

NWF Group plc
Preliminary results year to 31 May 2011



Results summary

- > Third record year for the Group
- > Delivering performance, outstanding result from Feeds
- > Demonstrating strategic intent with the Evesons Fuels acquisition
- > Acquisition and increased capital expenditure funded from cash generation
- > Significant increases in commodity prices fuelled revenue growth to £463.8m (2010: £379.8m)

Operating profit

£9.3m +3.3%

2011	£9.3m
2010	£9.0m
2009	£8.9m

Earnings per share

11.5p +10.6%

2011	11.5p
2010	10.4p
2009	10.4p

Profit before tax

£7.6m +7.0%

2011	£7.6m
2010	£7.1m
2009	£6.2m

Dividend per share

4.5p +4.7%

2011	4.5p
2010	4.3p
2009	4.1p

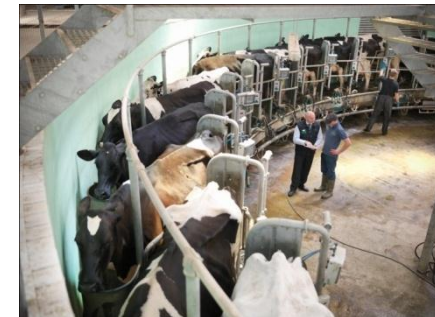
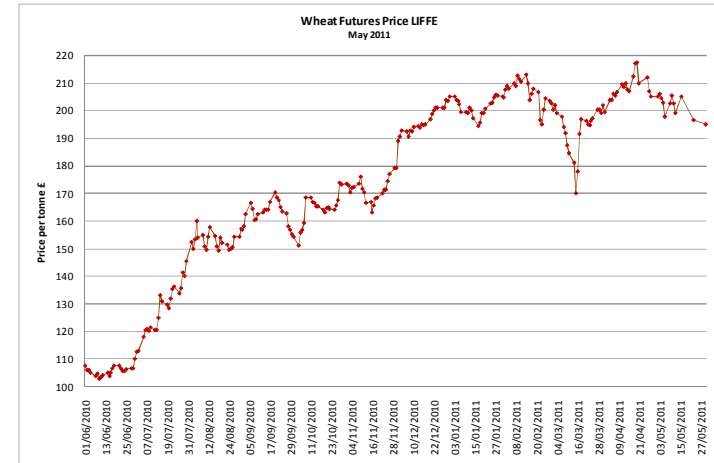
Net debt

£11.3m -18.7%

2011	£11.3m
2010	£13.9m
2009	£19.3m

Operational highlights - Feeds

- > Unprecedented commodity price increases and volatility
- > Feed market stable
- > 11 price increases to smooth increases to farmers
- > 5% increase in key compound sales
- > Increasing use and sales of protected proteins including linseed trials
- > Focus on operational effectiveness, enhanced control systems
 - > Optimisation across 2 mills and 4 blending operations



Revenue	Operating profit	Volume - tonnes
£112.6m +20.2%	£4.0m +90.5%	462,000 +1.8%
2011 £112.6m	2011 £4.0m	2011 462,000
2010 £93.7m	2010 £2.3m	2010 454,000

Operational highlights - Food

- > Volatility in demand as supermarkets increased promotional activity to combat cost inflation, total outloads stable
- > Overflow storage utilised to manage customers stock requirement
- > Service level maintained at 99.5%
- > Improvement plan implemented in H2
 - > Reviewed customer profiles to exit overflow
 - > Implemented shift pattern changes
 - > Increased sub contractor haulage
 - > Realigned customer prices
 - > 10 new more efficient trucks



Revenue

£44.2m +4.7%

2011	£44.2m
2010	£42.2m

Operating profit

£2.0m -36.7%

2011	£2.0m
2010	£3.1m

Pallet spaces

108,000 +8.0%

2011	108,000
2010	100,000

Operational highlights – Fuel

- > Strong performance against tough comparator
- > Cold December with panic buying and warmest April
- > Introduced Murco retail programme
- > Evesons acquisition Jan 2011 .
 - > 80 million litres
 - > 4 complementary depots, 5,000 customers
 - > Acquisition on plan and integrated successfully
 - > Largest acquisition for NWF Group to date



