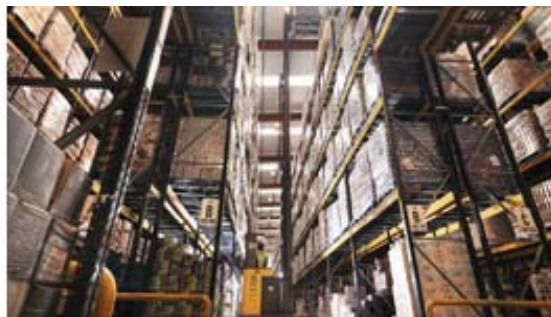




NWF GROUP PLC

INTERIM RESULTS TO 30 NOVEMBER 2010



**SPECIALIST
DISTRIBUTOR OF
FOOD, FEED AND FUEL**

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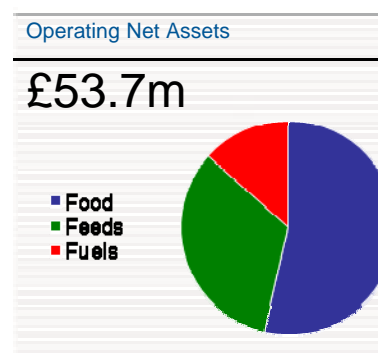
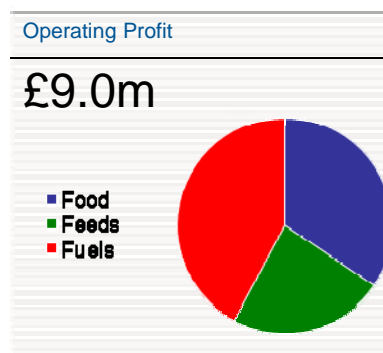
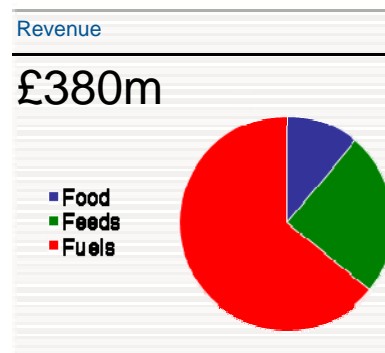
NWF Group plc – who we are

- NWF Group plc is a specialist distributor of Food, Feed and Fuel

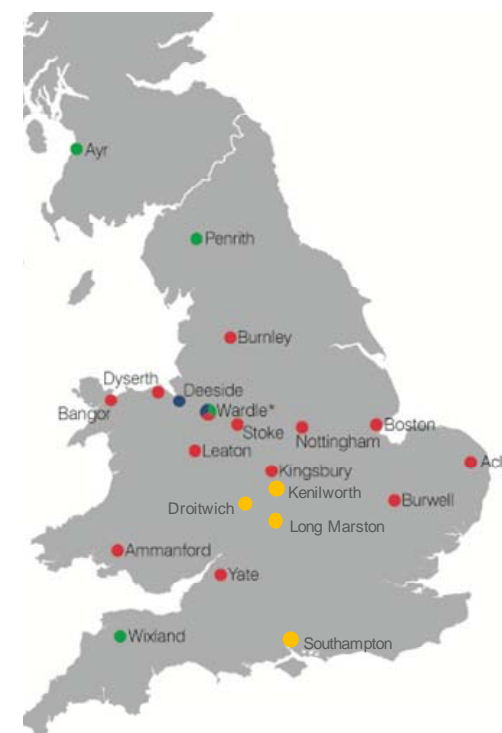


- 923 employees
- Operations across the UK, based in Cheshire, England
- Listed on AIM, market cap c.£50 million

Year ended 31 May 2010



Locations



Results summary

- Strong performance in six months to 30 November
- Revenue up 15.9% to £203.4 million (H1 2009: £175.5 million)
- Operating profit up 10.3% to £3.2 million (H1 2009: £2.9 million)
- Profit before taxation up 10.0% to £2.2 million (H1 2009: £2.0 million)
- Earnings per share up 6.7% to 3.2p (H1 2009: 3.0p)
- Interim dividend per share unchanged at 1.0p (H1 2009: 1.0p)
- Net debt reduced by £0.4 million to £17.1 million (30 November 2009: £17.5 million)
- Debt to EBITDA at 1.4 times (30 November 2009: 1.5 times)
- Post period end acquisition of an 80 million litre fuels business – Evesons Fuels



