

NWF Group plc

New Contract for Boughey Distribution Planning Consent Recieved for Wardle Site

NWF Group plc ("NWF"), the diversified sales and distribution business, announces that its wholly owned subsidiary, Boughey Distribution Ltd, has won a new contract with Patak's Food Ltd ("Patak's").

Boughey has been awarded a two-year contract with Patak's for storage and distribution of their products based at the Boughey warehouse at Deeside, Chester. As part of the agreement Boughey will brand a number of its trailers with Patak's livery. Following this contract and the previously announced agreement with HP Foods, the Warehouse at Deeside will be fully occupied by the end of January.

NWF also announces that planning permission has been received for building further warehouses at the Group's main site at Wardle, Cheshire. If fully developed, the site at Wardle would increase its storage by some 80% from its current 45,000 pallets to 82,500 pallets. Additionally the Group has leased warehouses in Winsford (12,500 pallets) and at Deeside (19,000 pallets).

In the first half of 2005, NWF will undertake studies to determine whether, when and how to make use of this option. Further announcements will be made as and when appropriate.

Graham Scott, Chief Executive, NWF commented: "Boughey has sophisticated stock control systems which ensure correct rotation of ambient products and full traceability from point of receipt to delivery. Goods are held on behalf of over one hundred customers, both UK manufacturers and importers, and the products are delivered nationally to the full range of supermarket, wholesale and speciality outlets. Boughey is increasingly being recognised as a distribution firm of choice as can be evidenced by the Patak's contract."

He added: "We are pleased to have received planning permission, which will enable us, if we so choose, to develop our site at Wardle and significantly increase our warehousing capacity. We will be assessing the various factors associated with undertaking this development and will update shareholders in due course."

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

NWF Group plc
Graham Scott
Chief Executive

01829 260260

Tavistock Communications
John West
Clare Melly

020 7920 3150