
 - **Fuels** - for homes, businesses and vehicles
 - **Garden Centres** - five large garden centres
- Market value - £83m @ 910p per share
- 1,400 shareholders, 25% share turnover p.a.
- 29% held by institutions, remainder by private individuals

Wardle in 2007



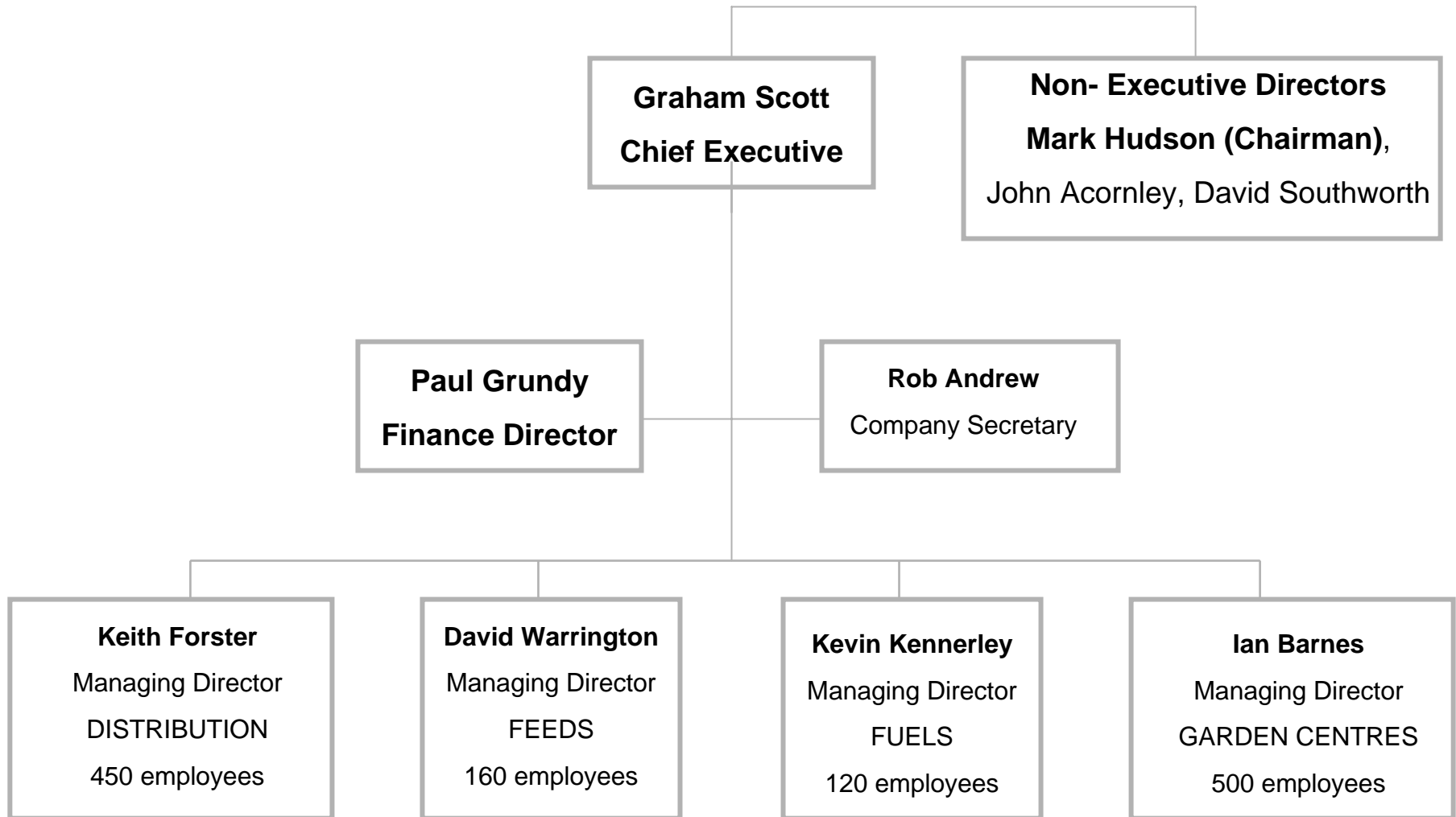
- Build started June 2006, completion summer 2007
- Creating room for 60,000 pallets - predicted to be at full capacity end 2007/08

