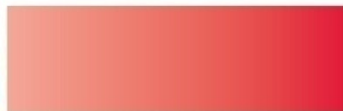
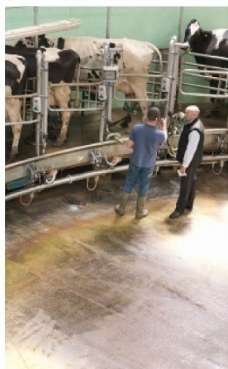
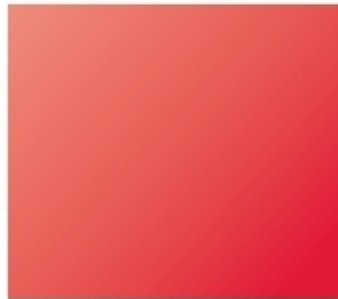


NWF Group plc  
Interim results to 30 November 2011



## Results summary

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- > Performance in line with expectations, despite difficult market conditions in first half
- > Delivering strategic development with the Swan Petroleum acquisition
- > Record result in Food division
- > Revenue growth and acquisitions have increased debt at end H1
- > New competitive £55 million banking facility to October 2015
- > Development opportunities across the Group

---

### Revenue

**£263.7m** +29.6%

2011	£263.7m
2010	£203.4m

### Operating profit

**£2.4m** -25.0%

2011	£2.4m
2010	£3.2m

### Profit before tax

**£1.8m** -18.2%

2011	£1.8m
2010	£2.2m

### Net debt

**£29.3m** +71.3%

2011	£29.3m
2010	£17.1m

### Earnings per share

**2.8p** -12.5%

2011	2.8p
2010	3.2p

### Dividend per share

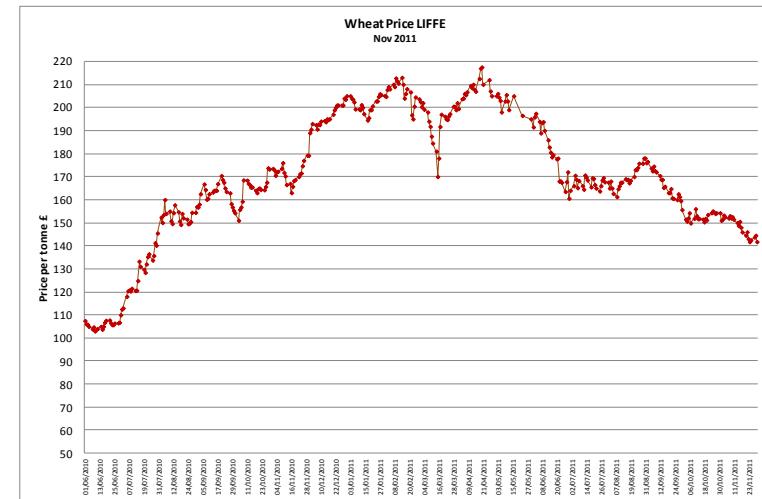
**1.0p** +0.0%

2011	1.0p
2010	1.0p

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## Operational highlights - Feeds

- > Revenue growth from eleven price rises in 2010/11
- > Feed market down in H1: good grazing and high feed prices
  - > Increases competition
- > Commodities prices experiencing volatility
  - > Overall prices generally lower, no repeat of forward buying gains
- > Blends volumes up 26% - as targeted
- > Business development successes: over 300 new accounts
- > Continued focus on operational effectiveness, enhanced control systems



Revenue  
**£60.1m** +23.9%

2011	£60.1m
2010	£48.5m

Operating profit  
**£0.6m** -60.0%

2011	£0.6m
2010	£1.5m

Volume - tonnes  
**210,000** -0.9%

2011	210,000
2010	212,000



## Operational highlights - Food

- > Record result
- > Volatility in demand as supermarkets continued promotional activity to combat cost inflation, total outloads down 13%, service level 99.6%
- > Overflow storage utilised to manage customers' stock requirements
- > Improvement plan delivering
  - > Improved backload and haulage activity
  - > Workforce aligned to customer activity
  - > Increased sub contractor haulage
  - > Realigned customer prices – some churn
  - > 10 new more efficient trucks
- > Successful implementation of new systems to increase efficiency



