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NWF Group PLC
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NWF Group plc ('NWF' or 'the Group')

NWF Group plc: Trading update

NWF Group plc, the specialist distribution business, is pleased to announce an update on its trading in the financial year ending 31 May 2009.

The Group's strong performance in the first half year has continued through the key winter months.

In the Distribution division outbound volumes continue to be strong with good demand for ambient grocery products. The focus on operating efficiency is delivering results ahead of plan and the division continues to maintain very high levels of customer service which are being rewarded.

The feeds market has seen tougher trading conditions coming into the spring with lower milk prices and compound feed volumes as milk output reduced. This has been exacerbated by a greater use of home grown cereals at lower price levels. Despite these factors the Feeds division continues to deliver good results against this tougher market back drop.

The Fuels division is delivering record levels of performance as a number of key factors combine for exceptional trading results. The strong depot focused management team has performed well during a period of continued oil price falls and volatility. This in conjunction with a very cold winter improved both volumes and margins as the business focused on maintaining class leading service levels whilst competitors pushed out delivery lead times.

The focus on cash management continues in the Group with further improvements and reductions in net debt being delivered.

As a result of the factors outlined above the Board now anticipates the outcome of the current financial year will be significantly ahead of current market expectations.

NWF will be holding a site visit at the main Wardle site on Friday 8 May for analysts and shareholders. No new information will be made available during this visit.

Commenting on the update, Richard Whiting, Chief Executive, said: 'NWF has continued to perform at record levels throughout the key winter months and in particular the team in the fuels division has delivered an exceptionally strong result. The strength of our three trading divisions continues to deliver a good platform to support the future development of the Group

-Ends-

For further information please visit www.nwf.co.uk or contact:

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This information is provided by RNS
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