Operational highlights – Food

	2010 £m	2009 £m	%
Revenue	22.3	20.6	+8.3
Operating profit	1.0	1.7	-41.2
Average pallet spaces stored	110,000	100,000	+10.0

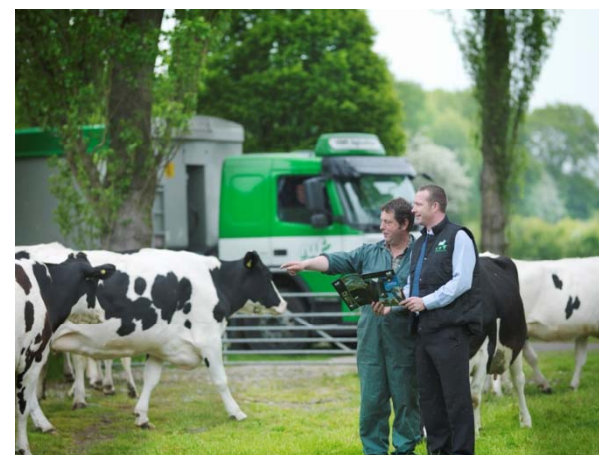
- Storage volumes up 10%
 - Overflow warehouses utilised on a flexible basis
- Increased volatility of demand for customers' products
 - Day 1 for Day 2
 - Increased promotional activity
- Outloads up 5%, service level 99.4%
- Challenge to operational efficiency
- Won additional customers



Operational highlights – Feeds

	2010 £m	2009 £m	%
Revenue	48.5	41.2	+17.7
Operating profit	1.5	0.5	+200.0
Tonnes	212,000	196,000	+8.2

- Very strong performance in H1
- Increased market share direct with farmers, overall volumes up over 8%
- Managing dramatic increases in commodity pricing, feed wheat spot prices up 70%
- Regular price increases across the UK
- Customers benefiting from Feeds' forward purchasing of commodities in line with the market
- Increased demand for compounds



Operational highlights – Fuels

	2010 £m	2009 £m	%
Revenue	132.6	113.7	+16.6
Operating profit	0.7	0.7	-
Million litres	170	167	+1.8

- Performance in line with expectations
- Revenue increases as oil prices increase; Brent crude up 11% in the period
- Boiler servicing programme available for all customers
- 12 new tankers ordered
- Post period end acquisition of 80 million litre Evesons fuels



Financial review – income statement summary

	Nov 2010 £m	Nov 2009 £m	Growth %	May 2010 £m
Revenue				
Food Distribution	22.3	20.6	8.3%	42.2
Feeds	48.5	41.2	17.7%	93.7
Fuels	132.6	113.7	16.6%	243.9
Total revenue	203.4	175.5	15.9%	379.8
Operating profit				
Food	1.0	1.7	-41.2%	3.1
Feeds	1.5	0.5	200.0%	2.1
Fuels	0.7	0.7	0.0%	3.8
Total operating profit	3.2	2.9	10.3%	9.0
Finance costs	(1.0)	(0.9)	-11.1%	(1.9)
Profit before tax	2.2	2.0	10.0%	7.1
Tax	(0.7)	(0.6)	-16.7%	(2.2)
Profit after tax (headline)	1.5	1.4	7.1%	4.9
EPS (basic)	3.2	3.0	6.7%	10.4
DPS	1.0	1.0	0.0%	4.3
Dividend cover	3.2	3.0	6.7%	2.4
Interest cover (excluding IAS 19 finance costs)	4.6	4.1	12.2%	6.4

Financial review – balance sheet summary

	Nov 2010 £m	Nov 2009 £m	May 2010 £m
Fixed assets	42.6	42.3	42.3
Net Working Capital	13.7	10.4	11.0
Assets Employed	56.3	52.7	53.3
Pension deficit	(12.5)	(13.4)	(12.3)
Tax provisions	(2.9)	(2.4)	(3.5)
Net Debt	(17.1)	(17.5)	(13.9)
Net Assets	23.8	19.4	23.6
Net Debt : EBITDA	1.4	1.5	1.1