Revenue  
**£22.9m** +2.7%

2011	£22.9m
2010	£22.3m

Operating profit  
**£1.8m** +80.0%

2011	£1.8m
2010	£1.0m

Pallet spaces  
**109,000** -1.8%

2011	109,000
2010	111,000



## Operational highlights – Fuel

- > Warmest October / November on record significantly impacted financial performance
- > Like for like total volumes down 5%, heating oil down 8%
- > Evesons acquisition fully integrated and performing to plan
- > Acquired and integrating Swan Petroleum
  - > 42 million litres
  - > 3 depots in the North West
  - > Integrated 2 Swan depots into NWF sites
  - > Plan to integrate one NWF depot into Swan site
  - > Acquisition and integration costs £0.3 million as planned



Revenue		Operating profit		Volume - litres	
<b>£180.7m</b> +36.3%		<b>£0.0m*</b>		<b>201m</b> +18.2%	
2011	£180.7m	2011	£0.0m	2011	201m
2010	£132.6m	2010	£0.7m	2010	170m

\* after £0.3m acquisition and integration costs

## Financial review – income statement summary

	Nov 2011 £m	Nov 2010 £m	Growth %	May 2011 £m
<b>Revenue</b>				
Food	22.9	22.3	2.7%	44.2
Feeds	60.1	48.5	23.9%	112.6
Fuels	180.7	132.6	36.3%	307.0
<b>Total revenue</b>	<b>263.7</b>	<b>203.4</b>	<b>29.6%</b>	<b>463.8</b>
<b>Operating profit</b>				
Food	1.8	1.0	80.0%	2.0
Feeds	0.6	1.5	-60.0%	4.0
Fuels	0.0	0.7	-100.0%	3.3
<b>Total operating profit</b>	<b>2.4</b>	<b>3.2</b>	<b>-25.0%</b>	<b>9.3</b>
Finance costs	(0.6)	(1.0)	40.0%	(1.7)
<b>Profit before tax</b>	<b>1.8</b>	<b>2.2</b>	<b>-18.2%</b>	<b>7.6</b>
Tax	(0.5)	(0.7)	28.6%	(2.2)
<b>Profit after tax</b>	<b>1.3</b>	<b>1.5</b>	<b>-13.3%</b>	<b>5.4</b>
EPS (basic)	2.8	3.2	-12.5%	11.5
DPS	1.0	1.0	0.0%	4.5
Dividend cover	2.8	3.2	-12.5%	2.6
Interest cover (excluding IAS 19 finance costs)	4.8	4.6	4.3%	7.8

## Financial review – balance sheet summary

	Nov 2011 £m	Nov 2010 £m	May 2011 £m
Fixed assets (including intangibles)	51.6	42.6	46.9
Net Working Capital	20.4	13.7	8.5
<b>Assets Employed</b>	<b>72.0</b>	56.3	55.4
Pension deficit	(15.1)	(12.5)	(11.3)
Tax provisions	(2.0)	(2.9)	(3.8)
Net Debt	(29.3)	(17.1)	(11.3)
<b>Net Assets</b>	<b>25.6</b>	23.8	29.0
Net Debt : EBITDA	2.3	1.4	0.9