Locations





Group organisation



c.1250 employees



Operational highlights

- **Distribution**
 - commenced warehouse building project (June 2006)
- **Feeds**
 - invested to improve quality and capacity in Wixland (Devon)
- **Fuels**
 - acquired Browns of Burwell (Suffolk) (July 2006)
- **Garden Centres**
 - acquired AA Gent (garden centre site, Manchester) (July 2006)
 - commenced construction of Ashton Park (Oct 2006) (same site)



Financial key points

- turnover up 17% to £156m (£134m)
- all four businesses' profit ahead of last year
- pre-tax profit before goodwill amortisation up 27% to £2.6m (£2.1m)
- pre-tax profit after goodwill amortisation up 27% to £2.3m (£1.8m)
- basic earnings per share up 9% to 16.5p (15.2p)
- interim dividend per share up 7% to 4.9p (4.6p)
- net assets inc. pension liability up 49% to £27.9m (£18.8m)

Profit and loss



	Half year to Nov 2006 £'000	Half year to Nov 2005 £'000	Growth %	Year ended May 2006 £'000
Turnover				
Distribution	14,499	13,632	6.4	27,226
Feeds	37,596	30,809	22.0	71,911
Fuels	93,734	82,734	13.3	178,151
Garden Centres	9,906	6,441	53.8	15,585
Total turnover	155,735	133,616	16.6	292,873
Operating profit				
Distribution	958	934	2.6	2,072
Feeds	913	716	27.5	1,543
Fuels	963	823	17.0	2,823
Garden Centres	49	(83)	159.0	284
Total operating profit	2,883	2,390	20.6	6,722
Interest	(574)	(485)	18.4	(1,088)
FRS17 finance cost	34	(64)	153.1	(127)
PBT	2,343	1,841	27.3	5,507
EPS (basic), p	16.5	15.2	8.6	41.7
DPS, p	4.9	4.6	6.5	18.0
Dividend cover	3.4 times	2.9 times		2.2 times
Interest cover	5.0 times	4.9 times		6.2 times

Balance sheet



	Half year to Nov 2006 £'000	Half year to Nov 2005 £'000	Growth %	Year ended May 2006 £'000
Intangible fixed assets	9,528	8,199	16.2	9,285
Tangible fixed assets	33,529	23,858	40.5	25,005
Stocks	7,665	6,332	21.1	7,094
Debtors	41,019	37,979	8.0	39,515
Cash and bank	59	54		945
Creditors due within one year	(44,259)	(38,587)	(14.7)	(34,646)
Total assets less current liabilities	47,541	37,835	25.7	47,198
Creditors due after more than one year	(15,213)	(13,821)	(10.1)	(15,219)
Deferred tax	(1,245)	(813)	(53.1)	(1,112)
Net assets excluding pension liability	31,083	23,201	34.0	30,867
Pension liability	(3,152)	(4,399)	28.3	(3,223)
Net assets	27,931	18,802	48.6	27,644
Net debt	25,504	19,143	33.2	12,811
Gearing	91%	102%		46%

Cash flow



	Half year to Nov 2006 £'000		Half year to Nov 2005 £'000		Growth %		Year ended May 2006 £'000
Operating cash inflow	1,655		1,882				9,111
Interest paid	(508)		(457)				(1,210)
Tax paid	(862)		(752)				(1,598)
Dividends	(1,225)		(1,000)				(1,421)
Purchase of tangible fixed assets	(8,518)		(1,241)				(2,822)
Sale of tangible fixed assets	135		32				99
Acquisitions incl cash acquired	(1,517)		(916)				(3,075)
Deferred acquisition payments	(1,830)		(1,030)				(1,030)
Deferred disposal receipts	592		-				-
Net cash outflow before financing	(12,078)		(3,482)				(1,946)
Term loan and HP finance movements	811		(311)				(1,461)
Medium term loan received	-		-				2,000
Shares issued including premium	4		236				5,983
(Decrease)/increase in cash in the period	(11,263)		(3,557)				4,576