Revenue

£307.0m +25.9%

2011	£307.0m
2010	£243.9m

Operating profit

£3.3m -10.8%

2011	£3.3m
2010	£3.7m

Volume - litres

375.3m +7.2%

2011	375.3m
2010	350.2m

Financial review . income statement summary

	May 2011 £m	May 2010 £m	Growth %
Revenue			
Food	44.2	42.2	4.7%
Feeds	112.6	93.7	20.2%
Fuels	307.0	243.9	25.9%
Total revenue	463.8	379.8	22.1%
Operating profit			
Food	2.0	3.1	-35.5%
Feeds	4.0	2.1	90.5%
Fuels	3.3	3.8	-13.2%
Total operating profit	9.3	9.0	3.3%
Finance costs	(1.7)	(1.9)	-10.5%
Profit before tax	7.6	7.1	7.0%
Tax	(2.2)	(2.2)	0.0%
Profit after tax (headline)	5.4	4.9	10.2%
Headline EPS (basic)	11.5	10.4	10.6%
DPS	4.5	4.3	4.7%
Dividend cover	2.6	2.4	8.3%
Interest cover (excluding IAS 19 finance costs)	7.8	6.4	21.9%

Financial review . balance sheet summary

	May 2011 £m	May 2010 £m
Fixed assets	47.0	42.3
Net Working Capital	8.5	11.0
Assets Employed	55.5	53.3
Pension deficit	(11.3)	(12.3)
Tax provisions	(3.9)	(3.5)
Net Debt	(11.3)	(13.9)
Net Assets	29.0	23.6
Net Debt : EBITDA	0.9	1.1

Financial review . net debt summary

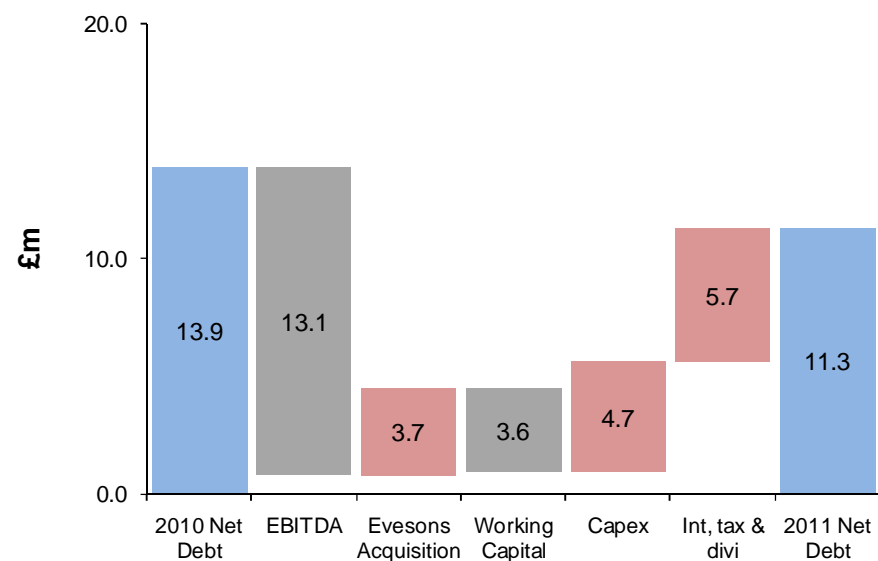
Debt Summary

- > Committed facilities of £51.0m with RBS until Oct 2013. In addition £7m of HP finance is available

Facility	Facility	Drawn
Invoice discounting	£40.0m	£9.8m
Revolving Credit Facility	£10.0m	£0.0m
Overdraft / (cash)	£1.0m	-£0.7m
Bank facilities	£51.0m	£9.1m
Hire Purchase	£7.0m	£2.2m
Total Debt	£58.0M	£11.3m

- > Majority of debt Invoice Discounting at a cost of Base + 1.75%
- > Borrowing covenants - Net debt : EBITDA & EBIT: Interest cost

Movement in net debt



Financial review . cash flow summary

	May 2011 £m	May 2010 £m
Cashflows from operating activities		
Operating profit	9.3	9.0
Depreciation and amortisation	3.8	3.3
Working capital	3.8	2.0
Other	0.1	(0.2)
Operating cash flow	17.0	14.1
Interest paid	(1.2)	(1.3)
Tax paid	(2.5)	(1.9)
Net cash from operating activities	13.3	10.9
Cash flows from investing activities		
Capital additions	(4.7)	(3.6)
Acquisition of subsidiary	(3.7)	0.0
Other	(0.3)	0.0
	4.6	7.3
Dividends paid	(2.0)	(1.9)
Movement in Net Debt	2.6	5.4

