

NWF Group plc

# Interim Report 2012/13



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**NWF Group is a specialist agricultural and distribution business delivering feed, food and fuel across the UK.**

Our aim is to deliver total shareholder returns by the continued profitable development of our businesses through a combination of organic growth, capital investment and selective acquisitions.



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You can keep up to date with all the latest news and figures from NWF via our website [www.nwf.co.uk](http://www.nwf.co.uk)

## Financial

- ⦿ Revenue down 2.7% to £256.5 million (H1 2011: £263.7 million)
- ⦿ Operating profit up 20.8% to £2.9 million (H1 2011: £2.4 million)
- ⦿ Profit before taxation up 27.8% to £2.3 million (H1 2011: £1.8 million)
- ⦿ Basic earnings per share up 28.6% to 3.6p (H1 2011: 2.8p)
- ⦿ Interim dividend per share unchanged at 1.0p (H1 2011: 1.0p)
- ⦿ Net debt down 53.2% to £13.7 million (30 November 2011: £29.3 million)

## Operational

- ⦿ **Feeds** – revenue increased by 10.1% to £66.2 million (H1 2011: £60.1 million) mainly as a result of higher prices. Operating profit of £1.6 million is ahead of expectations as a result of focusing on direct business with farmers and effective management of significant commodity price increases and volatility.
- ⦿ **Food** – revenue decreased by 17.5% to £18.9 million (H1 2011: £22.9 million). Operating profits reduced to £0.8 million, slightly behind management expectations, as the business has available storage capacity, the take-on of new customers has been slower than anticipated and outbound activity has been lower.
- ⦿ **Fuels** – revenue decreased by 5.1% to £171.4 million (H1 2011: £180.7 million) as a consequence of lower crude oil prices. Operating profits were in line with expectations at £0.5 million, ahead of the break-even position in the prior period reflecting a return to normal market conditions. Volumes were stable at 192 million litres (H1 2011: 192 million litres).



**Mark Hudson** Chairman

## NWF has delivered a robust set of results in the first half, with performance in line with the Board's expectations.

NWF has delivered a robust set of results in the first half, with performance in line with the Board's expectations. Feeds performed well in an environment of volatile and increasing commodity costs, by focusing on working directly with our farming customers and was helped by weaker grazing conditions resulting from the wet autumn conditions. Food performance was impacted by a slower than anticipated take-on of new accounts and continuing challenges in the market place with pressures throughout the supply chain. Fuels performed in line with our expectations demonstrating a strong recovery from a difficult fuel market in the previous period.

Net debt at the period end was £13.7 million, compared to £29.3 million as at 30 November 2011. This significant improvement has been driven by the focus of the Board on managing cash flows with the majority of the reduction coming from the use of lower working capital levels than in the prior period. The Group's banking facilities are committed until October 2015.

### Results

Revenue for the half year ended 30 November 2012 was down 2.7% to £256.5 million (H1 2011: £263.7 million) due mainly to lower crude oil prices than in the prior year. Operating profit was up 20.8% to £2.9 million (H1 2011: £2.4 million). Profit before taxation was up 27.8% to £2.3 million (H1 2011: £1.8 million).

Basic earnings per share were up 28.6% to 3.6p (H1 2011: 2.8p). Diluted earnings per share were 3.6p (H1 2011: 2.7p).

Operating cash inflow for the period, before movements in working capital, amounted to £4.1 million (H1 2011: £3.8 million) due to the increase in operating profits. Greater levels of activity in Feeds and Fuels and higher prices in Feeds resulted in a net cash investment in working capital of £0.6 million in the first half year (H1 2011: £12.3 million). Net capital expenditure in the period was £0.9 million (H1 2011: £2.9 million).

Net debt at the period end was £13.7 million (30 November 2011: £29.3 million), with debt to EBITDA at 1.4 times (H1 2011: 2.3 times). This improvement has resulted from lower levels of working capital compared to the same time last year when working capital was abnormally high.

Net assets at 30 November 2012 increased by £1.7 million to £27.3 million (30 November 2011: £25.6 million) due to the profit retained by the Group.

### Dividend

The Board has approved an unchanged interim dividend per share of 1.0p (H1 2011: 1.0p). This will be paid on 1 May 2013 to shareholders on the register on 22 March 2013. The shares will trade ex-dividend on 20 March 2013.

