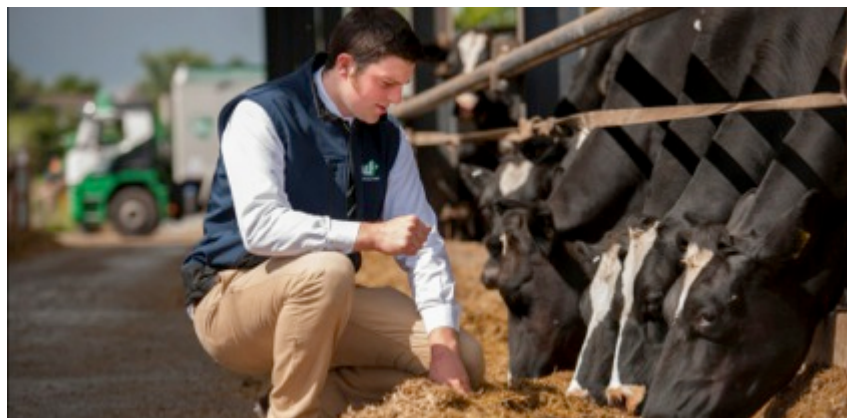




INTERIM  
RESULTS TO  
30 NOVEMBER 2014



# Group overview

## Key highlights

NWF Group plc  
Interim results to  
30 November 2014

- » Solid results despite volatile markets
- » Feeds: maintained volume in a tough market with falling commodity prices
- » Food: improved efficiencies ahead of expectations
- » Fuels: management action mitigated a warm half year
- » Invested in a new Feeds facility and a new Fuel depot
- » Strong cash management, lower net debt than prior half year
- » Interim dividend maintained

### Revenue

**£247.1m**

2014	£247.1m
2013	£259.1m
2012	£256.5m

### Headline earnings per share

**4.0p**

2014	4.0p
2013	5.3p
2012	3.8p

### Operating profit

**£2.8m**

2014	£2.8m
2013	£3.6m
2012	£2.8m

### Net debt

**£12.4m**

2014	£12.4m
2013	£16.8m
2012	£13.7m

### Headline profit before tax

**£2.5m**

2014	£2.5m
2013	£3.3m
2012	£2.4m

### Dividend per share

**1.0p**

2014	1.0p
2013	1.0p
2012	1.0p

# Operational highlights

## Feeds

NWF Group plc  
Interim results to  
30 November 2014

- » Market demand for feed 3% lower than prior year
- » Increased volumes and market share
- » Significant falls in commodity prices of c.20% in the period impacting margins
- » High silage volumes, very variable quality
- » Milk price cuts announced - squeezing farmers' profitability
- » Focus on nutritional proposition - CowSignals®
- » Investment in new feed plant in Dumfries to supply North of England & Scottish farmers



### Revenue

**£68.0m** – 0.6%

2014	£68.0m
2013	£68.4m

### Operating profit

**£0.1m**

2014	£0.1m
2013	£1.4m

### Tonnes

**258,000** + 14.7%

2014	258,000
2013	225,000

# Operational highlights

## Food

NWF Group plc  
Interim results to  
30 November 2014

- » Profit improvement from efficiency gains
- » Outloads comparable to prior year despite customers' lower stock levels
- » Navigated successfully through nationwide shortage of drivers
- » Long term customer contracts underpin volumes
- » Maintained high service levels at 99.7%
- » Increased valued added repack work, particularly around Halloween



### Revenue

**£18.8m** + 1.6%

2014	£18.8m
2013	£18.5m

### Operating profit

**£1.5m** + 36.4%

2014	£1.5m
2013	£1.1m

### Pallet spaces

**94,000** - 7.8%

2014	94,000
2013	102,000

# Operational highlights

## Fuels

NWF Group plc  
Interim results to  
30 November 2014

- » Unusually warm summer and autumn conditions
- » Dramatic fall in oil prices
- » Increased gas oil and premium heating oil sales
- » Continued focus on depot performance and operating efficiency
- » New depot opened in Mansfield, Notts. with 400,000 litre storage capacity
- » Broadlands relocated to Great Yarmouth with storage capability
- » All depots have storage capability