Overview - Distribution



- The Market
 - Consolidation of groceries en route to UK supermarkets
- Our Business
 - Boughey Distribution services all of the UK
 - Destinations are primarily RDC's of supermarket chains
 - Ambient warehousing for 78,000 pallets on three sites
 - Currently 100% effective utilisation
 - Around 200 customers – manufacturers and importers
 - Packing room for added-value work
 - Building three new warehouses at Wardle for 60,000 pallets

New Wardle Warehouses



Overview - Feeds



- The Market
 - 12,000 important dairy farmers in Britain, 1.9m dairy cows
 - Around 3 million tonnes of dairy feeds per annum
 - Reasonably steady demand
- Our Business
 - One of only two national players
 - Around 15% market share
 - Capacity for 400,000 tonnes of pelleted feeds at Wardle & Wixland
 - Capacity for 100,000 tonnes of blended feeds at Wardle, Ayr, Penrith, Exeter
 - Our feeds volume grown by factor of ten in 13 years

Overview - Fuels



- The Market
 - 900,000 homes with oil fired heating (and growing)
 - Rural service stations
 - Industrial/off-road users of gas oil
 - Freight and passenger transport companies
- Our Business
 - 13 locations in England and Wales, 10 with storage tanks
 - Texaco's largest independent distributor in Britain
 - Also sell Conoco, Total and other fuel brands
 - Supply contracts with around 90 retail service stations
 - Always actively increasing geographical coverage

Overview – Garden Centres



- The Market
 - Gardening and leisure enthusiasts
 - Market has doubled since 1991 and is still growing
 - Destination garden centres becoming dominant
 - Players becoming more professional
- **Our Business**
 - Five large garden centres:
 - Rivendell - Cheshire
 - Wheatcroft - Nottingham
 - Dukeries – Nottinghamshire
 - Victoria - Yorkshire
 - Woodford Park – Cheshire
 - Plus sixth being built: Ashton Park - Manchester

