NORTH WEST COMPANY FUND

PRESS RELEASE

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"NORTH WEST COMPANY FUND REPORTS FOURTH QUARTER RESULTS"

Winnipeg, March 13, 2002: North West Company Fund (the "Fund") today reported 2001 fourth quarter earnings for the period ended January 26, 2002.

CONSOLIDATED RESULTS

The North West Company Fund reported fourth quarter consolidated revenues at $194.8 million, up 10.4% (5.9% on a same store basis) from 2000. Trading profits or earnings before interest, income taxes, depreciation and amortization (EBITDA) increased 8.3% in the fourth quarter. Lower interest rates reduced interest expense by 35.8% or $1.1 million compared to last year. Earnings before taxes increased by 24.7% or $12.9 million in the quarter. Fourth quarter earnings finished down 4.3% at $9.6 million ($0.63 per unit) compared to $10.0 million ($0.68 per unit) in 2000 due to a change in the tax status of the Alaska Commercial Company.

"The fourth quarter produced solid results, contributing to a record performance for the year at The North West Company. Our focus on getting more food sales continues to be a growth engine for us. Sales in the quarter were also driven by the strength of our electronics, furniture and snow machine business in Alaska and in our more remote Canadian stores. These merchandise categories enable us to take advantage of upticks in local economies, for example the Mackenzie region of the Northwest Territories," said President and CEO Edward Kennedy."

Record revenues and earnings were achieved for the year. Revenues for the year at $704.0 million were 6.8% over last year (4.4% on a same store basis). Consolidated earnings were up 3.1% to $29.0 million ($1.95 per unit) compared to $28.1 million or ($1.89 per unit) last year. Earnings before taxes were up 28.3% to $37.3 million and trading profits increased 10.4% to $70.5 million.

Income tax expense for the quarter was $3.3 million compared to $0.3 million last year. The main difference in the fourth quarter tax expense was that the Alaska Commercial Company had a tax expense of $0.8 million this year compared to a tax recovery of $4.2 million last year. The recovery last year was the result of recording the previously unrecognized US tax loss carryforwards and timing differences. The Canadian tax provision benefited from the reversal of a $1.5 million valuation adjustment taken in 2000 with respect to the implementation of future tax accounting changes adopted last year. The net impact of these changes resulted in an increase in income tax expenses of $3.5 million or $0.22 per unit in the fourth quarter.

CANADIAN OPERATIONS

Canadian sales were $147.9 million for the quarter, up 7.0% (4.1% on a same store basis) from last year. Trading profits were up by 13.7% or $2.1 million to $17.6 million. For the year, sales and other revenues finished at $532.3 million up 5.9% (4.1% on a same store basis) over last year. Trading profits were $60.3 million, up $5.8 million or 10.6%.

Food sales growth was in line with expectations, increasing by 7.4% (5.1% on a same store basis). This performance continued the trend established two years ago by our "Vision 2000+" plan to allocate more selling space to foods. Sales also benefited from a shift in month end income payments to early November, which contributed to a strong start to the quarter. Higher food price inflation was also a factor in the quarter. The largest sales increases were achieved in tobacco, 10.2%, confectionery, 9.0%, frozen foods, 7.9%, and beverages, 7.7%.

General merchandise sales rebounded with a very solid quarter, up 8.1% (2.5% on a same store basis). Sales in Northern / NorthMart stores were up 3.0% led by a 14.3% increase in snow machines and all terrain vehicles, a 7.1% gain in home furnishings and a 6.5% increase in media sight and sound. Softlines sales were a disappointment, dropping 5.5% due to a combination of warm weather and weak industry conditions.

Two *Giant Tiger* stores were open for the Christmas season and this had a positive impact on our total general merchandise sales increase. A decision on the opening of further *Giant Tiger* stores is expected to be made in the second quarter.