### Revenue

**£160.3m** - 6.9%

2014	£160.3m
2013	£172.2m

### Operating profit

**£1.2m** + 9.1%

2014	£1.2m
2013	£1.1m

### Litres

**197m**

2014	197m
2013	197m

# Financial Review

## Income statement summary

NWF Group plc  
Interim results to  
30 November 2014

	Nov 2014 £m	Nov 2013 £m	Variance %	May 2014 £m
<b>Revenue</b>				
Food	18.8	18.5	1.6%	36.4
Feeds	68.0	68.4	(0.6%)	160.7
Fuels	160.3	172.2	(6.9%)	340.6
<b>Total revenue</b>	<b>247.1</b>	259.1	(4.6%)	537.7
<b>Operating profit</b>				
Food	1.5	1.1	36.4%	2.0
Feeds	0.1	1.4	(92.9%)	3.3
Fuels	1.2	1.1	9.1%	3.2
<b>Total operating profit</b>	<b>2.8</b>	3.6	(22.2%)	8.5
Finance costs	(0.3)	(0.3)	0.0%	(0.8)
<b>Headline profit before tax</b>	<b>2.5</b>	3.3	(24.2%)	7.7
Net finance costs in respect of DB pension scheme	(0.4)	(0.4)	0.0%	(0.8)
<b>Profit before tax</b>	<b>2.1</b>	2.9	(27.6%)	6.9
Tax	(0.5)	(0.7)	28.6%	(1.6)
<b>Profit after tax</b>	<b>1.6</b>	2.2	(27.3%)	5.3
Headline EPS (pence)	4.0	5.3	(24.5%)	12.4
DPS (pence)	1.0	1.0	0.0%	5.1
Dividend cover	4.0	5.3	(1.3)	2.4
Interest cover (excluding IAS 19R net pension finance cost)	9.3	12.0	(2.7)	10.6



# Financial Review

## Balance sheet summary

NWF Group plc  
Interim results to  
30 November 2014

	Nov 2014 £m	Nov 2013 £m	May 2014 £m
Fixed assets	<b>55.0</b>	54.0	54.0
Net working capital	<b>11.2</b>	13.3	9.8
<b>Assets employed</b>	<b>66.2</b>	67.3	63.8
Pension deficit	<b>(19.7)</b>	(17.0)	(17.3)
Net debt	<b>(12.4)</b>	(16.8)	(11.7)
Tax provisions	<b>(1.0)</b>	(1.7)	(1.8)
<b>Net assets</b>	<b>33.1</b>	31.8	33.0
Net debt : EBITDA	<b>1.1</b>	1.2	1.0
Total assets	<b>121.9</b>	132.0	119.4
<b>ROCE: *</b>			
Food	<b>8.9%</b>	5.6%	7.3%
Feeds	<b>6.0%</b>	12.1%	11.3%
Fuels	<b>51.2%</b>	54.8%	43.4%
Total ROCE	<b>11.6%</b>	15.1%	13.4%