Financial review – net debt summary

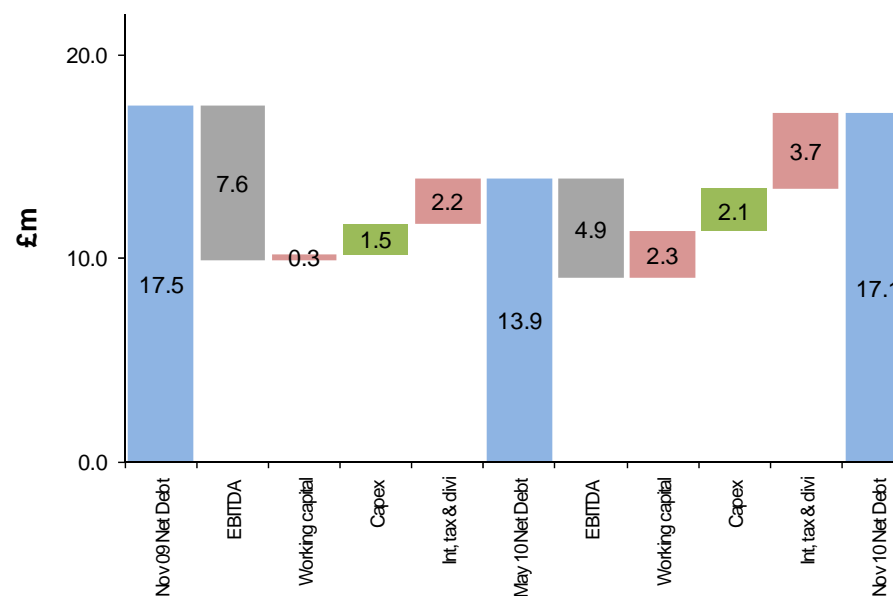
Debt Summary

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

<u>£m</u>	<u>Facility</u>	<u>Drawn</u>
Overdraft	1.0	0.5
Invoice Discounting	40.0	14.0
Revolving Credit Facility	10.0	-
Banking Facilities	51.0	14.5
Hire Purchase	7.0	2.6
Total	58.0	17.1

- 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

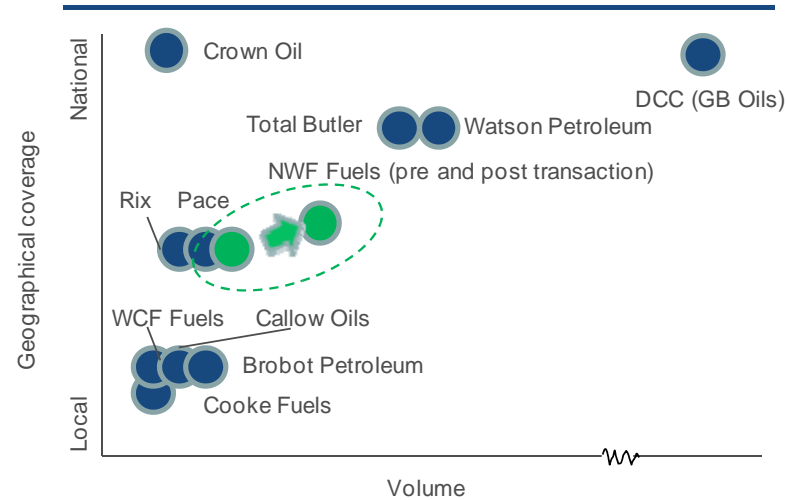
	Nov 2010 £m	Nov 2009 £m
Cashflows from operating activities		
Operating profit	3.2	2.9
Depreciation and amortisation	1.7	1.7
Working capital	(2.3)	2.4
Other	0.0	(0.1)
Operating cash flow	2.6	6.9
Interest paid	(0.7)	(0.6)
Tax paid	(1.4)	(0.9)
Capital additions	(2.1)	(2.1)
Dividends paid	(1.5)	(1.4)
Movement in net debt	(3.1)	1.9

Development outlook: Resilience of NWF – strong platform for development

- Strong operational performance through the recession and global financial crisis. Two record years for NWF
- **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
 - Increase in pallets
 - New customer wins
- **Feeds** supplies over 4,000 dairy farmers; consumer demand for milk and dairy products stable through the recession and forecast to grow modestly
 - Volumes and market share increasing
- **Fuels** supplies 35,000 customers across the UK with all major oil categories. Volumes and margins not impacted during the recession (record results in last 2 years) and forecast demand for oil is stable
- Substantial asset base
- All divisions profitable, cash generative with experienced management teams
- Long term competitive debt finance in place
- Group has established a strong platform for development

Fuels – significant bolt on development – Evesons Fuels

UK fuel distributors market positioning



	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%

- Volumes across the UK fuel market are expected to remain stable 2011-2015
- Scale and penetration will prove key to achieving growth in the sector
- 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 sought to increase geographical coverage and market penetration in the future