On a regional basis, our more isolated locations had the best results. In the far North, weather conditions were cold enough to encourage transportation sales. Further south, warm weather prevented an early opening of winter roads. This kept more customers in town and shopping locally compared to last year.

Canadian gross profit rates in food and general merchandise continue to improve due to lower sourcing costs and selective mark-up gains. This was achieved net of aggressive price discounting to move seasonal general merchandise. Expenses for the quarter were tightly managed, finishing 62 basis points lower than last year as rate to sales.

ALASKAN OPERATIONS (stated in U.S. dollars)

Alaska Commercial Company ("**AC**") sales were $29.6 million for the quarter, up 18.0% (16.1% on a same store basis) from last year. **AC**'s trading profit for the quarter was $1,862,000 compared to $2,318,000 last year, a decrease of $456,000 or 19.7%. For the year, sales and other revenues at $110.3 million increased 5.2% (5.9% on a same store basis) over last year and trading profits were $6.6 million, up $274,000 or 4.4%.

AC's retail store division had an exceptional quarter. Food sales were up 11.5% (9.0% on a same store basis), general merchandise sales increased 36.1% (35.5% on a same store basis) and trading profit for the division was up 33%. Store sales benefited from a delay in the distribution of Permanent Fund dividend cheques. These cheques are normally mailed in October but due to September 11th related security measures, most of the cheques were not mailed until November. Coupled with concerns about air travel, this created a local economic stimulus in the fourth quarter. Big-ticket categories were the top performers, led by transportation, up 133.5%, and home furnishings, up 48.8%.

Frontier Expeditors, **AC**'s wholesale division, incurred two major setbacks in the quarter. The first was a write-off of accounts receivable owed by *Kmart Corporation*, a major US retailer which filed for chapter 11 in January 2002. The second was a negative adjustment caused by errors related to improper accounting for tobacco taxes in prior periods. These two items required a one-time pre-tax charge of $1.3 million in the fourth quarter. All losses have been fully provided for and controls are in place to ensure they do not re-occur.

UNIT OFFERING, BALANCE SHEET AND CASH FLOW

The Fund completed a treasury offering of 1,435,000 units in December 2001 which raised $19.7 million in equity. The offering included a secondary offering which increased the issue to 3,385,000 units. By including a secondary offering the Fund successfully improved liquidity, freeing up a large block of units that had been held by a large institutional unitholder since 1987. There were 2,129,083 units traded in the last quarter, which was the highest quarterly volume in the last five years. The additional equity raised from the treasury component of the offering has provided capital to act on growth opportunities, strengthen our balance sheet and enhance our ability to refinance long-term debt at attractive rates later this year.

Assets employed at the end of January 2002 were $371.1 million compared to $366.8 million at the end of the last fiscal year. Cash balances were 3.4% higher than last year. Accounts receivable at $65.9 million were $9.0 million or 15.8% higher than last year due to the promotion of extended terms accounts, the conversion of customer accounts from monthly charge accounts to revolving accounts and higher receivables with a limited number of First Nations communities. The higher balances resulted in increased service charge revenues. Inventories have increased by 9.3% over last year. This was higher than planned and will be reduced through alliance initiatives started in 2002. Inventories are current and well balanced.

The decrease in bank advances and short-term notes from the last year end balance was a result of the strong fourth quarter earnings and the net proceeds from the equity issue.

The $112.0 million in bonds due August 28, 2002 have become current liabilities as they are now due within one year. We are working with an investment bank to refinance this debt. Initial discussions with financial advisors indicate that new debt should be available at favourable rates compared to the existing bonds.

Capital expenditures were $6.1 million in the quarter and mainly related to construction costs to build a replacement store in Arctic Bay, NU, reprofiling expenditures and general expenditures on computer equipment, fixtures and equipment for store operations.