## Financial review – net debt summary

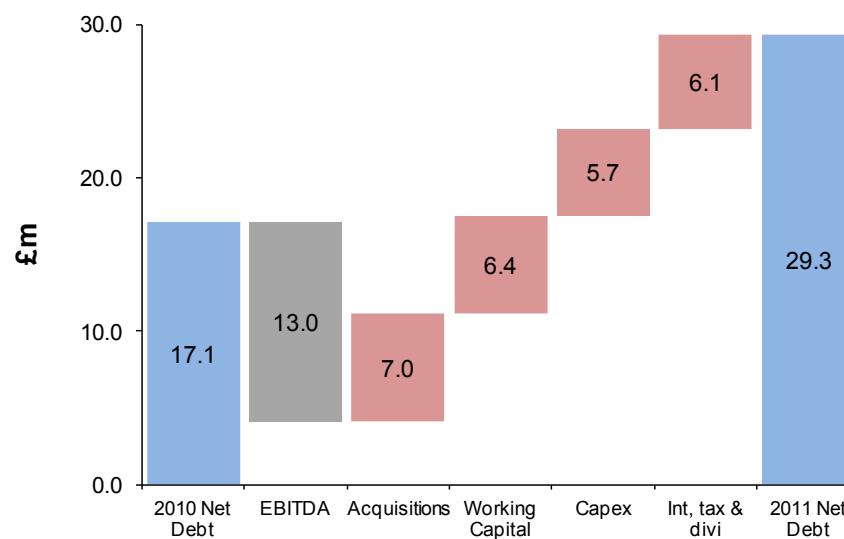
### Debt Summary

- > Committed facilities of £55.0m with RBS until Oct 2015. In addition £7m of HP finance is available

Facility	Facility	Drawn
Invoice discounting	£44.0m	£28.2m
Revolving Credit Facility	£10.0m	£0.0m
Overdraft / (cash)	£1.0m	(£0.7m)
<b>Bank facilities</b>	<b>£55.0m</b>	<b>£27.5m</b>
Hire Purchase	£7.0m	£1.8m
<b>Total Debt</b>	<b>£62.0m</b>	<b>£29.3m</b>

- > Majority of debt in the form of 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

	Nov 2011 £m	Nov 2010 £m
<b>Cashflows from operating activities</b>		
Operating profit	2.4	3.2
Depreciation and amortisation	1.9	1.7
Working capital movements	(12.3)	(2.3)
Other	(0.7)	(0.1)
<b>Operating cash flow</b>	<b>(8.7)</b>	<b>2.5</b>
Interest paid	(0.5)	(0.7)
Tax paid	(1.5)	(1.4)
<b>Net cash from operating activities</b>	<b>(10.7)</b>	<b>0.4</b>
<b>Cash flows from investing activities</b>		
Capital additions (net)	(2.9)	(2.1)
Acquisition of subsidiary, net of cash acquired	(2.7)	0.0
	<b>(16.3)</b>	<b>(1.7)</b>
Dividends paid	(1.7)	(1.5)
<b>Movement in Net Debt</b>	<b>(18.0)</b>	<b>(3.2)</b>

## Development outlook: Resilience of NWF – strong platform for development

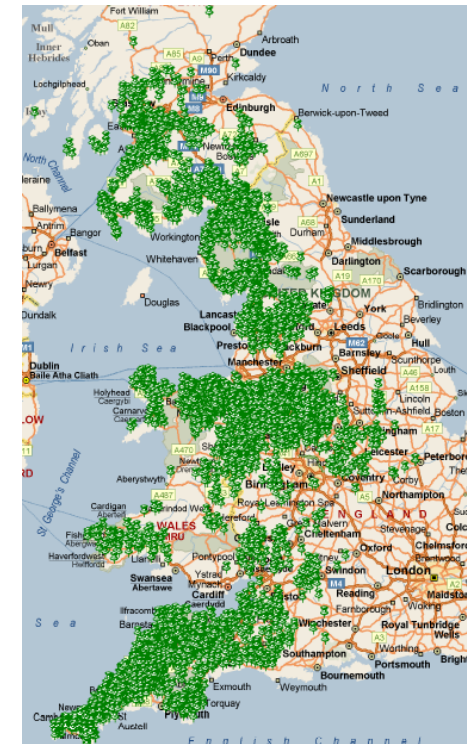
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- > Strong operational performance through the recession and global financial crisis.
- > Group profitable, managed debt levels
- > Substantial asset base
- > **Feeds** supplies over 4,000 farmers; consumer demand for milk and dairy products stable through the recession and forecast to grow modestly
- > **Food** has over 200 customers, many with long term contracts; focused on ambient grocery volumes which remained stable through the recession and are forecast to show ongoing modest growth
- > **Fuels** supplies 38,000 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 with experienced management teams
- > Long term competitive debt finance in place (£55m facility, RBS @ Base +1.75%)
- > Established an effective track record
- > Group has established a strong platform for development

## Development outlook – Feeds

- > Agriculture markets remain attractive with increasing populations and food security
- > NWF now 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

