



NWF Group plc

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NWF Group plc: AGM Statement and Trading Update

At the Annual General Meeting of NWF Group plc, the specialist agricultural and distribution business delivering feed, food and fuel across the UK, which is being held later today Mark Hudson, Chairman, will make the following statement:

“I am pleased to give shareholders the following update on trading for the first quarter of the new financial year, traditionally our quietest trading period.

“While the Board’s outlook for the year remains in line with its expectations, trading in the first quarter has been challenging with difficult market conditions continuing in Feeds and Fuels. Investment in additional Feed capacity is on track and we expect to benefit from this and further operational efficiencies over the balance of the year.

“Looking at each division in more detail: Feeds has continued to focus on providing high quality nutritional advice and direct sales to farmers. Summer market volumes continued to be impacted by low milk prices, albeit price increases for milk have now been announced. The investment in our Cumbrian and Cheshire mills continues on track to increase capacity and reduce the operational cost base of the business.

“In the Food division, storage and activity levels have remained strong and the business continues to use outside storage on a planned flexible basis. Service levels have been maintained at 99.7%.

“Finally, Fuels has been impacted by lower demand for heating oil over the warm summer months and whilst overall volumes are strong, margins have been squeezed. Brent crude has moved between \$40 and \$51 per barrel over the period.

“Overall we continue to focus on development opportunities, both organic and through targeted acquisitions.

“The recruitment process continues for a new Group Finance Director and we hope to make an announcement in the near future.

“As we did last year we will provide a further trading update in December, following the end of our half year on 30 November.”

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