Development outlook: Resilience of NWF . strong platform for development

- > Strong operational performance through the recession and global financial crisis.
- > Group profitable, cash generative, low debt levels
- > Substantial asset base
- > **Feeds** supplies over 4,000 farmers; consumer demand for milk and dairy products stable through the recession and forecast to grow modestly
- > **Food** has over 200 customers, many with long term contracts; reliant on ambient grocery volumes which remained stable through the recession and are forecast to show ongoing modest growth
- > **Fuels** supplies 35,000 customers across the UK with all major oil categories. Volumes and margins not impacted during the recession and forecast demand for oil is stable
- > All divisions profitable, cash generative with experienced management teams
- > Long term competitive debt finance in place (£51m facility, RBS @ Base +1.75%)
- > Delivered / exceeded expectations over the last seven reporting periods
- > Group has established a strong platform for development

Development outlook . Feeds

- > Agriculture markets attractive with increasing populations and food security
- > NWF No. 2 ruminant feed producer in the UK
- > Strong national sales team, advising over 4,000 farmers
- > Track record of winning new business, dairy specialists
- > Short term focus on building direct customer base
- > Opportunities to sell additional products to our customers
- > Potential industry consolidator
- > Strong position and heritage in Agri market for development

Customer locations 2011



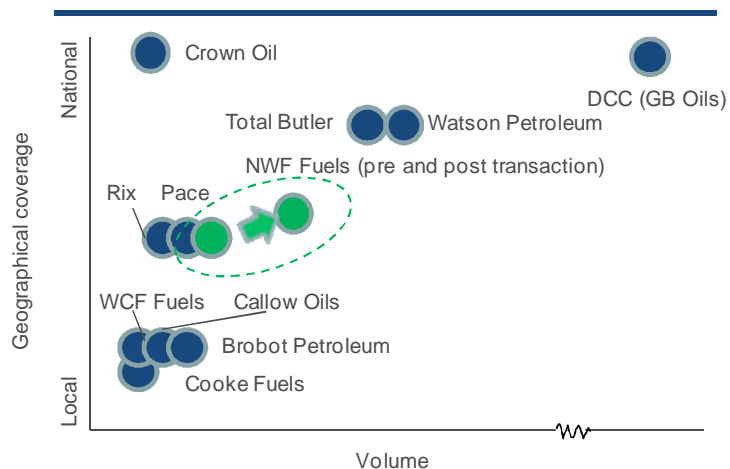
Development outlook . Food

- > Robust demand for ambient groceries
- > Increase in short term volatility
 - > Reducing own fleet to 120 units & increased use of sub contractors
 - > Investing in new efficient vehicles
 - > Optimising customers to asset base
 - > Changed shift patterns for more flexible working
 - > Increased backload activity
 - > Modified pricing structures
- > Boughey has a leading position in North West
- > Excellent service for FMCG food producers and supermarkets critical
- > Investing in improved systems and processes to support development & increase efficiency



Fuels . Development through bolt on acquisitions . Evesons Fuels

UK fuel distributors market positioning



- > Evesons increases volumes by 20% to 430 million litres
- > Earnings enhancing year 1
- > Acquisition integrated and performing
- > Targeting 1p per litre operating profit
- > NWF Fuels is the UK's fourth largest fuels distributor
- > The acquisition significantly increases penetration in our key Midlands market
- > Further bolt-on acquisitions being targeted to increase geographical coverage and market penetration in the future
- > Divisional ROCE consistently greater than 30%

	Evesons	NWF Fuels
Depots	4	13
Fleet	21	55
People	50	147
Volume (litres m)	80	350
<i>Petrol</i>	9%	9%
<i>Diesel</i>	31%	52%
<i>Gas Oil</i>	33%	20%
<i>Heating Oil</i>	27%	19%
<i>Operating profit (pre acquisition)</i>	£0.1m	£3.3m



Results summary

- > Third record year for the Group
- > Cash conversion greater than 100%
- > Completed and integrated largest acquisition to date
- > Debt less than one times EBITDA, long term funding in place
- > Development opportunities across the Group

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Additional information on NWF Group plc