## Operations

### Feeds

Revenue increased by 10.1% to £66.2 million (H1 2011: £60.1 million) mainly as a result of higher prices. Volumes were up only 0.5% to 214,000 tonnes (H1 2011: 213,000 tonnes) as the decision was made to focus on supplying farmers on a direct basis rather than targeting buying groups, at a time of rapidly increasing commodity costs. Operating profit was £1.6 million, compared to £0.6 million for the same period last year, as the business mix improved. Further progress was made with protected proteins with sales up 27% on the prior period. Market volumes increased in the period as a result of poor grazing conditions through the wet summer and autumn, and inferior silage quality.

### Food

Revenue declined by 17.5% to £18.9 million (H1 2011: £22.9 million). Operating profits reduced to £0.8 million, slightly behind expectations, compared to a record £1.8 million in the prior period, as the business has storage capacity available and the take-on of new customers has been slower than anticipated. Average storage levels in the period were 95,000 pallet spaces (H1 2011: 109,000) and no external storage facilities were required.

Outbound loads were 16% lower than prior year mainly due to the exit of AB World Foods, which occurred in the second half of the last financial year. Efficiency gains have been made following the implementation of new systems and processes in the last twelve months; these combined with a focus on cost reduction have enabled us to reduce the workforce by 16% compared to November 2011. Customer service in the period remained strong at 99.6% on time in full ('OTIF') and was rewarded with contractual service bonuses from customers.

### Fuels

Revenue decreased by 5.1% to £171.4 million (H1 2011: £180.7 million) as a consequence of lower crude oil prices. Volumes were stable at 192 million litres (H1 2011: 192 million litres). Operating profit was £0.5 million compared to breakeven in the prior period. The action taken to rationalise the fleet and streamline operations in the second half of the prior year has delivered the improvement, with higher margins and lower operating overheads. The seventeen strong depot network is performing in line with our expectations. Brent crude prices fell to an average of \$107.59 per barrel compared to \$111.50 in the prior period.

## Outlook and future prospects

The Group delivered a solid performance in the first half in a weak economic and financial environment.

Further progress has been made since the period end. In Feeds, we have continued with our strategy to focus on direct supply to our farming customers helping them to manage the volatility and uncertainty in commodity prices. In the Food division, we continue to target new customers and drive efficiency across the warehousing and distribution operations. In Fuels, performance continues to be in line with our expectations as the depots focus on providing a high level of local service whatever the conditions, supported by storage capability across the network.

The Group is trading in line with the expectations of the Board and, as we set out at the time of our preliminary announcement, we are continuing to work on development plans with a particular emphasis on opportunities in the agriculture markets.

I look forward to updating shareholders later this year.



### Mark Hudson

Chairman  
29 January 2013

## Condensed consolidated income statement

for the half year ended 30 November 2012 (unaudited)

	Note	Half year ended 30 November 2012 £m	Half year ended 30 November 2011 £m	Year ended 31 May 2012 £m
<b>Revenue</b>	3	<b>256.5</b>	263.7	540.2
Operating expenses		<b>(253.6)</b>	(261.3)	(533.9)
<b>Operating profit</b>	3	<b>2.9</b>	2.4	6.3
Finance costs		<b>(0.6)</b>	(0.6)	(1.2)
<b>Profit before taxation</b>		<b>2.3</b>	1.8	5.1
Income tax expense	4	<b>(0.6)</b>	(0.5)	(1.3)
<b>Profit for the period attributable to equity shareholders</b>		<b>1.7</b>	1.3	3.8
<b>Earnings per share (pence)</b>				
Basic	5	<b>3.6</b>	2.8	8.1
Diluted	5	<b>3.6</b>	2.7	8.0

## Condensed consolidated statement of comprehensive income

for the half year ended 30 November 2012 (unaudited)

	Half year ended 30 November 2012 £m	Half year ended 30 November 2011 £m	Year ended 31 May 2012 £m
Profit for the period attributable to equity shareholders	<b>1.7</b>	1.3	3.8
Actuarial loss on defined benefit pension schemes	—	(3.8)	(6.2)
Tax on items taken directly to equity	—	0.9	1.4
<b>Total comprehensive income/(loss) for the period</b>	<b>1.7</b>	(1.6)	(1.0)

The notes on pages 8 to 14 form an integral part of these condensed consolidated interim financial statements.