OTHER HIGHLIGHTS

- Record revenues and earnings were achieved in 2001 led by a 10.4% increase in trading profits.
- The Trustees approved an amendment to the Unitholders Right Plan, subject to TSE approval, to extend the expiration to June 30, 2005. The revised Unitholders Right Plan will be sent to unitholders for consideration at the Annual General Meeting on May 30, 2002.
- A final 2001 quarterly distribution of $0.375 per unit was made on December 15, 2001. Total distributions for 2001 were $1.455 per unit. The first quarterly distribution of $0.375 per unit was announced for 2002, payable March 15, 2002 to unitholders of record on February 15, 2002 and future distributions are expected to continue at $0.375 per quarter for 2002.

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The North West Company Inc. (NWC) is the leading retailer of food and everyday products and services to northern communities across Canada and Alaska. NWC operates 176 stores under a number of trading names, including *Northern, NorthMart* and *AC Value Center*, and provides catalogue shopping services through its *Selections* catalogue in Canada.

The units of the Fund trade on The Toronto Stock Exchange under the symbol "NWF.UN".

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CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands of Canadian dollars)

	January 26 2002	January 27 2001
ASSETS		
Current assets		
Cash	**$ 8,884**	$ 8,588
Accounts receivable	**65,867**	56,856
Income taxes recoverable	**-**	62
Future income taxes	**8,171**	2,695
Inventories	**134,392**	122,980
Prepaid expenses	**1,500**	1,069
	218,814	192,250
Capital assets	**194,025**	194,448
Future income taxes	**9,358**	19,212
Other assets	**9,836**	10,055
	$ 432,033	$ 415,965
LIABILITIES		
Current liabilities		
Bank advances and short-term notes	**$ 26,037**	$ 49,979
Accounts payable and accrued	**57,849**	49,200
Income taxes payable	**3,079**	-
Bonds due within one year (Note 2)	**112,000**	-
Current portion of long-term debt	**3,910**	1,707
	202,875	100,886
Long-term debt (Note 2)	**9,634**	124,106
	212,509	224,992
EQUITY		
Capital	**165,205**	145,526
Retained earnings	**49,142**	41,502
Cumulative currency translation adjustments	**5,177**	3,945
	219,524	190,973
	$ 432,033	$ 415,965

CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS
(unaudited, in thousands of Canadian dollars)

	13 Weeks Ended January 26 2002	13 Weeks Ended January 27 2001	**52 Weeks Ended January 26 2002**	52 Weeks Ended January 27 2001
SALES AND OTHER REVENUE				
Canadian operations	**$ 147,878**	$ 138,163	**$ 532,349**	$ 502,756
Alaskan operations	**46,939**	38,298	**171,694**	156,276
	$ 194,817	$ 176,461	**$ 704,043**	$ 659,032
Cost of sales, selling and administrative expenses				
Canadian operations	**$(130,231)**	$(122,649)	**$(472,012)**	$(448,222)
Alaskan operations	**(43,997)**	(34,803)	**(161,496)**	(146,924)
Earnings before interest, income taxes and amortization				
Canadian operations	**17,647**	15,514	**60,337**	54,534
Alaskan operations	**2,942**	3,495	**10,198**	9,352
Amortization				
Canadian operations	**(4,785)**	(4,765)	**(19,301)**	(18,568)
Alaskan operations	**(888)**	(782)	**(3,393)**	(2,987)
EARNINGS BEFORE INTEREST & INCOME TAXES	**14,916**	13,462	**47,841**	42,331
Interest	**(1,987)**	(3,093)	**(10,501)**	(13,236)
Earnings before income taxes	**12,929**	10,369	**37,340**	29,095
Provision for income taxes (Note 4)	**(3,328)**	(332)	**(8,325)**	(961)
EARNINGS FOR THE PERIOD	**9,601**	10,037	**29,015**	28,134
Retained earnings, beginning of period				
as previously reported	**45,050**	39,461	**41,502**	18,182
Accounting changes (Notes 3 & 5)	**-**	-	**-**	16,864
as restated	**45,050**	39,461	**41,502**	35,046
Distributions	**(5,509)**	(7,961)	**(21,375)**	(21,446)
Premium on units purchased for cancellation (Note 6)	**-**	(35)	**-**	(232)
RETAINED EARNINGS, END OF PERIOD	**$ 49,142**	$ 41,502	**$ 49,142**	$ 41,502
EARNINGS PER UNIT	**$ 0.63**	$ 0.68	**$ 1.95**	$ 1.89
Weighted Average Number of Units Outstanding (000's)	**15,511**	14,719	**14,896**	14,875