Ashton Park Garden Centre





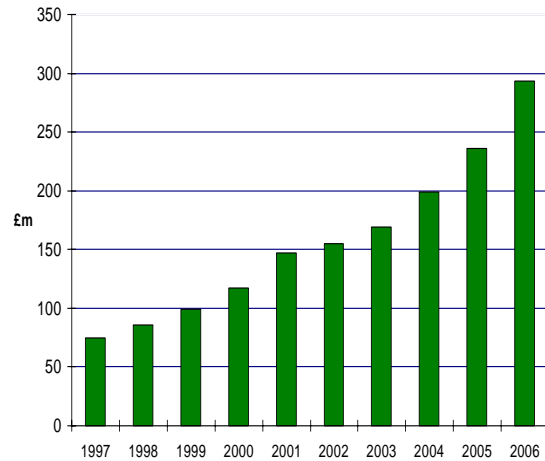
Share price - 5 years



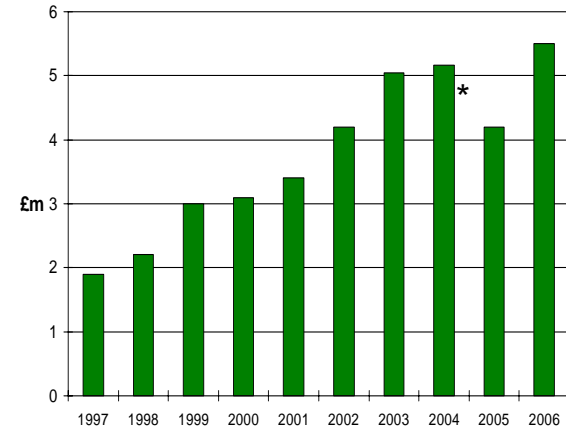
10 year group growth



SALES

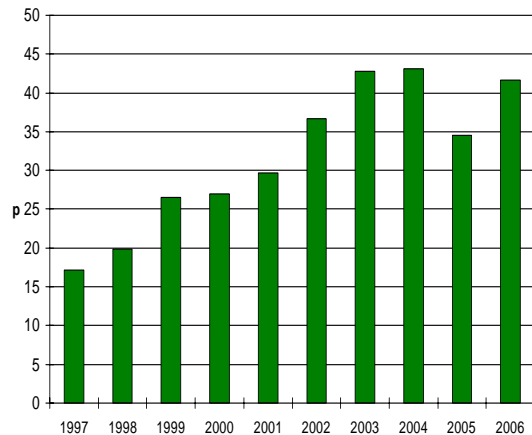


PBT

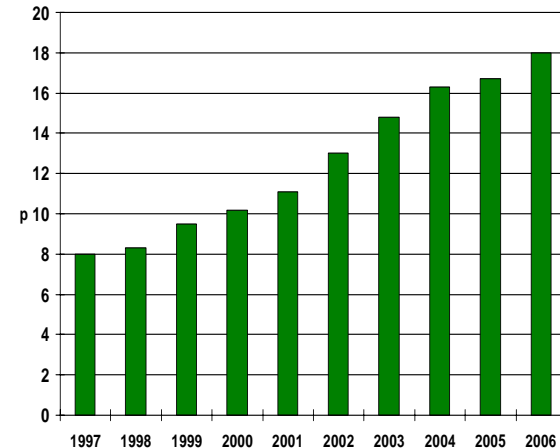


* Before exceptional disposal loss

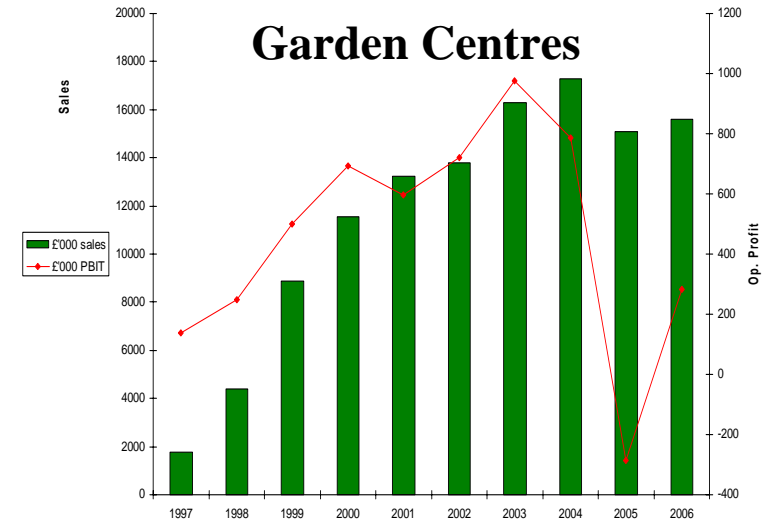
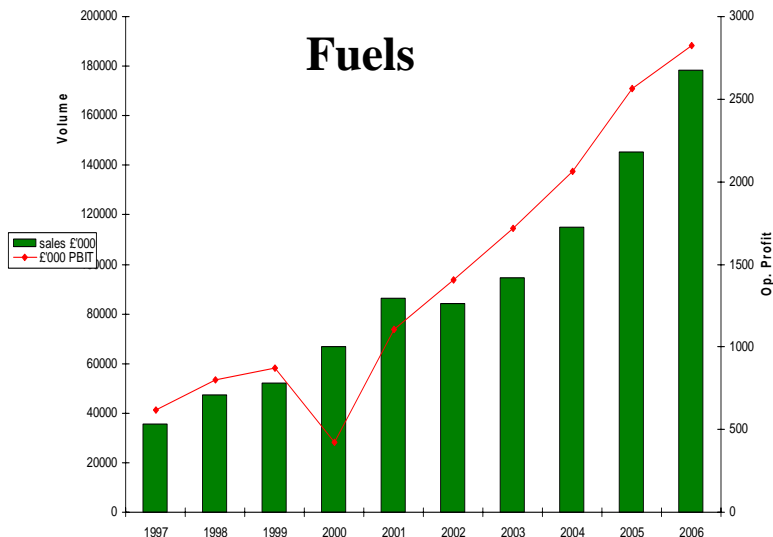
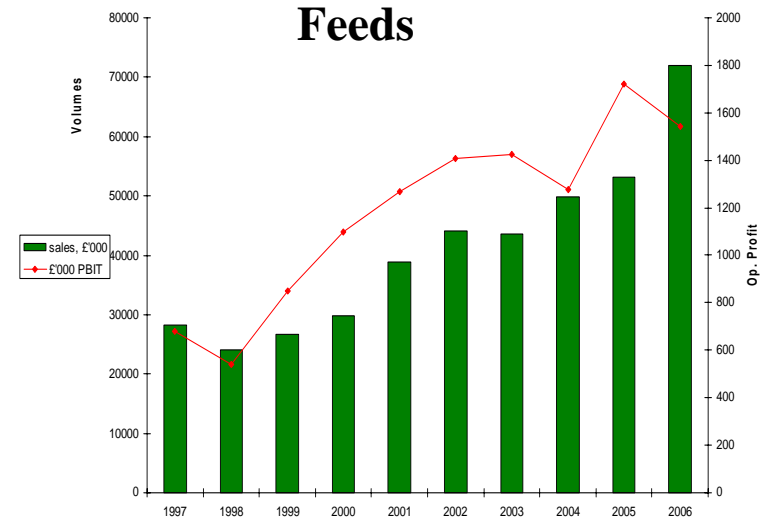
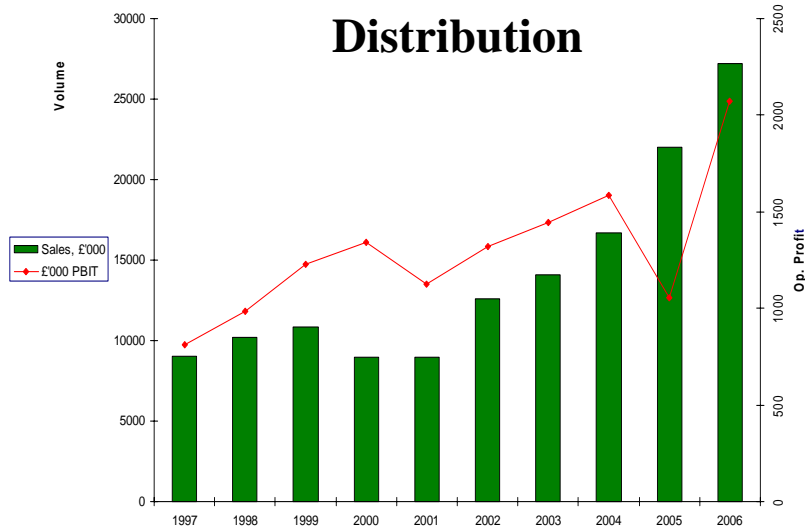
EPS