# Condensed consolidated balance sheet

as at 30 November 2012 (unaudited)

	30 November 2012 £m	(Restated*) 30 November 2011 £m	31 May 2012 £m
<b>Non-current assets</b>			
Property, plant and equipment	38.0	40.0	38.9
Intangible assets	11.6	11.2	11.6
Deferred income tax assets	4.0	4.0	4.3
	53.6	55.2	54.8
<b>Current assets</b>			
Inventories	4.2	5.4	3.5
Trade and other receivables	61.3	67.9	56.2
Cash at bank and in hand	0.1	0.7	0.2
Derivative financial instruments	1.0	0.4	0.8
	66.6	74.4	60.7
<b>Total assets</b>	120.2	129.6	115.5
<b>Current liabilities</b>			
Trade and other payables	(55.5)	(52.5)	(50.4)
Current income tax liabilities	(0.9)	(0.6)	(0.5)
Borrowings	(0.6)	(1.2)	(1.0)
Derivative financial instruments	(0.9)	(0.4)	(0.6)
	(57.9)	(54.7)	(52.5)
<b>Non-current liabilities</b>			
Borrowings	(13.2)	(28.8)	(14.7)
Deferred income tax liabilities	(4.9)	(5.4)	(5.3)
Retirement benefit obligations	(16.9)	(15.1)	(17.3)
	(35.0)	(49.3)	(37.3)
<b>Total liabilities</b>	(92.9)	(104.0)	(89.8)
<b>Net assets</b>	27.3	25.6	25.7
<b>Equity</b>			
Share capital (note 7)	11.8	11.8	11.8
Retained earnings	15.5	13.8	13.9
<b>Total shareholders' equity</b>	27.3	25.6	25.7

\* During the half year ended 31 May 2012, the Group completed its initial accounting in respect of the acquisition of Swan Petroleum Limited. This has resulted in the restatement of the net assets comparative information as at 30 November 2011. This restatement has no impact on reported profits, equity or cash flow in the half year ended 30 November 2011. See note 6 for further details.

The notes on pages 8 to 14 form an integral part of these condensed consolidated interim financial statements.

# Condensed consolidated statement of changes in equity

as at 30 November 2012 (unaudited)

	Share capital £m	Retained earnings £m	Total equity £m
<b>Balance at 1 June 2011</b>	11.7	17.3	29.0
Profit for the period	—	1.3	1.3
Other comprehensive income/(expense):			
Actuarial loss on defined benefit pension schemes	—	(3.8)	(3.8)
Tax on items taken directly to equity	—	0.9	0.9
Total comprehensive loss for the period	—	(1.6)	(1.6)
Transactions with owners:			
Dividend paid	—	(1.7)	(1.7)
Issue of shares (note 7)	0.1	(0.3)	(0.2)
Credit to equity for equity-settled share-based payments	—	0.1	0.1
	0.1	(1.9)	(1.8)
<b>Balance at 30 November 2011</b>	11.8	13.8	25.6
Profit for the period	—	2.5	2.5
Other comprehensive income/(expense):			
Actuarial loss on defined benefit pension schemes	—	(2.4)	(2.4)
Tax on items taken directly to equity	—	0.5	0.5
Total comprehensive income for the period	—	0.6	0.6
Transactions with owners:			
Dividend paid	—	(0.4)	(0.4)
Issue of shares (note 7)	—	(0.1)	(0.1)
	—	(0.5)	(0.5)
<b>Balance at 31 May 2012</b>	11.8	13.9	25.7
Profit and total comprehensive income for the period	—	1.7	1.7
Transactions with owners:			
Issue of shares (note 7)	—	(0.2)	(0.2)
Credit to equity for equity-settled share-based payments	—	0.1	0.1
	—	(0.1)	(0.1)
<b>Balance at 30 November 2012</b>	<b>11.8</b>	<b>15.5</b>	<b>27.3</b>

The notes on pages 8 to 14 form an integral part of these condensed consolidated interim financial statements.



# Condensed consolidated cash flow statement

for the half year ended 30 November 2012 (unaudited)