- > Business backgrounds
- > Locations
- > Organisation
- > Main site photo
- > Five year financial performance
- > Ten year divisional track record
- > Additional market data

Business background . Feeds

Feeds

Supply of feed to ruminants in the UK .
principally dairy

Our business

- > National player . feed one in seven dairy cows in the UK, number two in the market
- > 462,000 tonnes produced in 2010/11
- > Feed dairy, beef and sheep
- > Sell added value products including minerals, supplements and fertiliser
- > 4,000 customers
- > 164 people
- > 28 trucks, 11 trailers
- > Compound mills in Cheshire and Devon
- > Blend plants in Ayrshire, Cumbria, Cheshire and Devon



Business background . Food

Foods

Consolidation of ambient grocery products to UK supermarkets

Our business

- > 115,000 pallet spaces
- > 900,000ft² of warehousing in Wardle and Deeside (North West)
- > Market leader in the North West
- > 566 people
- > 120 trucks, 275 trailers
- > 99.5% service level
- > 200 customers including Princes, Pataks/Blue Dragon and Typhoo
- > Packing room for added value work



Business background . Fuels

Fuels

Supply of fuels and fuel cards to commercial, domestic and retail customers across the UK

Our business

- > Fourth largest distributor in the UK
- > 35,000 customers
- > 199 people
- > 17 depots across the UK
- > 76 tankers
- > Supply 100 retail petrol stations
- > Fuel card marketing
- > 430 million litres per annum



Locations

Food

- 1 Deeside
- 2 Wardle*

Feeds

- 1 Ayr
- 2 Penrith
- 3 Wardle*
- 4 Wixland

Fuels

- 1 Acle
- 2 Ammanford
- 3 Bangor
- 4 Boston
- 5 Burnley
- 6 Burwell
- 7 Dyserth
- 8 Kingsbury
- 9 Leaton
- 10 Nottingham
- 11 Stoke
- 12 Wardle*
- 13 Yate

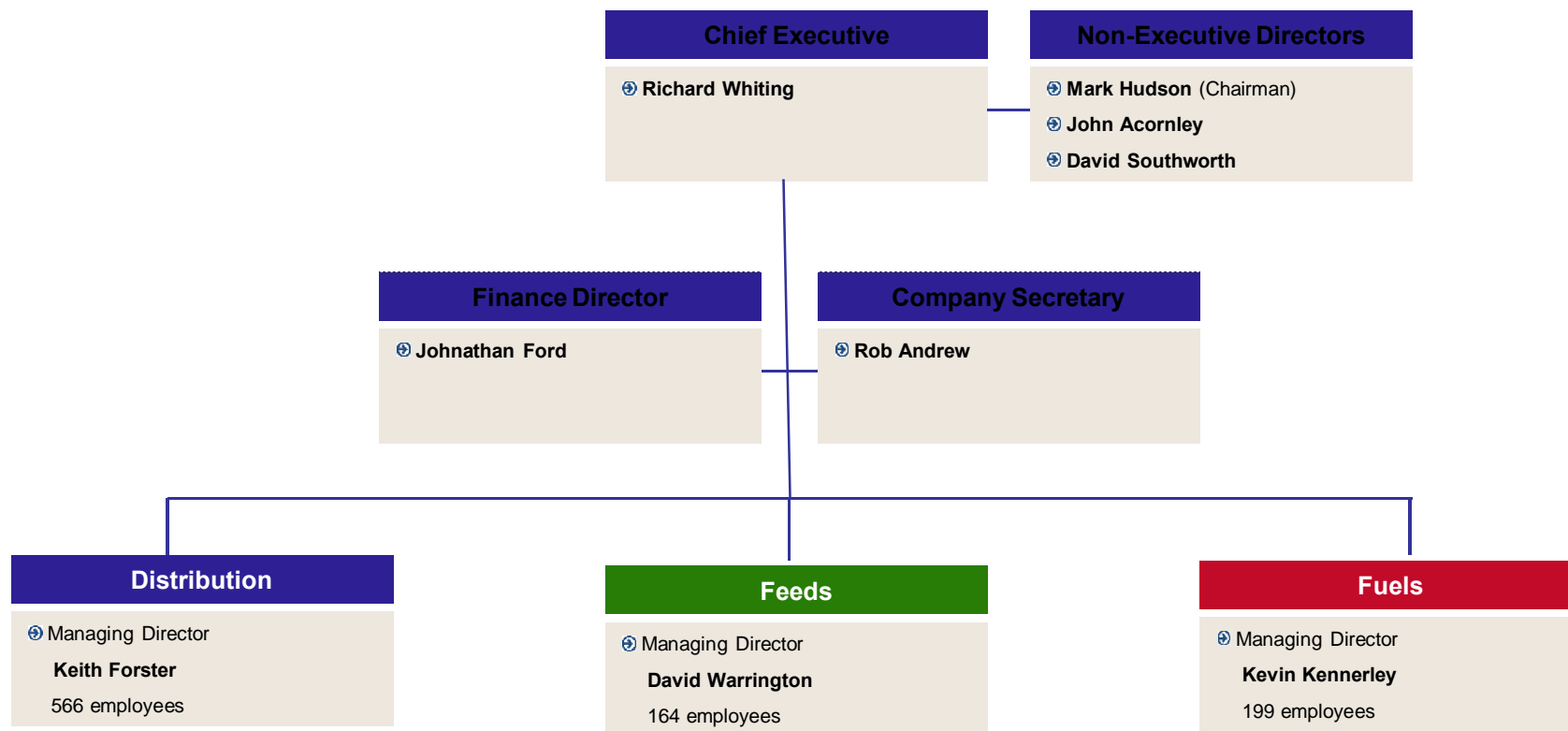
* Group head office and main operating site