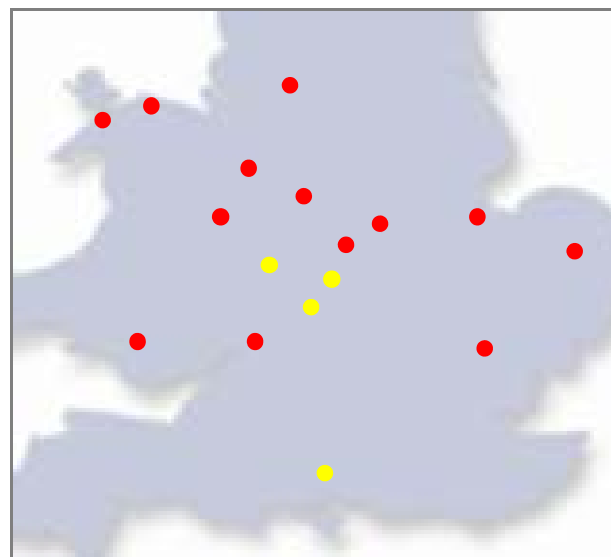


Fuels – Evesons transaction overview



- NWF Group acquired Evesons Fuels Limited for consideration of £3.3m assuming a pension deficit of £0.7m
- Focused on the Midlands and Hampshire
- Increase NWF Fuels
 - annual fuels volume by over 20% to 430 million
 - Depot network from 13 to 17
- NWF's stated strategy is to extract c.1p per litre of operating profit from its fuel distribution business
 - £0.8m on 80 million litres
- Funded through existing facilities
- Expected to be earnings enhancing in the first full year of ownership
- Post acquisition integration underway

£m	2010	2009	%
Revenue	51.9	55.6	6.7
EBITDA	0.4	0.5	-26.3
Net assets	2.7	3.2	-15.6



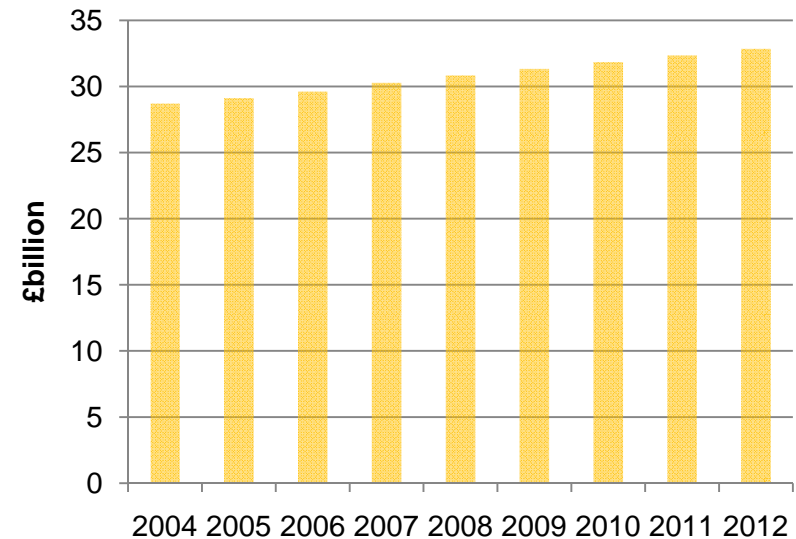
- Existing NWF depot
- Additional depots through the acquisition

Development outlook – Food

- Robust demand for ambient groceries
- Boughey has a leading position in North West
- Close relationship with major food retailers
- Service key to continued development
- Opportunities for improved efficiencies and customer development
- Investing in improved systems and processes to support development
- Winning new customers and utilising additional flexible pallet capacity
- Working closely with retailers implemented Day 1 for Day 2 with Tesco & Sainsburys