	Half year ended 30 November 2012 £m	Half year ended 30 November 2011 £m	Year ended 31 May 2012 £m
<b>Cash flows from operating activities</b>			
Operating profit	2.9	2.4	6.3
Adjustments for:			
Depreciation of property, plant and equipment	1.5	1.8	3.0
Other	(0.3)	(0.4)	(1.1)
Operating cash flows before movements in working capital	4.1	3.8	8.2
Movements in working capital:			
(Increase)/decrease in inventories	(0.8)	(1.4)	0.5
(Increase)/decrease in receivables	(5.3)	(7.9)	3.3
Increase/(decrease) in payables	5.5	(3.0)	(5.0)
<b>Net cash generated from/(absorbed by) operations</b>	<b>3.5</b>	<b>(8.5)</b>	<b>7.0</b>
Interest paid	(0.4)	(0.5)	(1.0)
Income tax paid	(0.3)	(1.5)	(2.1)
<b>Net cash generated from/(absorbed by) operating activities</b>	<b>2.8</b>	<b>(10.5)</b>	<b>3.9</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible assets	(0.2)	(0.5)	(0.9)
Purchase of property, plant and equipment	(0.8)	(2.6)	(2.9)
Proceeds on sale of property, plant and equipment	0.1	0.2	0.7
Acquisition of subsidiary (note 6)	—	(2.7)	(2.7)
<b>Net cash absorbed by investing activities</b>	<b>(0.9)</b>	<b>(5.6)</b>	<b>(5.8)</b>
<b>Cash flows from financing activities</b>			
Proceeds from bank borrowings	—	18.4	4.7
Repayment of bank borrowings	(1.4)	—	—
Bank loan issue costs	—	—	(0.1)
Capital element of finance lease and hire purchase payments	(0.6)	(0.6)	(1.1)
Dividends paid	—	(1.7)	(2.1)
<b>Net cash (absorbed by)/generated from financing activities</b>	<b>(2.0)</b>	<b>16.1</b>	<b>1.4</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(0.1)</b>	<b>—</b>	<b>(0.5)</b>
Cash and cash equivalents at beginning of period	0.2	0.7	0.7
<b>Cash and cash equivalents at end of period</b>	<b>0.1</b>	<b>0.7</b>	<b>0.2</b>

The notes on pages 8 to 14 form an integral part of these condensed consolidated interim financial statements.

# Notes to the condensed consolidated interim financial statements

## for the half year ended 30 November 2012 (unaudited)

### 1. General information

NWF Group plc ('the Company') is a public limited company incorporated and domiciled in the UK under the Companies Act 2006. The address of its registered office is NWF Group plc, Wardle, Nantwich, Cheshire CW5 6BP.

The Company has its primary listing on AIM, part of the London Stock Exchange.

These condensed consolidated interim financial statements ('interim financial statements') were approved for issue on 29 January 2013.

These interim financial statements do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The interim financial statements for the half year ended 30 November 2012 and 30 November 2011 are neither audited nor reviewed by the Company's auditors. Statutory accounts for the year ended 31 May 2012 were approved by the Board of Directors on 14 August 2012 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006.

### 2. Basis of preparation and accounting policies

Except as described below, these interim financial statements have been prepared in accordance with the principal accounting policies used in the Company's consolidated financial statements for the year ended 31 May 2012. These interim financial statements should be read in conjunction with those consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as endorsed by the European Union.

These interim financial statements do not fully comply with IAS 34 'Interim Financial Reporting', as is currently permissible under the rules of AIM.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new EU-endorsed standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 June 2012, but have not had an impact on the amounts reported in these interim financial statements:

Amendment to IFRS 7 'Financial Instruments: Disclosures – Transfers of Financial Assets'

Further, the following new EU-endorsed standards, amendments to standards and interpretations have been issued and have received EU endorsement, but are not effective for the financial year beginning 1 June 2012 and have not been early adopted:

Amendments to IAS 19 'Employee Benefits'

Amendments to IAS 1 'Presentation of Items of Other Comprehensive Income'

Amendments to IFRS 7 'Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities'

Amendments to IAS 32 'Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities'

IFRS 10 'Consolidated Financial Statements'

IFRS 11 'Joint Arrangements'

IFRS 12 'Disclosure of Interests in Other Entities'

IFRS 13 'Fair Value Measurement'

IAS 27 'Separate Financial Statements'

IAS 28 'Investments in Associates and Joint Ventures'

Amendments to IAS 12 'Income Taxes: Deferred Tax – Recovery of Underlying Assets'

## 2. Basis of preparation and accounting policies continued

The amendments to IAS 19 above are mandatory for accounting periods commencing on or after 1 January 2013. The adoption of these amendments will impact the measurement of the various components representing movements in the Group's defined benefit pension scheme obligations and associated disclosures, but not the Group's total obligations. It is likely that, following the replacement of expected returns on plan assets with a net finance cost in the income statement, the profit for the period will be reduced and accordingly other comprehensive income increased. Beyond this information, it is not practicable to provide a reasonable estimate of the effect of the amendments until a detailed review has been completed.