\* Last 12 months

# Financial Review

## Net debt summary

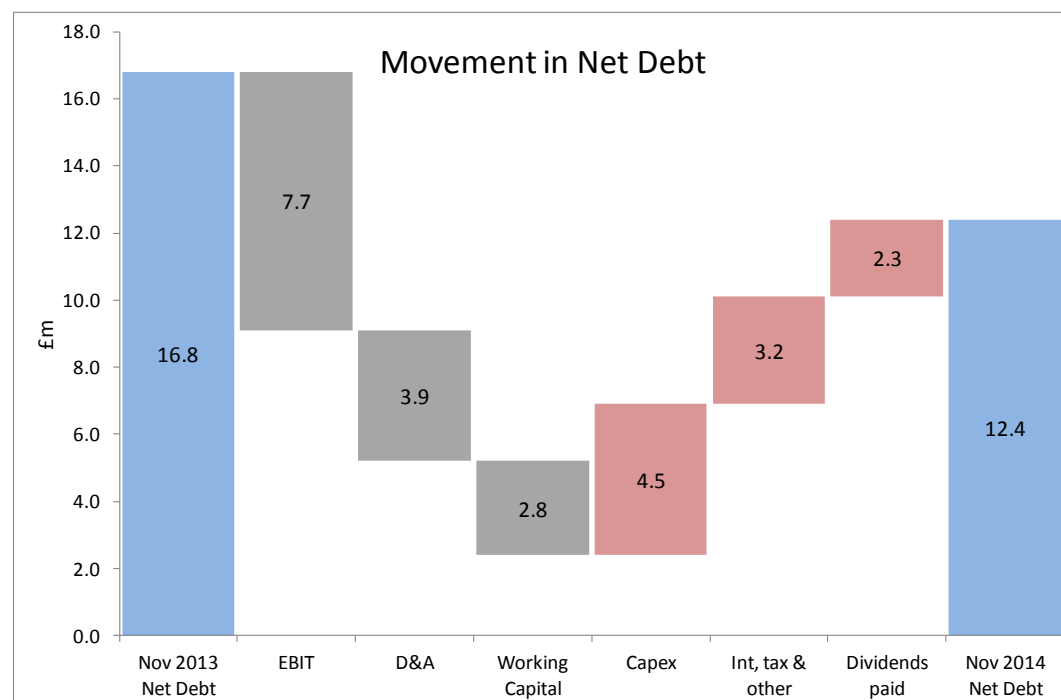
NWF Group plc  
Interim results to  
30 November 2014

### » Debt Summary

- » Committed facilities of £65.0m with RBS until October 2019

Facility	Facility	Drawn
Invoice Discounting	£50.0m	£12.4m
RCF/Guarantees	£14.0m	-
Overdraft/(Cash)	£1.0m	-
<b>Bank facilities</b>	<b>£65.0m</b>	<b>£12.4m</b>

- » Majority of debt in the form of Invoice Discounting at a cost of Base +1.25%
- » Borrowing covenants – Net debt: EBITDA and EBIT: Interest cost





# Financial Review

## Cash flow summary

NWF Group plc  
Interim results to  
30 November 2014

	Nov 2014 £m	Nov 2013 £m	May 2014 £m
<b>Cash flows from operating activities</b>			
Operating profit	2.8	3.6	8.5
Depreciation and amortisation	2.0	1.8	3.7
Working capital	(1.3)	(3.0)	1.1
Other	(0.8)	(0.5)	(0.7)
<b>Operating cash flow</b>	<b>2.7</b>	<b>1.9</b>	<b>12.6</b>
Interest paid	(0.3)	(0.3)	(0.7)
Tax paid	(0.8)	(1.3)	(2.3)
<b>Net cash from operating activities</b>	<b>1.6</b>	<b>0.3</b>	<b>9.6</b>
<b>Cash flows from investing activities</b>			
Capital expenditure (net)	(2.9)	(1.6)	(3.2)
Acquisition of subsidiary	-	(6.4)	(6.5)
Other	0.6	0.1	(0.1)
<b>Increase in net debt</b>	<b>(0.7)</b>	<b>(7.6)</b>	<b>(0.2)</b>
Dividends paid	0.0	0.0	(2.3)
<b>Increase in net debt</b>	<b>(0.7)</b>	<b>(7.6)</b>	<b>(2.5)</b>
<b>Operating cash conversion</b>	<b>96.4%</b>	<b>52.8%</b>	<b>148.2%</b>

# Development strategy

## Feeds

NWF Group plc  
Interim results to  
30 November 2014

- » Agriculture an attractive market for the Group
  - » Population growth
  - » Relationships with 4,300 farmers
  - » Trusted adviser to farmers
- » Short term challenging conditions for Dairy farmers
- » Offering includes advice and technical support
- » No.2 in market ruminant and growing
- » Proven acquisition capability and headroom available

### *Development Strategy*

- » Investing in the ruminant market
  - » Industry consolidation and capacity investment
  - » Targeting bolt-on acquisitions
- » Diversifying the NWF Agriculture offering



# Development strategy

## Food

NWF Group plc  
Interim results to  
30 November 2014

- » Market for ambient groceries challenging but stable
  - » Big 4, discounters, deflation
- » Working with blue chip brands and retailers
- » Key value proposition
  - » High service levels
  - » Low cost and efficient
- » Boughie a major regional presence
- » Wardle full and underpinned by long term contracts