UK Ambient grocery market

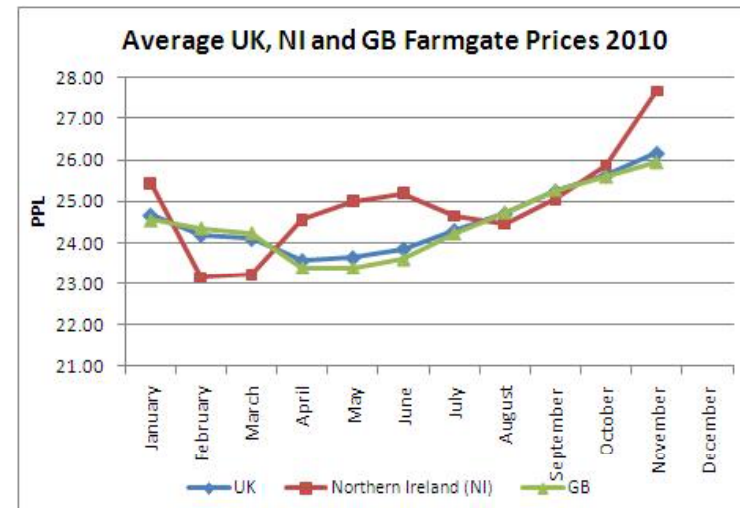
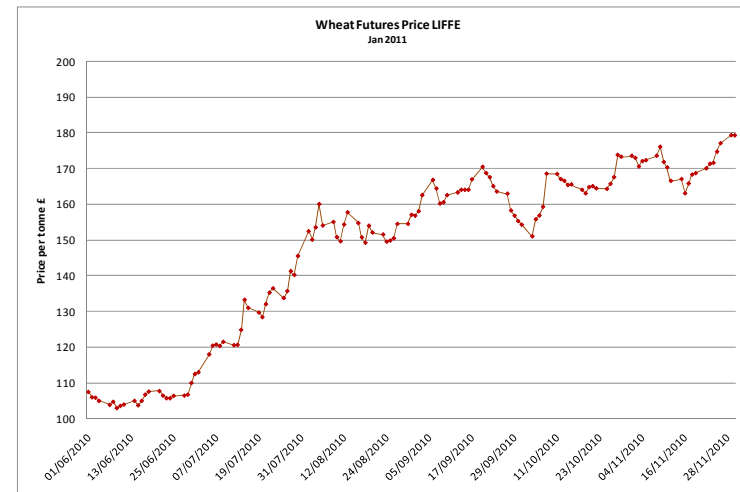
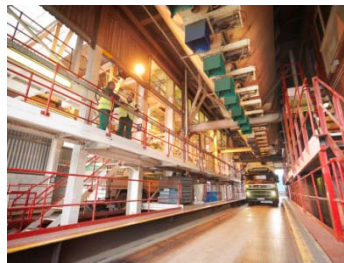


Source: Market data analytics, Datamonitor

Volume growth rate 1.6% per annum (2008-2012)

Development outlook – Feeds

- Strong national sales team, the dairy experts
- Long term stable demand
- Volatile raw materials
- Continued consolidation of small farmers – commodity cost increases equivalent to 3p per litre
- Continue to invest in added value products and services
- Ongoing focus on cost reduction and asset utilisation
- Strategy to build direct business with farmers and grow share of the dairy market – winning new business as the expert
- Consolidation opportunities exist



Summary

- Another strong performance for NWF in volatile market conditions
- Operational focus and strong management teams delivering performance:
 - Profit before tax up 10.0% to £2.2 million
 - Debt reduced to £17.1 million and debt to EBITDA 1.4 times
 - New debt facilities in place to October 2013 (£51.0 million)
- Markets we operate in are resilient and stable
- Track record being established with all stakeholders
- Financial and operational platform in place to enable us to focus on development opportunities
 - Development opportunities in all three divisions
 - Significant bolt on acquisition delivered in Fuels

Appendices

- Business backgrounds
- Locations
- Group organisation
- Wardle site
- Five year financial performance
- Divisional financial track record
- Additional market data

Business background

FOOD

Consolidation of ambient grocery products to UK supermarkets

Our business

- 115,000 pallet spaces
- 900,000 ft² of warehousing in Wardle and Deeside (North West)
- Market leader in the North West
- 616 people
- 135 trucks, 267 trailers
- 99.6% service level
- 200 customers including Princes, Pataks/Blue Dragon & Typhoo
- Packing room for added value work



Business background

FEEDS

Supply of feed to ruminants in the UK – principally dairy

Our Business

- National player – 14% market share
- 449,000 tonnes produced in 2009/10
- 4,000 customers
- 160 people
- 28 trucks, 11 trailers
- Compound mills in Cheshire and Devon
- Blend plants in Ayrshire, Cumbria, Cheshire and Devon