The Directors anticipate that the adoption of the other standards and amendments above in future periods will not have a material impact on the amounts reported in the Group financial statements.

## 3. Segment information

The chief operating decision-maker has been identified as the Board of Directors ('the Board'). The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The Board has determined that the operating segments, based on these reports, are Food, Feeds and Fuels.

The Board considers the business from a product/services perspective. In the Board's opinion, all of the Group's operations are carried out in the same geographical segment, namely the UK.

The nature of the products/services provided by the operating segments are summarised below:

Food	–	warehousing and distribution of clients' ambient grocery and other products to supermarket and other retail distribution centres
Feeds	–	manufacture and sale of animal feeds and other agricultural products
Fuels	–	sale and distribution of domestic heating, industrial and road fuels

Segment information about the above businesses is presented below.

The Board assesses the performance of the operating segments based on a measure of operating profit. Finance income and costs are not included in the segment result that is assessed by the Board. Other information provided to the Board is measured in a manner consistent with that in the financial statements.

Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Segment assets exclude deferred income tax assets and cash at bank and in hand. Segment liabilities exclude taxation, borrowings and retirement benefit obligations. Excluded items are part of the reconciliation to consolidated total assets and liabilities.

# Notes to the condensed consolidated interim financial statements

for the half year ended 30 November 2012 (unaudited)  
continued

## 3. Segment information continued

Half year ended 30 November 2012	Food £m	Feeds £m	Fuels £m	Group £m
<b>Revenue</b>				
Total revenue	19.1	66.2	175.0	260.3
Inter-segment revenue	(0.2)	—	(3.6)	(3.8)
Revenue	18.9	66.2	171.4	256.5
<b>Result</b>				
Operating profit	0.8	1.6	0.5	2.9
Finance costs				(0.6)
Profit before taxation				2.3
Income tax expense (note 4)				(0.6)
Profit for the period				1.7

As at 30 November 2012	Food £m	Feeds £m	Fuels £m	Group £m
<b>Balance sheet</b>				
<b>Assets</b>				
Segment assets	34.5	32.4	49.2	116.1
Deferred income tax assets				4.0
Cash at bank and in hand				0.1
Consolidated total assets				120.2
<b>Liabilities</b>				
Segment liabilities	(4.0)	(10.9)	(41.5)	(56.4)
Current income tax liabilities				(0.9)
Deferred income tax liabilities				(4.9)
Borrowings				(13.8)
Retirement benefit obligations				(16.9)
Consolidated total liabilities				(92.9)

### 3. Segment information continued

Half year ended 30 November 2011	Food £m	Feeds £m	Fuels £m	Group £m
<b>Revenue</b>				
Total revenue	23.0	60.1	185.8	268.9
Inter-segment revenue	(0.1)	—	(5.1)	(5.2)
Revenue	22.9	60.1	180.7	263.7
<b>Result</b>				
Operating profit	1.8	0.6	—	2.4
Finance costs				(0.6)
Profit before taxation				1.8
Income tax expense (note 4)				(0.5)
Profit for the period				1.3

As at 30 November 2011	Food £m	Feeds £m	Fuels £m	Group £m
<b>Balance sheet</b>				
<b>Assets</b>				
Segment assets	35.7	30.9	58.3	124.9
Deferred income tax assets				4.0
Cash at bank and in hand				0.7
Consolidated total assets				129.6
<b>Liabilities</b>				
Segment liabilities	(4.5)	(9.4)	(39.0)	(52.9)
Current income tax liabilities				(0.6)
Deferred income tax liabilities				(5.4)
Borrowings				(30.0)
Retirement benefit obligations				(15.1)
Consolidated total liabilities				(104.0)

# Notes to the condensed consolidated interim financial statements

for the half year ended 30 November 2012 (unaudited)  
continued

## 3. Segment information continued

Year ended 31 May 2012	Food £m	Feeds £m	Fuels £m	Group £m
<b>Revenue</b>				
Total revenue	42.9	133.9	372.3	549.1
Inter-segment revenue	(0.5)	—	(8.4)	(8.9)
Revenue	42.4	133.9	363.9	540.2
<b>Result</b>				
Operating profit	3.0	2.7	0.6	6.3
Finance costs				(1.2)
Profit before taxation				5.1
Income tax expense (note 4)				(1.3)
Profit for the period				3.8