Evesons Fuel sites

- 1 Kenilworth
- 2 Long Marston
- 3 Droitwich
- 4 Southampton

Group organisation

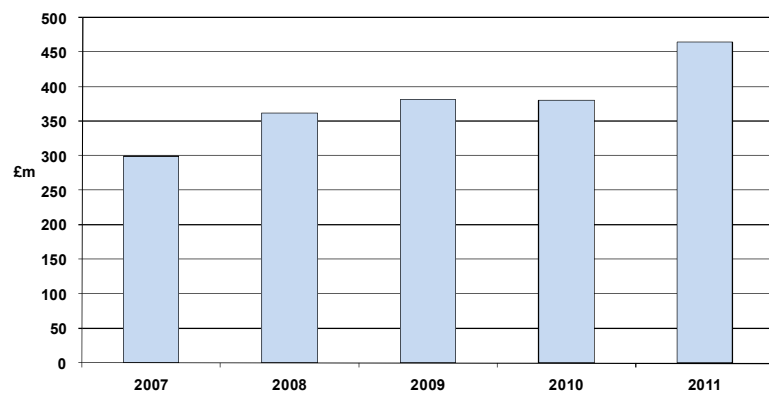


Wardle site: Group head office and major operating site

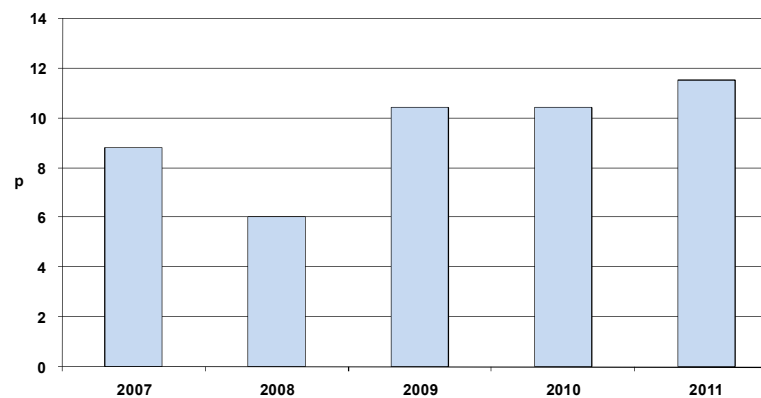