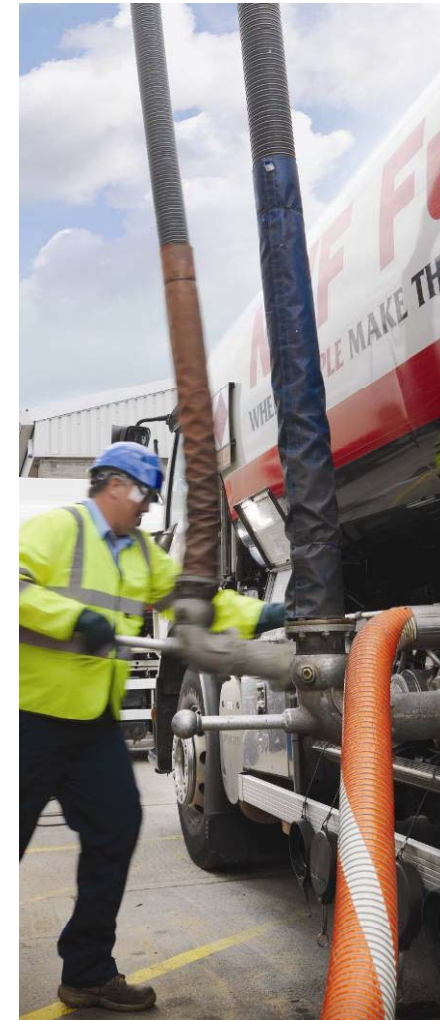
Business background

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
- 197 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

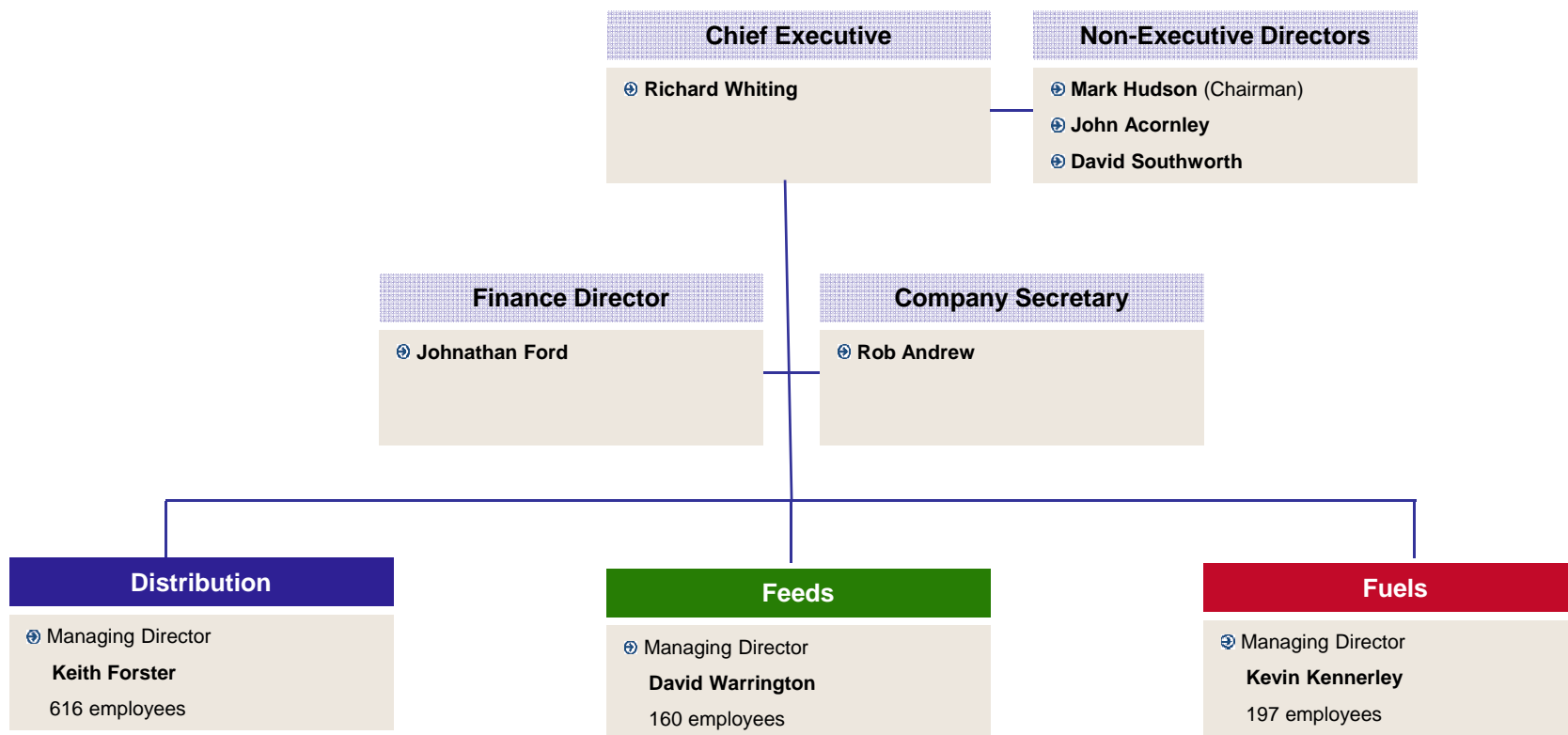
* Group head office and main operating site.