### *Development strategy*

- » Maintain service and improve efficiencies
- » Launch a pallet service offering, additional revenue stream
- » Target new business
- » Optimise customer mix

# Development Strategy

## Fuels

NWF Group plc  
Interim results to  
30 November 2014

- » Third largest oil distributor in the UK
- » Low cost depot focused operating mode<sup>1</sup>
- » Network built primarily by acquisition
- » Strong track record
- » Low ROS, high ROCE > 20%

### *Development strategy*

- » Driving for business balance
- » Investing in new depots and start ups
- » Targeting bolt-on acquisitions



### OUR LOCATIONS

- 1 Ammanford
- 2 Babbinswood
- 3 Bangor
- 4 Boston
- 5 Burnley
- 6 Burwell
- 7 Droitwich
- 8 Dyserth
- 9 Great Yarmouth
- 10 Kenilworth
- 11 Kingsbury
- 12 Long Marston
- 13 Mansfield
- 14 Nottingham
- 15 Southampton
- 16 Stoke
- 17 Wardle\*
- 18 Yate

\*Group head office  
and main operating site

# Group overview

## Summary & outlook

NWF Group plc  
Interim results to  
30 November 2014

- 
- » Solid result despite volatile markets
  - » Strong cash performance
  - » Significant changes in the Group's markets with overall demand stable
  - » Low oil prices marginally positive for the Group
  - » Experienced operational management across the Group
    - » Capability to outperform market conditions
  - » Strong platform for development
    - » Long term funding in place
    - » Resilient Group earnings and cash generation
  - » Strategic growth opportunities with a focus on Agri markets

# Group overview

## **Additional information**

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**NWF Group plc**  
Interim results to  
30 November 2014

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



# Business overview

## Feeds

NWF Group plc  
Interim results to  
30 November 2014

### Supply of feed to ruminants in the UK – principally dairy

- » National player – feeds one in six dairy cows in the UK, number two in the market
- » 580,000 tonnes per annum
- » Feed dairy, beef and sheep
- » Sell added value products including minerals, supplements and fertiliser
- » 4,300 customers
- » 188 people
- » 34 trucks, 14 trailers
- » Compound mills in Cheshire, Staffs and Devon
- » Blend plants in Dumfries & Galloway, Cheshire, Staffs and Devon





# Business overview

## Food

NWF Group plc  
Interim results to  
30 November 2014

### Consolidation of ambient grocery products to UK supermarkets

- » 100,000 pallet spaces
- » 800,000ft<sup>2</sup> of warehousing in Wardle
- » Market leader in the North West
- » 425 people
- » 100 trucks, 233 trailers
- » 99.7% service level
- » 200 customers including Princes & Typhoo
- » Packing room for added value work



# Business overview

## Fuels

NWF Group plc  
Interim results to  
30 November 2014

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

- » Third largest oil distributor in the UK
- » 57,000 customers
- » 202 people
- » 18 depots across the UK
- » Supply 52 retail petrol stations
- » 80 tankers
- » Fuel card marketing
- » 402 million litres per annum