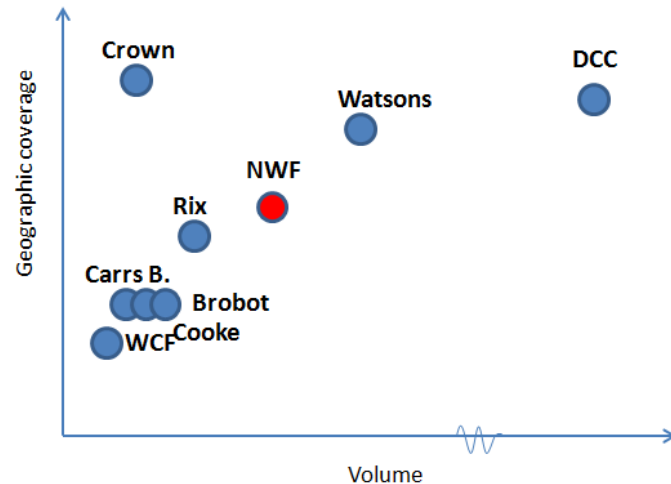
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- > Robust demand for ambient groceries
- > Boughey has a leading position in North West
- > Continue to improve business performance
  - > Optimise customer base
  - > Fully utilise own fleet partnering sub contractors
  - > Increase backload / haulage work
- > Excellent service for FMCG food producers and supermarkets critical
- > Investing in improved systems and processes to support development & increase efficiency
  - > SAP / Paragon / Microlise / site wide wireless



## Fuels – Development through bolt on acquisitions – Swan Petroleum

**UK fuel distributors market positioning 2012**



- > Swan Petroleum increases volumes by 10%
- > Earnings enhancing first full financial year
- > Acquisition integration ahead of plan
- > Targeting 1p per litre operating profit
- > NWF Fuels is now the UK's third largest fuels distributor
- > The acquisition significantly increases penetration in North West & North Wales
- > Further bolt-on acquisitions being targeted to increase geographical coverage and market penetration
- > Divisional ROCE consistently greater than 30%

	Swan Petroleum	NWF Fuels
Depots	3	13
Fleet	14	55
People	27	147
Volume (litres m)	42	350
<i>Petrol</i>	1%	9%
<i>Diesel</i>	26%	52%
<i>Gas Oil</i>	38%	20%
<i>Heating Oil</i>	35%	19%
<i>Operating profit (pre acquisition)</i>	£0.2m	£3.3m



## Results summary & outlook

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- > Solid start to the year in difficult market conditions
- > Performance in line with expectations
- > Strong performance in Food offset impact of warm weather on Fuels
- > Dividend maintained
- > Long term funding in place
- > Completed and integrating second significant Fuel acquisition within 12 months
- > Fuels continued negative impact of mild winter: adverse impact on full year Group results
- > Development opportunities remain across the Group

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### Revenue

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2011	£263.7m
2010	£203.4m

### Operating profit

**£2.4m** -25.0%

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2010	£3.2m

### Profit before tax

**£1.8m** -18.2%

2011	£1.8m
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### Net debt

**£29.3m** +71.3%

2011	£29.3m
2010	£17.1m

### Earnings per share

**2.8p** -12.5%

2011	2.8p
2010	3.2p

### Dividend per share

**1.0p** +0.0%

2011	1.0p
2010	1.0p

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## Additional information on NWF Group plc

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



## Business background – Feeds

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### 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
- > 169 people
- > 28 trucks, 11 trailers
- > Compound mills in Cheshire and Devon
- > Blend plants in Ayrshire, Cumbria, Cheshire and Devon



## Business background – Food

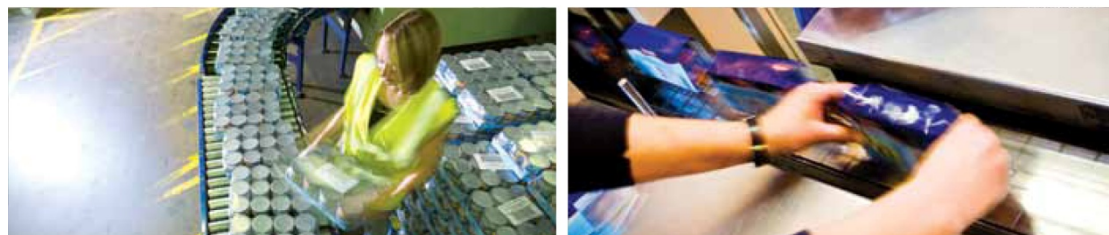
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### Food