Evesons Fuel sites

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

Group organisation

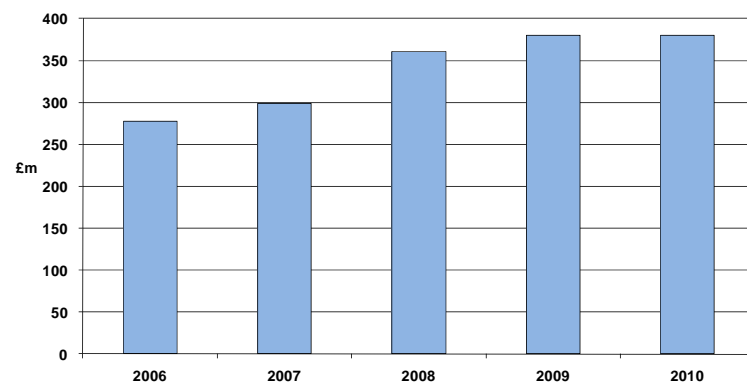


Wardle site: Group head office and major operating site

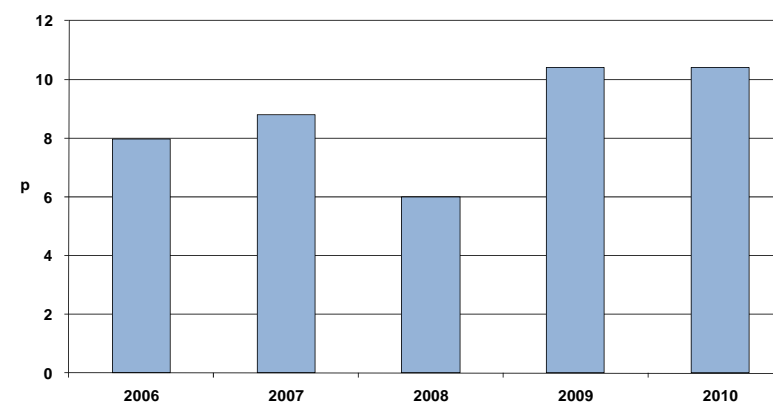


Five year financial performance

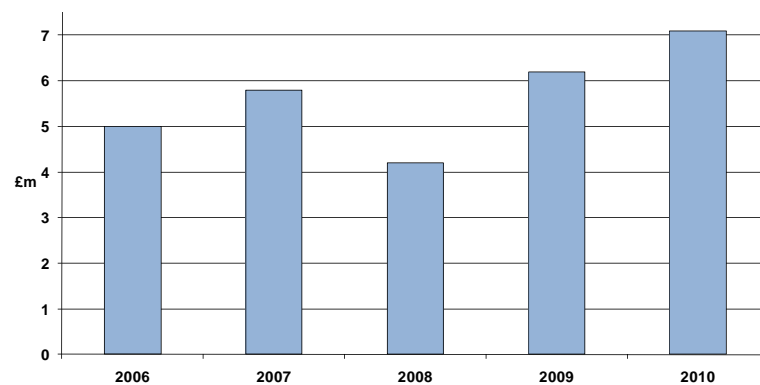