# Group overview

## Locations

NWF Group plc  
Interim results to  
30 November 2014

### Feeds

Dumfries  
Wardle\*  
Stone  
Wixland

### Food

Wardle\*

### Fuels

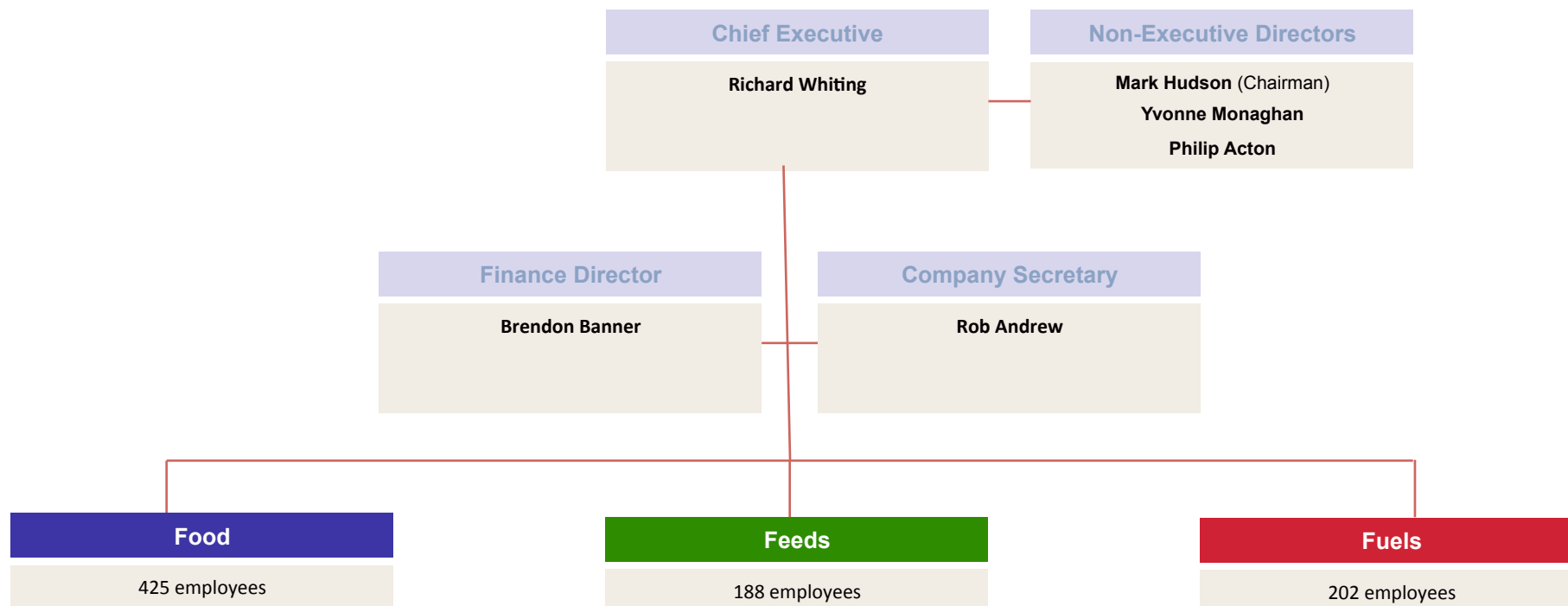
Ammanford  
Babbinswood  
Bangor  
Boston  
Burnley  
Burwell  
Droitwich  
Dyserth  
Great Yarmouth  
Kenilworth  
Kingsbury  
Long Marston  
Mansfield  
Nottingham  
Southampton  
Stoke  
Wardle\*  
Yate