Consolidation of ambient grocery products to UK supermarkets

### Our business

- > 115,000 pallet spaces
- > 900,000ft<sup>2</sup> of warehousing in Wardle and Deeside (North West)
- > Market leader in the North West
- > 588 people
- > 120 trucks, 275 trailers
- > 99.6% service level
- > 200 customers including Princes & Typhoo
- > Packing room for added value work





## Business background – Fuels

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### Fuels

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

### Our business

- > Third largest distributor in the UK
- > 38,000 customers
- > 207 people
- > 17 depots across the UK
- > 91 tankers
- > Supply 100 retail petrol stations
- > Fuel card marketing
- > 480 million litres per annum



## Locations January 2012

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### Feeds

Ayr

Penrith

Wardle\*

Wixland

### Food

Deeside

Wardle\*

### Fuels

Acle

Ammanford

Babbinswood

Bangor

Boston

Burnley

Burwell

Droitwich

Dyserth

Kenilworth

Kingsbury

Leaton

Nottingham

Southampton

Stoke

Wardle\*

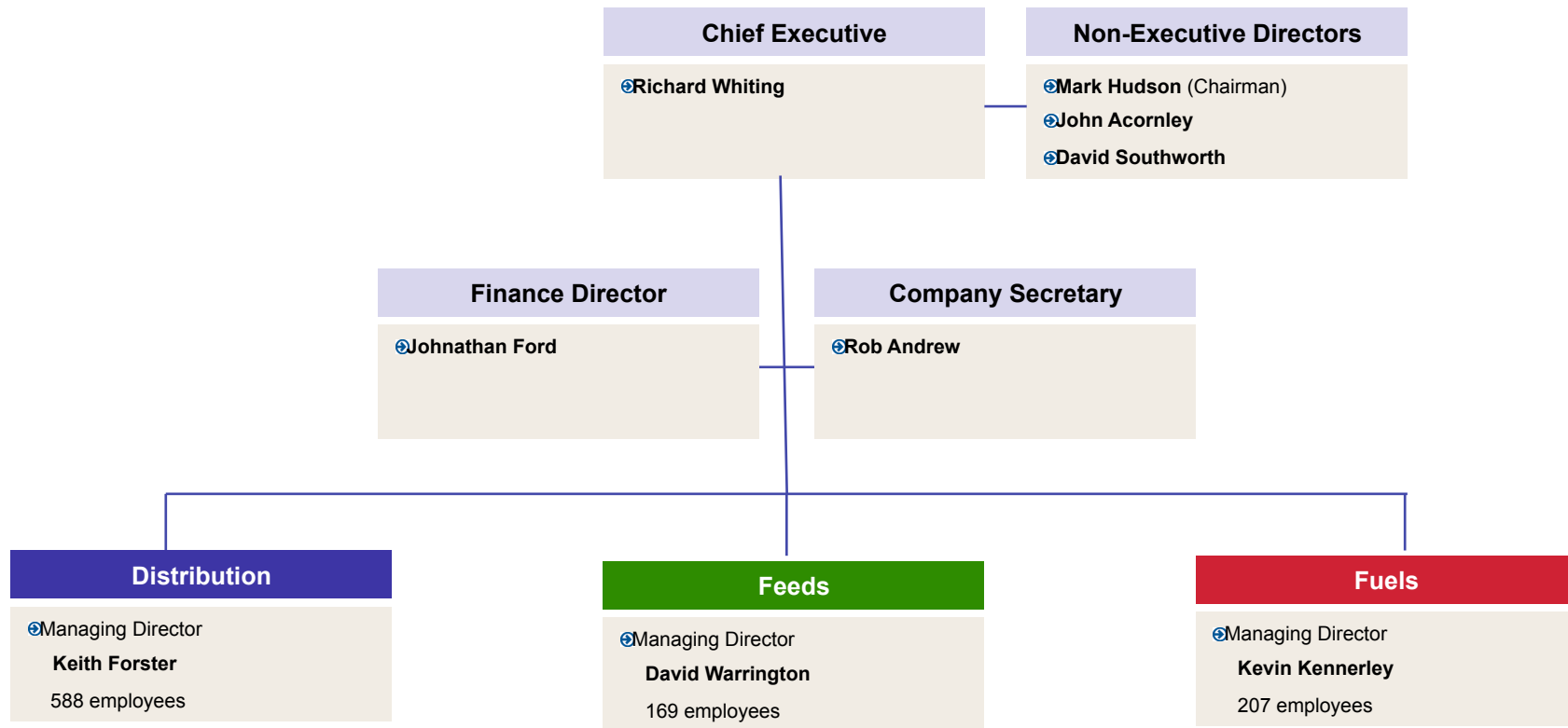
Yate



\* Group head office and main operating site

## Group organisation

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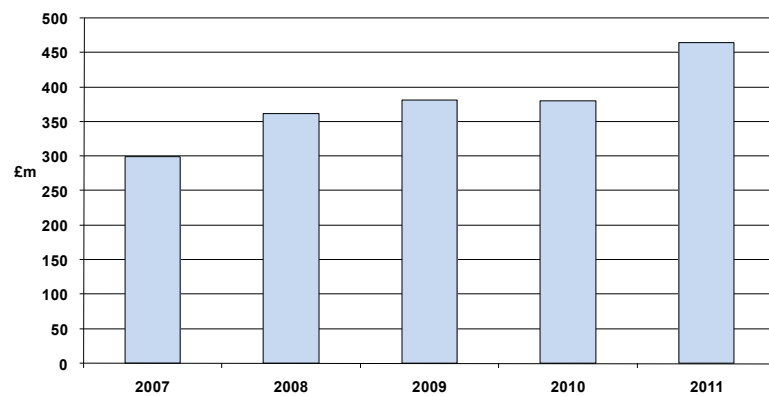
Wardle site: Group head office and main operating site



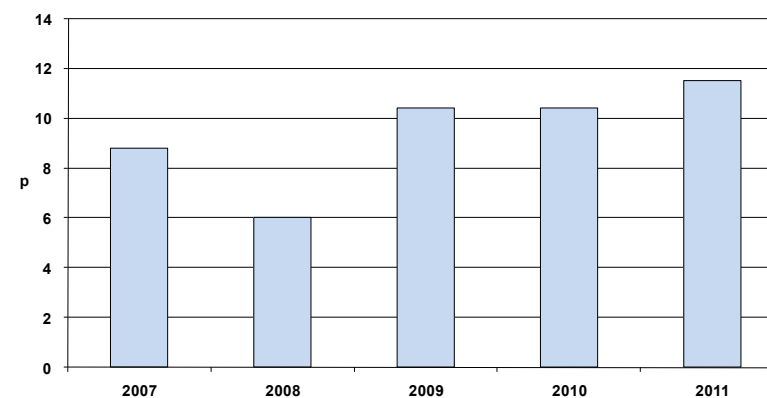
## Five year financial performance

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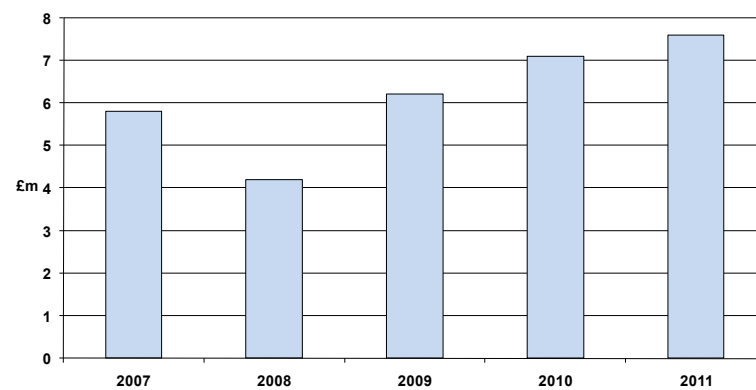
Revenue