DPS



10 years per business





Group strategy

Continue organic and acquisitive growth within chosen markets:

- **Distribution**
 - Continued significant demand for services
 - Build and fill new Wardle warehouses
- **Feeds**
 - Organic growth, increase market share
 - Opportunities for consolidation and expansion
- **Fuels**
 - More business around existing depots
 - Acquisition opportunities in rural areas
- **Garden Centres**
 - Further development of existing sites
 - Opportunities for acquisitions and start-ups

Directors' CV's



Mark Hudson – Chairman (age 60)

Joined the board in 1985. Mark is an agricultural business adviser and dairy farmer. Past President of the CLA. Chair of Game Conservancy Trust. Council Member Duchy of Lancaster.

Graham Scott – Chief Executive (age 62)

Joined NWF in 1995 as CE. Previously with Unilever and BP. Chairman of Dee Valley Group plc. NED of Butchers Pet Care Ltd.

Paul Grundy FCA – Finance Director (age 49)

Paul joined NWF in 2004 from N Brown Group plc. He had previously been with Hilti and Sharp Electronics.

John Acornley FCA - Non-executive Director (age 52)

Joined the board in 2001. John is Chairman or NED of a number of companies. He was previously a director of Baxi plc and Rainford Group plc.

David Southworth FCCA - Non-executive Director (age 57)

Joined the board in 2006. David is Chairman or NED of a number of companies. He previously led Skillsgroup and has had several other directorships.