# Group overview

## Organisation

NWF Group plc  
Interim results to  
30 November 2014





# Group overview

## Wardle main site

NWF Group plc  
Interim results to  
30 November 2014

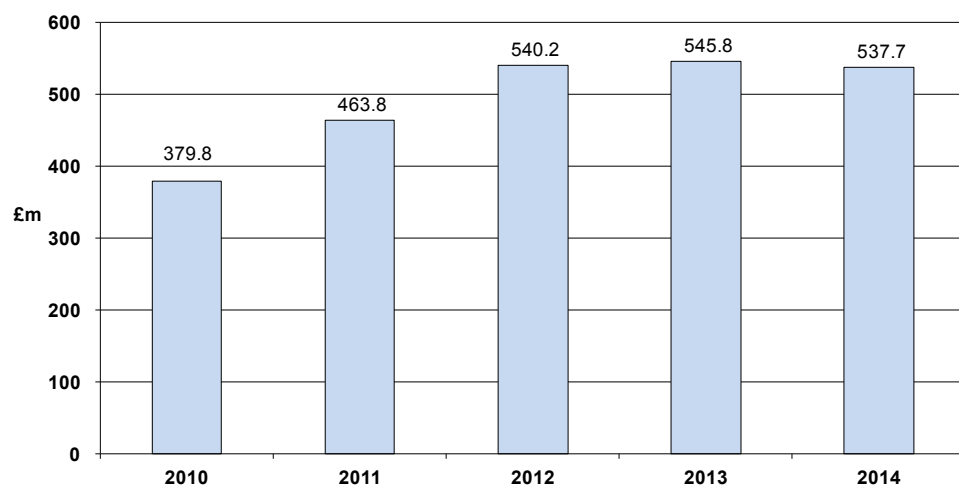


# Group Overview

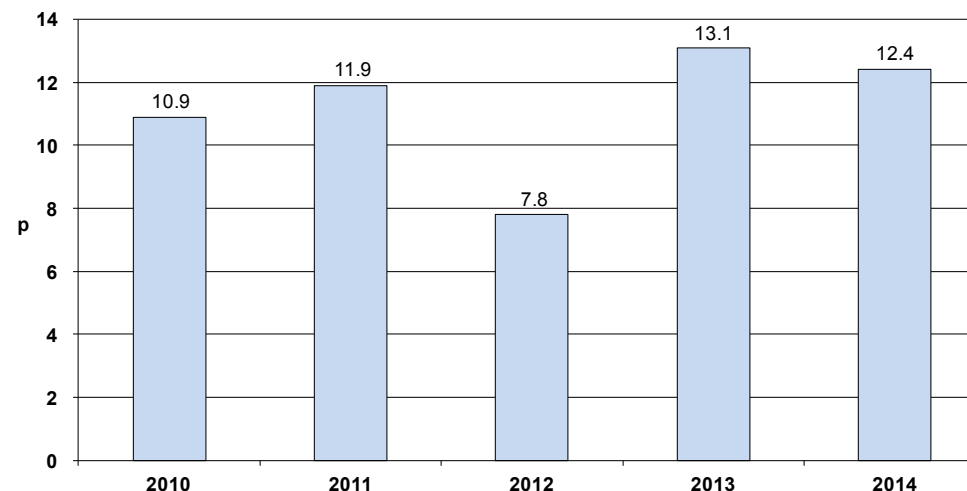
## Five year financial performance

NWF Group plc  