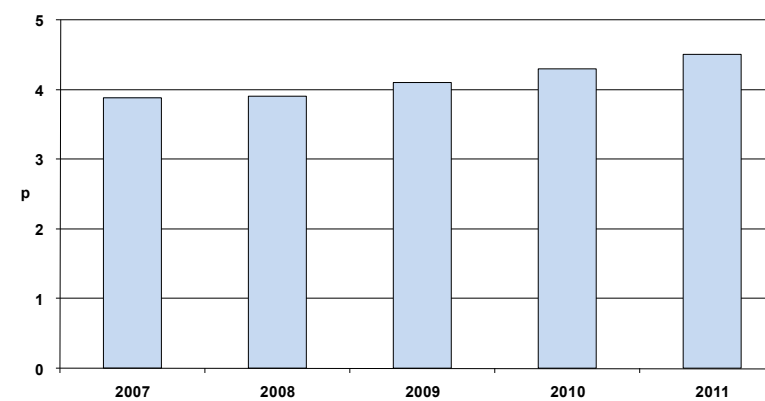
Earnings per share



Profit before tax



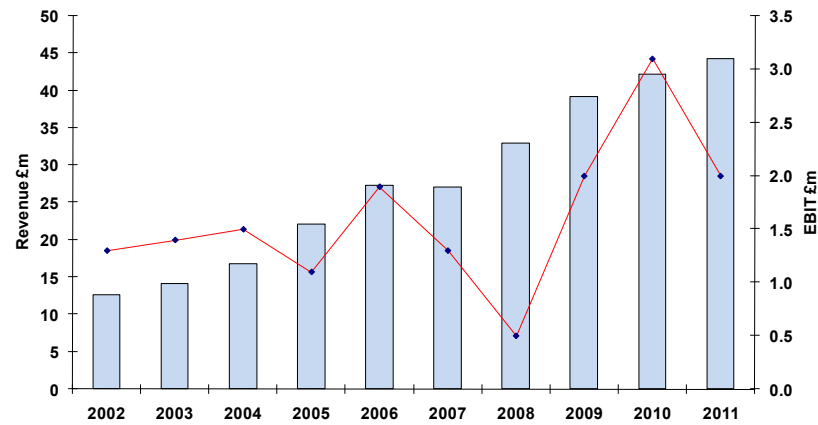
Dividend per share



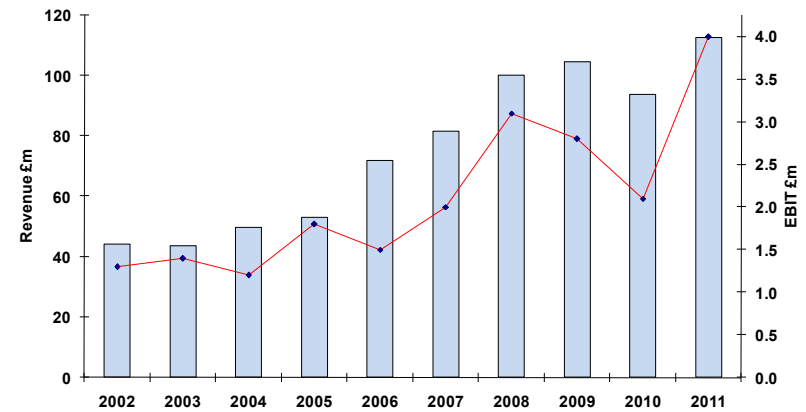


## Divisional Financial Track records

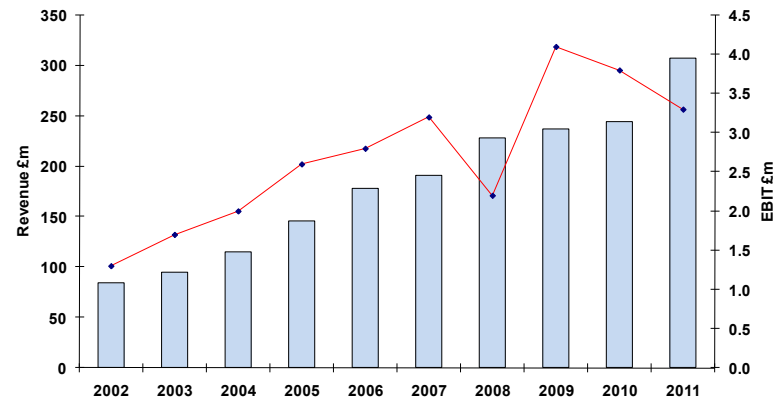
