



NWF Group plc

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

NWF Group plc: Acquisition of Swan Petroleum Ltd

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NWF, the specialist agricultural and distribution business, is pleased to announce the acquisition of Swan Petroleum Limited ("Swan") ("the Acquisition"), a 42 million litre depot based fuel distribution business operating in the North West of England. The Acquisition will increase NWF Fuels division's volume by 10% and enhance NWF's current penetration across the North West and North Wales.

Based near Oswestry, Shropshire, Swan has been trading for 30 years and operates from three sites including a significant storage facility at Babbinswood near Oswestry with a fleet of 13 tankers. Swan's other depots are located at Byley, near Middlewich and Irlam. NWF will integrate the business into its existing 17 depot structure delivering improvements in operating efficiency and will retain the Swan brand and continue to provide excellent service to both domestic and commercial customers across the region. For the year ended March 2011, Swan delivered revenue of £28.5 million and operating profits of £0.2 million. Net assets at 31 March 2011 were £4.5 million. Proforma net assets, adjusted to reflect the Acquisition terms, were £0.3 million.

The consideration of £2.75 million is on debt free, cash free basis with a normal level of working capital and will be subject to finalisation of agreed completion accounts. The consideration will be satisfied through the Group's existing bank facilities and the Acquisition is expected to be earnings enhancing in the first full financial year of ownership.

Commenting on the acquisition, Richard Whiting, Chief Executive said "Trading since the start of our new financial year is in line with our expectations and we are excited by the opportunities that this Acquisition provides. It represents a significant bolt on to our Fuel division's operations, in line with our strategy, as indicated during our recent Full Year results' announcement in August. It increases further our penetration in the key North West and North Wales markets and offers some significant synergies with our existing business. The strength of the customer mix and the brand are key attributes of the business. Following the Acquisition, NWF Fuels will deliver over 470 million litres of fuel annually to over 38,000 customers from 20 sites across the UK."

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

Richard Whiting, Chief Executive
Johnathan Ford, Finance Director
NWF Group plc
Tel: 01829 260 260

John West
Andrew Dunn
Tavistock Communications
Tel: 020 7920 3150

Julian Blunt
Harry Florry
Peel Hunt LLP
(Nominated Adviser)
Tel: 020 7418 8900