Interim results to  
30 November 2014

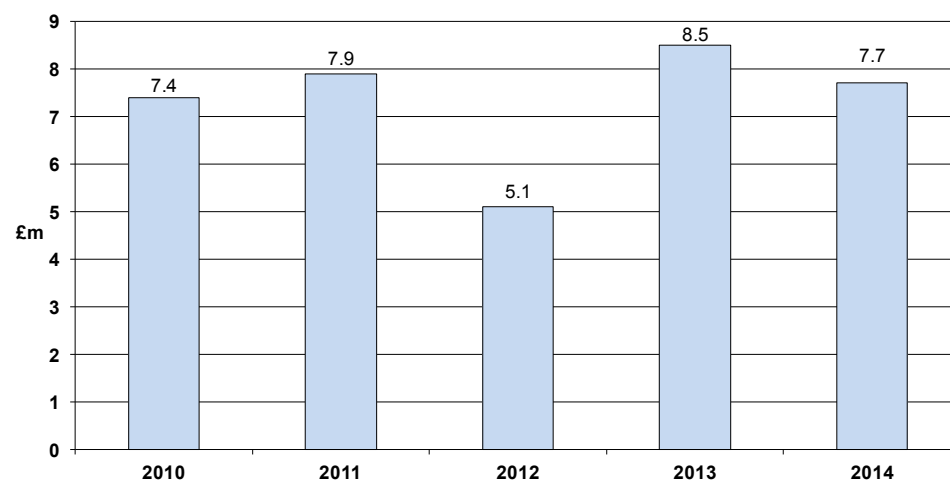
### Revenue



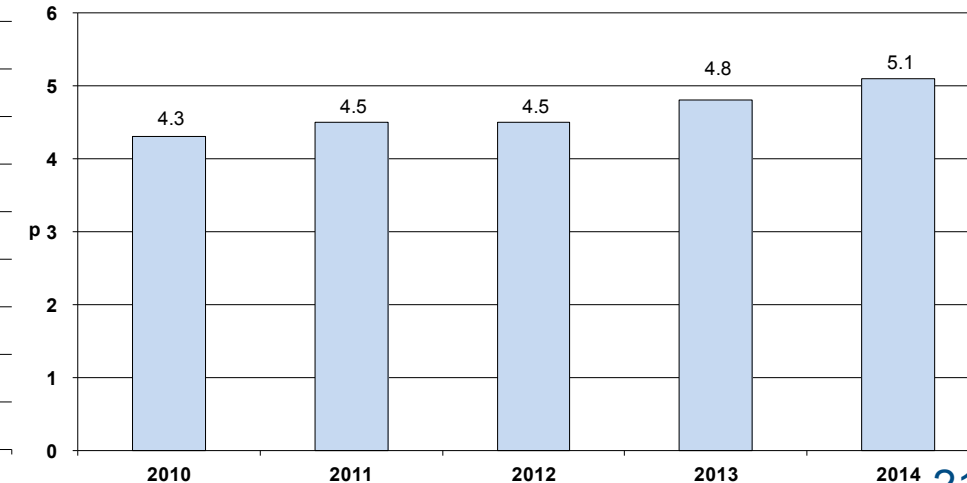
### EPS



### Headline PBT



### DPS

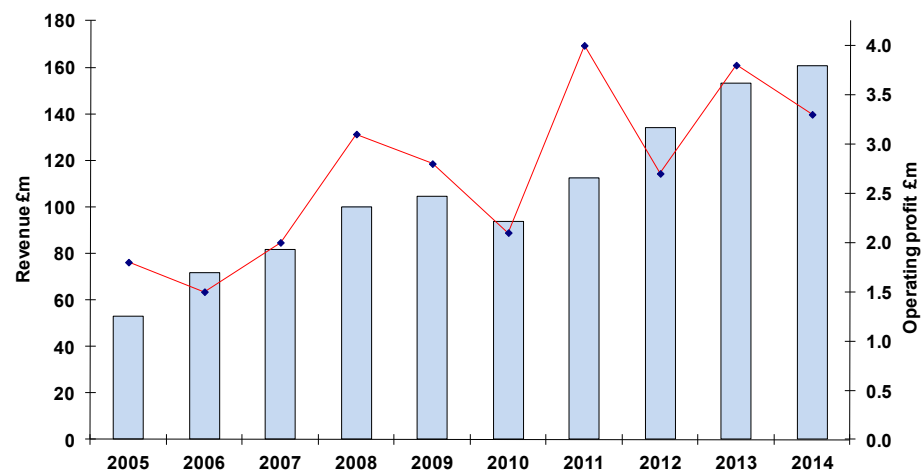


# Group Overview

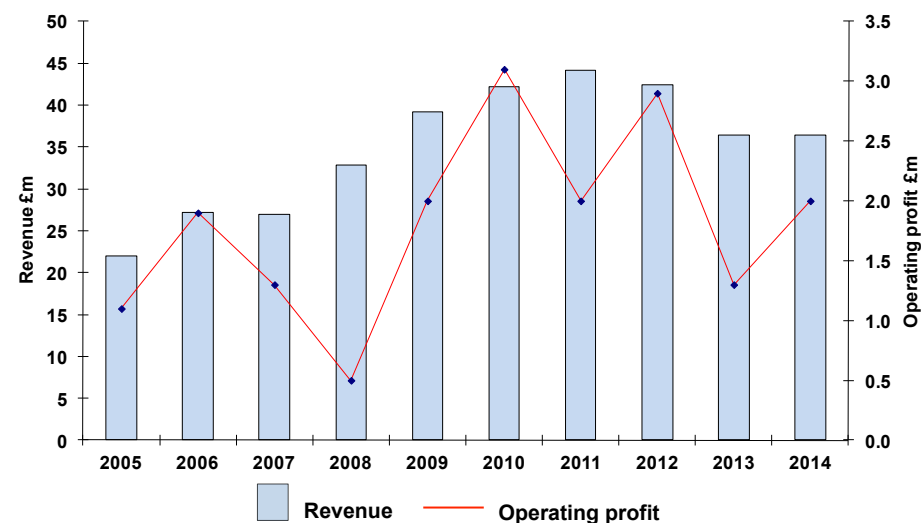
## Divisional track record

NWF Group plc  