Revenue



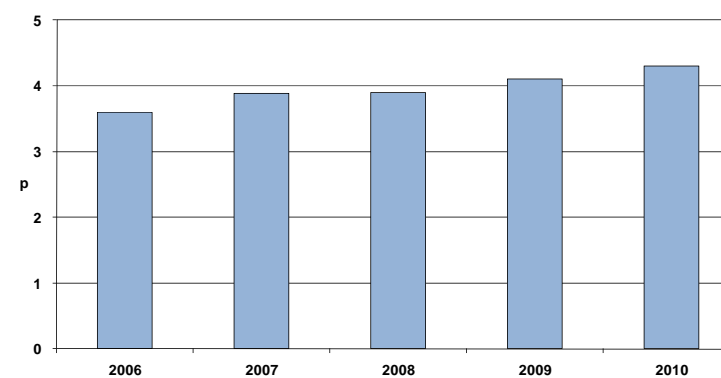
Headline EPS



PBT

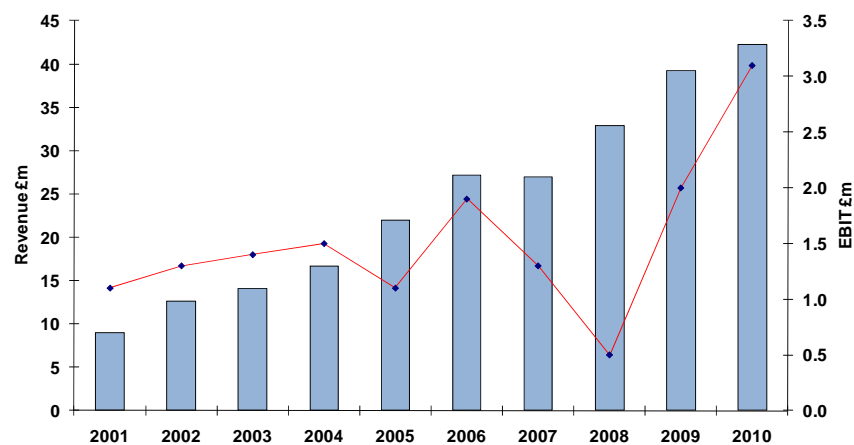


DPS

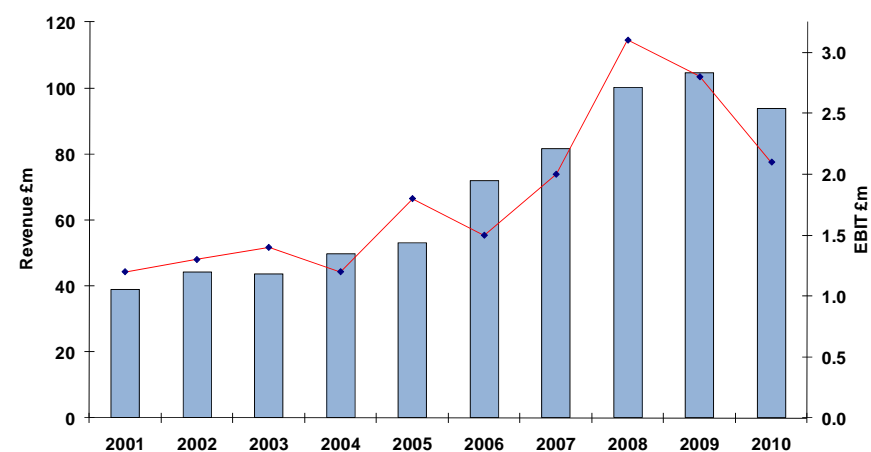


Divisional Financial Track records

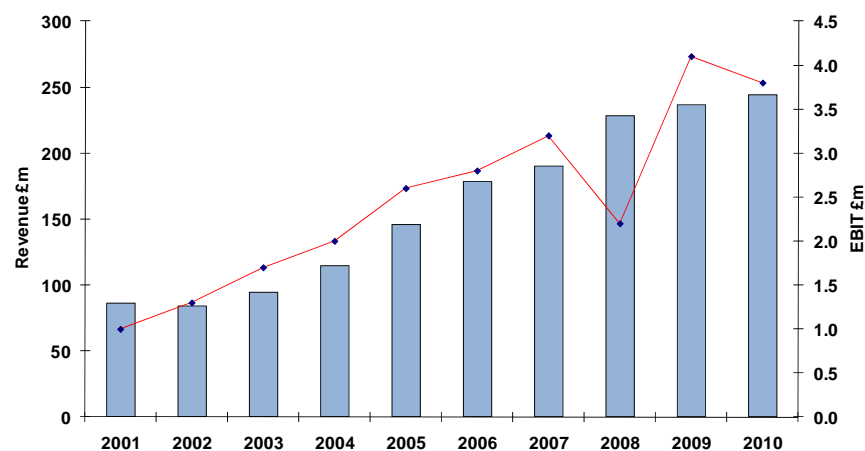
Food



Feeds



Fuels



Fuels – additional market data