### Food



### Feeds

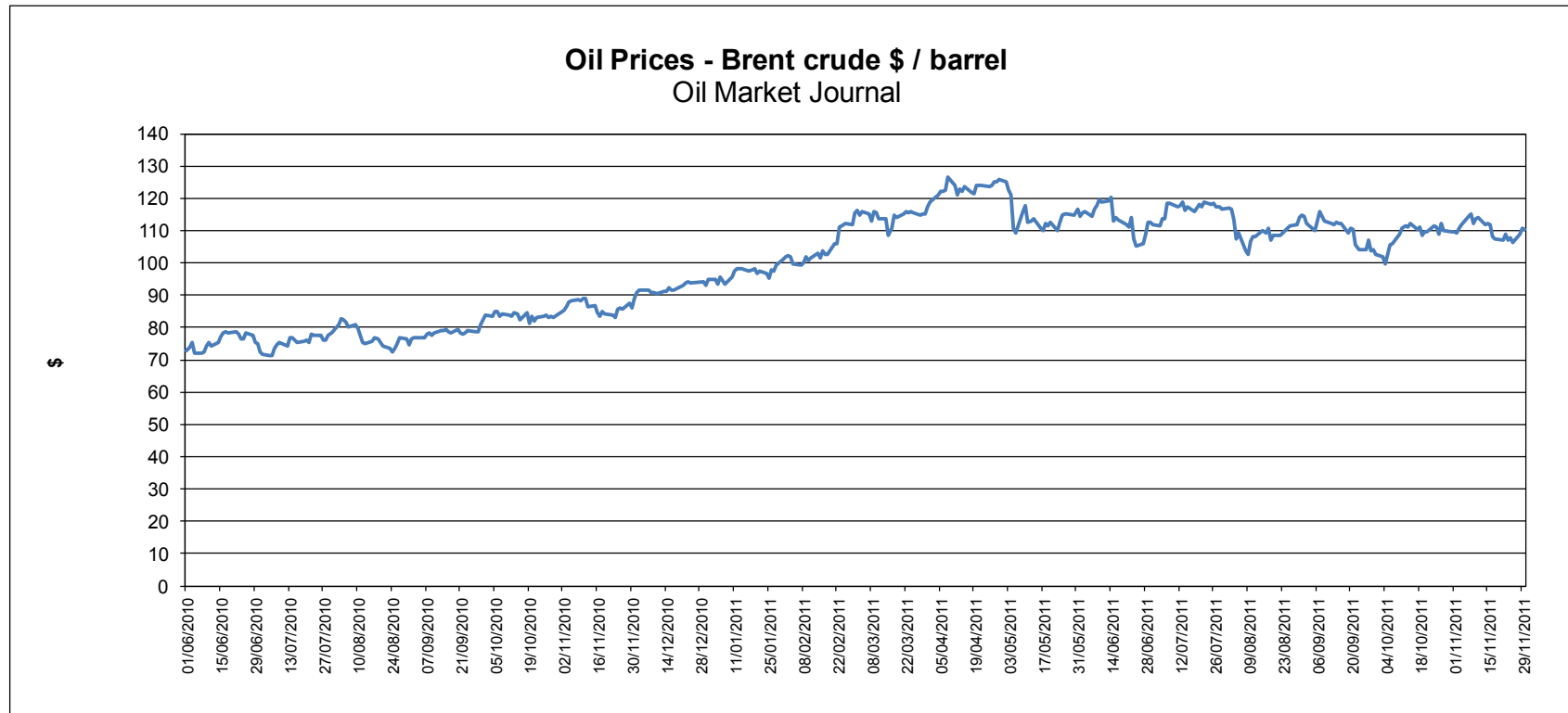


### Fuels



## Fuels – additional market data

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## Feeds – additional market data