Interim results to  
30 November 2014

### Feeds



### Food



### Fuels

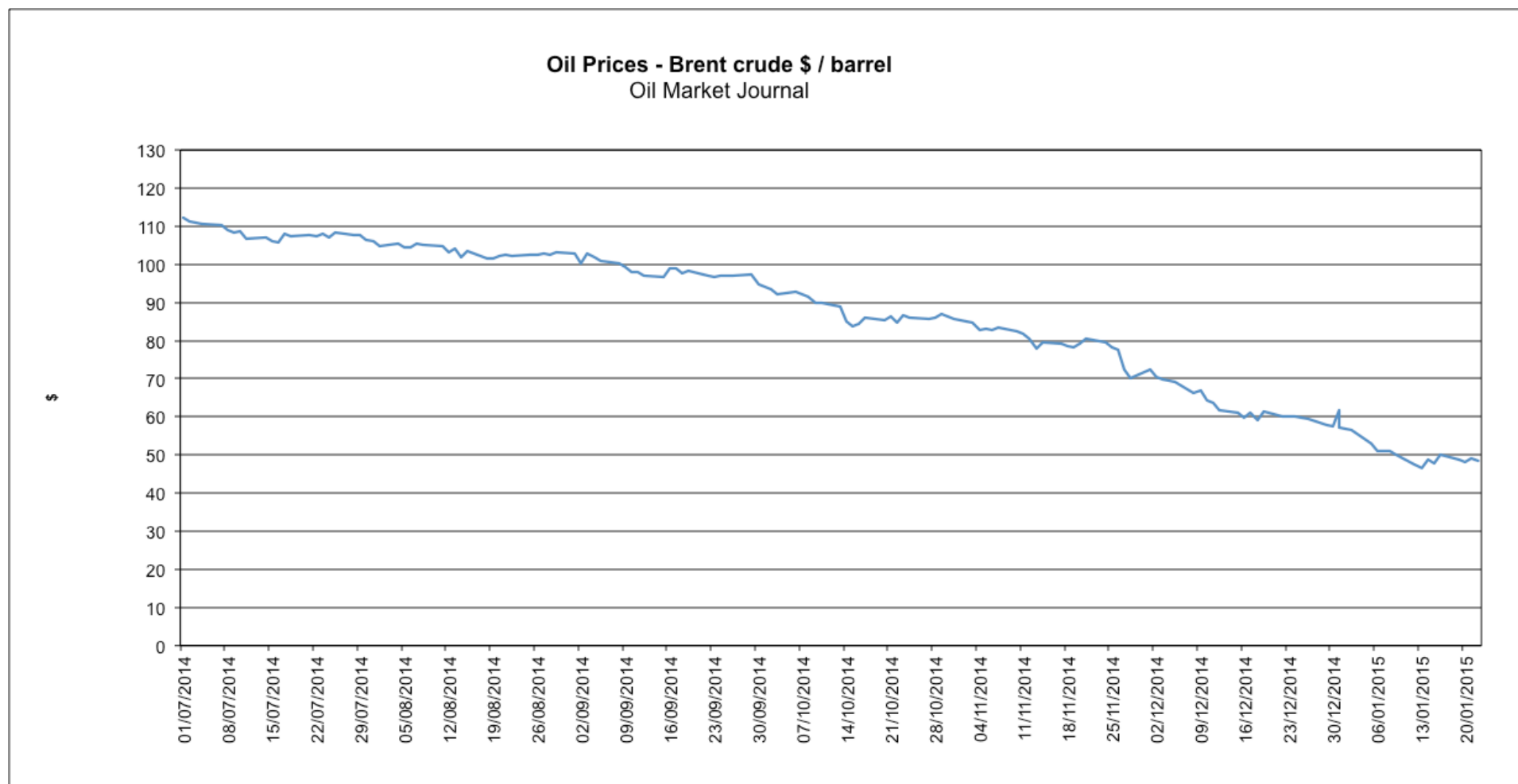




# Group overview

## Fuels additional market data

NWF Group plc  
Interim results to  
30 November 2014



# Group overview

## Feeds additional market data

NWF Group plc  
Interim results to  
30 November 2014