As at 31 May 2012	Food £m	Feeds £m	Fuels £m	Group £m
<b>Balance sheet</b>				
<b>Assets</b>				
Segment assets	34.1	29.8	47.1	111.0
Deferred income tax assets				4.3
Cash at bank and in hand				0.2
Consolidated total assets				115.5
<b>Liabilities</b>				
Segment liabilities	(3.8)	(11.3)	(35.9)	(51.0)
Current income tax liabilities				(0.5)
Deferred income tax liabilities				(5.3)
Borrowings				(15.7)
Retirement benefit obligations				(17.3)
Consolidated total liabilities				(89.8)

#### 4. Income tax expense

The income tax expense for the half year ended 30 November 2012 is based upon management's best estimate of the weighted average annual tax rate expected for the full financial year ending 31 May 2013 of 25.9% (H1 2011: 28.4%).

#### 5. Earnings per share

The calculation of basic earnings per share for the half year ended 30 November 2012 is based on profit for the period attributable to equity shareholders of £1.7 million (H1 2011: £1.3 million) and on 47.2 million (H1 2011: 47.1 million) ordinary shares, representing the weighted average number of shares in issue during the period.

The calculations of diluted earnings per share are based on the figures shown above amended for the weighted average dilutive effect of 54,352 (H1 2011: 165,900) conditional share awards and Nil (H1 2011: 33,306) Save As You Earn ('SAYE') share options outstanding in the period (see note 7).

#### 6. Business combinations

On 30 September 2011, the Group acquired 100% of the share capital of Swan Petroleum Limited, a fuel distribution business, for a total cash consideration of £2.8 million. Further details on this acquisition can be found in note 10 of the Company's consolidated financial statements for the year ended 31 May 2012.

As permitted by IFRS 3 (revised) 'Business Combinations', at 30 November 2011, the fair values of certain assets acquired in respect of the acquisition of Swan Petroleum Limited were considered to be provisional by the Directors. During the half year ended 31 May 2012, the Group completed its initial accounting in respect of this acquisition. This resulted in an increase in the value of commercial vehicles acquired (included within property, plant and equipment) of £0.1 million and an increase in trade and other receivables of £0.4 million, with a corresponding decrease of £0.5 million in goodwill (included within intangible assets).

The comparative information at 30 November 2011 has been restated to reflect these adjustments in accordance with IFRS 3 (revised). This restatement has no impact on reported profits, equity or cash flow for the half year ended 30 November 2011.

#### 7. Share capital

	Number of shares (000s)	Total £m
<b>Allotted and fully paid: ordinary shares of 25p each</b>		
Balance at 31 May 2011	47,007	11.7
Issue of shares (see overleaf)	169	0.1
Balance at 30 November 2011	47,176	11.8
Balance at 31 May 2012	47,176	11.8
Issue of shares (see overleaf)	128	—
<b>Balance at 30 November 2012</b>	<b>47,304</b>	<b>11.8</b>

# Notes to the condensed consolidated interim financial statements

for the half year ended 30 November 2012 (unaudited)  
continued

## 7. Share capital continued

During the half year ended 30 November 2012, 127,517 (H1 2011: 169,156) shares with an aggregate nominal value of £31,879 (H1 2011: £42,289) were issued for no consideration under the Company's conditional Performance Share Plan.

The maximum total number of ordinary shares, which may vest in the future in respect of conditional Performance Share Plan awards outstanding at 30 November 2012, amounted to 979,976 (H1 2011: 1,312,199) shares. These shares will only be issued subject to satisfying certain performance criteria.

During the half year ended 30 November 2011, the Company implemented a new SAYE share option scheme for the Group's eligible employees. The total number of SAYE options outstanding at 30 November 2012 amounted to 679,484 (H1 2011: 860,647) shares. These options have a vesting period of three years and can be exercised from 1 November 2014 for a period of six months at a price of £1.06 per share.

## 8. Interim report

Copies of this Interim Report are due to be sent to shareholders on 6 February 2013. Further copies may be obtained from the Company Secretary at NWF Group plc, Wardle, Nantwich, Cheshire CW5 6BP, or from the Company's website at [www.nwf.co.uk](http://www.nwf.co.uk).

## 9. 2013 financial calendar

Interim dividend paid	1 May 2013
Financial year end	31 May 2013
Preliminary announcement of full-year results	Mid August 2013
Publication of Annual Report and Accounts	Late August 2013
Annual General Meeting	26 September 2013
Final dividend paid	2 December 2013



## Registrars

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## Bankers

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## Nominated adviser and broker

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## Financial PR

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## Registered number

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