Five year financial performance

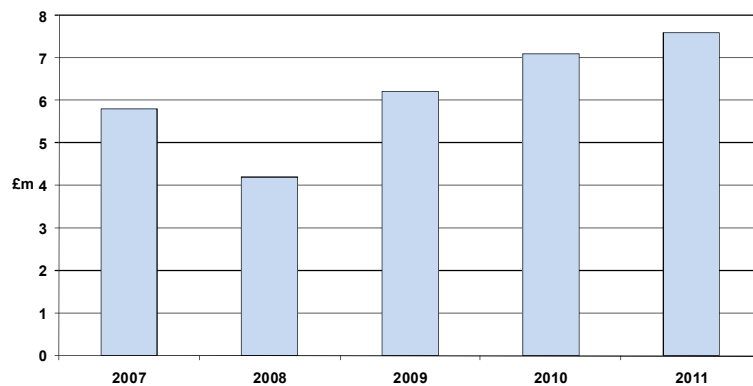
Revenue



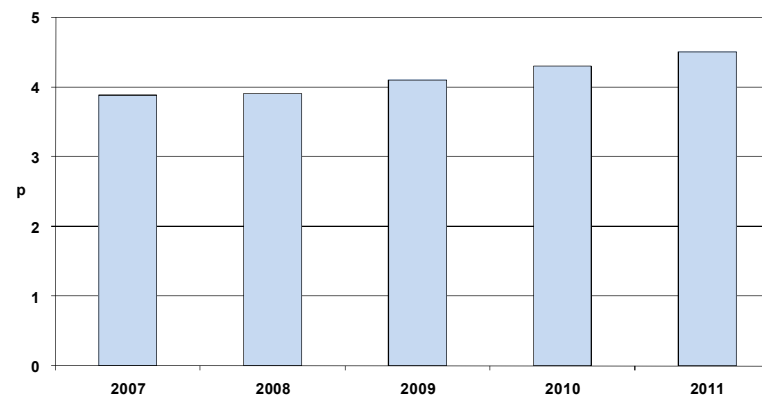
Earnings per share



Profit before tax

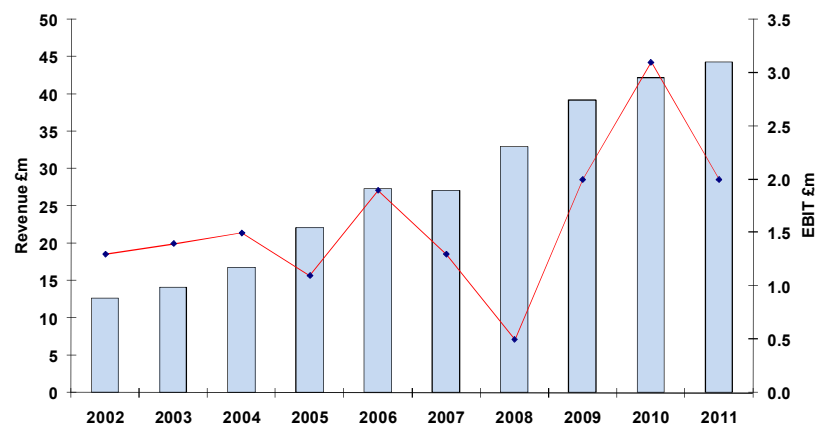


Dividend per share

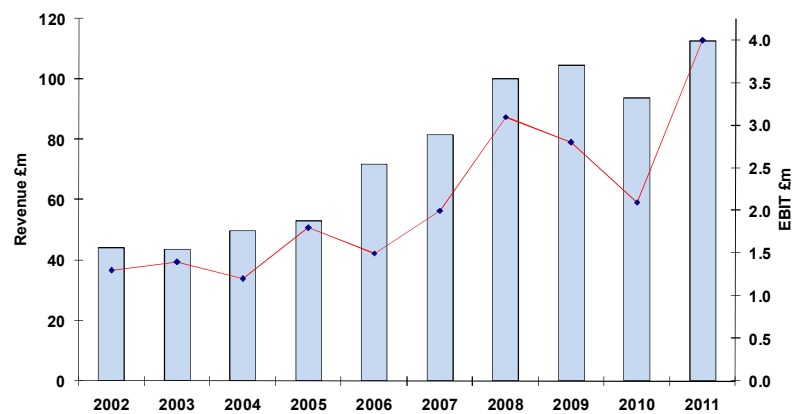


Divisional Financial Track records

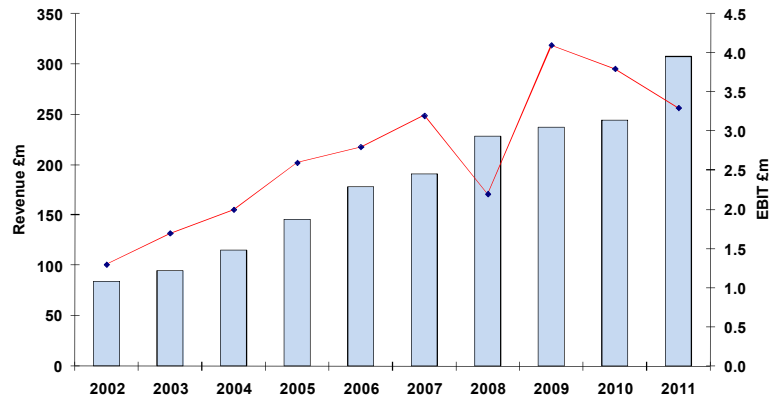
Food



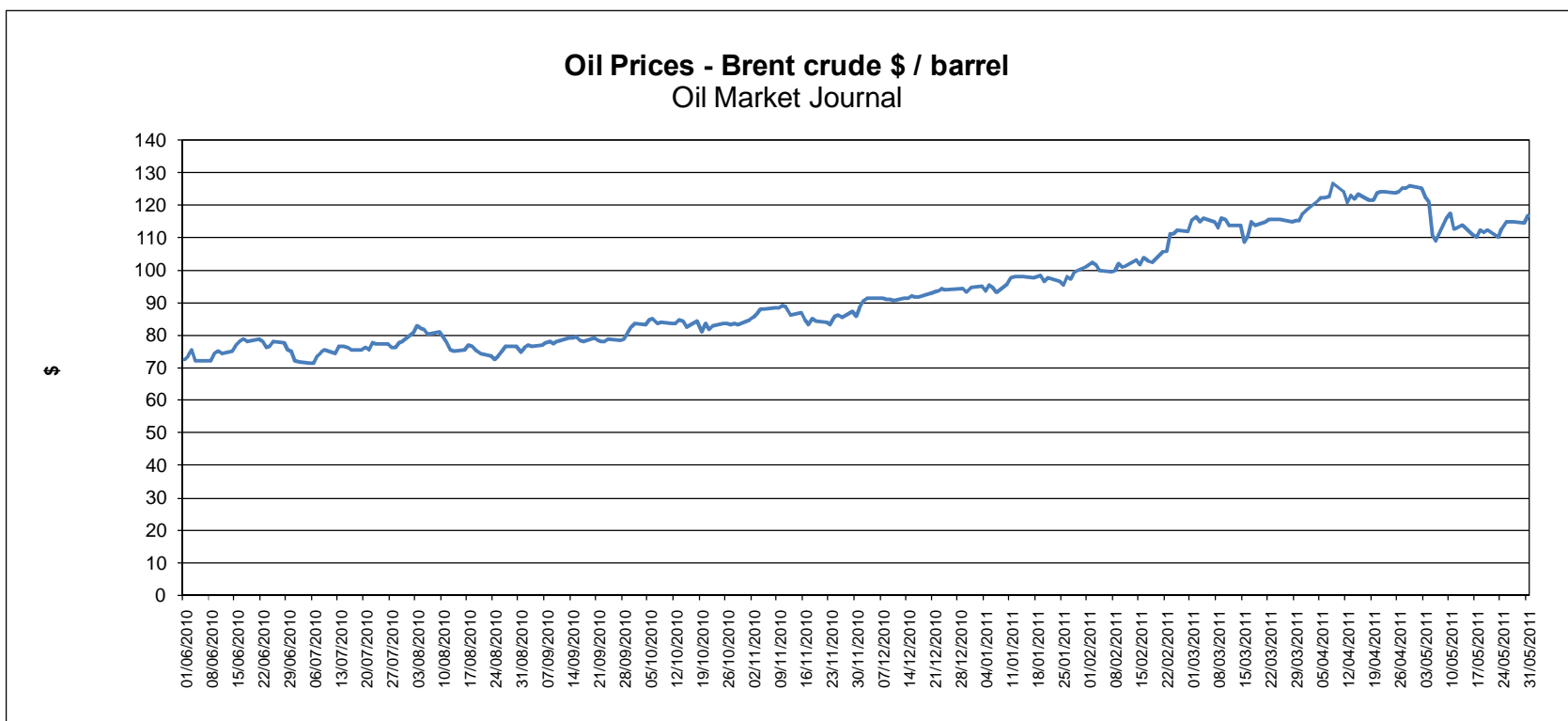
Feeds



Fuels



Fuels . additional market data



Feeds . additional market data