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting Presentations and Disclosures

These interim financial statements follow the same accounting policies and their methods of application as the 2001 annual financial statements. Not all disclosures required by generally accepted accounting principles for annual financial statements are presented, and accordingly, the interim financial statements should be read in conjunction with the 2001 Annual Report.

2. Long-Term Debt

The Company's bonds become due and payable on August 28, 2002. Accordingly, $112,000,000 of bonds have been reclassified to current liabilities. It is the Company's intention to refinance a large portion of the bonds as long-term.

3. Accounting Change - Income Taxes

Effective January 31, 2000, the Company changed its accounting policy and adopted the new CICA recommendations on accounting for income taxes. The new standard requires the implementation of the asset and liability method of accounting for income taxes. These financial statements have been prepared on the new basis. The retained earnings as at January 31, 2000 had increased $16,864,000 with a corresponding increase to future income taxes.

4. Income Taxes

Certain interest amounts deducted by The North West Company Inc. are included as taxable income to unitholders of North West Company Fund upon distribution. The income tax benefit of loss carryforwards to the Company have been recorded in these financial statements as a future income tax asset.

5. Accounting Change - Employee Future Benefits

Effective January 31, 2000, the Company changed its accounting policy and adopted the new CICA recommendations on accounting for employee future benefits. Previously the Company had been accounting for its defined benefit plans using a long-term discount rate to measure its accrued benefit obligation. Effective January 31, 2000 the Company began using a market discount rate to measure its accrued benefit obligation. The unamortized transitional asset at January 31, 2000 is being amortized over the expected average remaining service lives of the employees. The requirements of the standard were adopted on a prospective basis. The prospective adoption did not have a significant effect on net earnings in 2000.

6. Normal Course Issuer Bid

The Fund commenced a normal course issuer bid program on The Toronto Stock Exchange on March 27, 2000, which terminated on March 23, 2001. The Fund purchased 21,100 units; 18,200 units; 205,700 units; and 64,000 units during the first, second, third and fourth quarters of 2000, respectively for a cumulative total of 309,000 units purchased during the year.

7. Net Identifiable Assets (in thousands of Canadian dollars)	**January 26 2002**	January 27 2001
Canadian operations	**$286,500**	$ 290,396
Alaskan operations	**84,605**	76,369

8. Units Offering

On November 21, 2001, the Fund filed a short form prospectus in connection with an offering of 3,843,110 units of the Fund at $14.75 per unit. The offering closed on December 5, 2001 and the net cash proceeds to the Fund were $19,679,000. The Fund sold 1,435,000 from treasury and a shareholder sold 2,408,110 units under a secondary issue.

9. Comparative Amounts

The comparative amounts have been reclassified to conform with the current year's presentation.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands of Canadian dollars)

	13 Weeks Ended January 26 2002	13 Weeks Ended January 27 2001	**52 Weeks Ended January 26 2002**	52 Weeks Ended January 27 2001
CASH PROVIDED BY (USED IN)				
Operating Activities				
Earnings for the period	**$ 9,601**	$ 10,037	**$ 29,015**	$ 28,134
Non-cash items				
Amortization	**5,673**	5,547	**22,694**	21,555
Future income taxes	**138**	2,496	**4,592**	(33)
Amortization of bond warrant proceeds and interest rate fixing payment	**(311)**	(311)	**(1,246)**	(1,245)
Pension expense	**931**	808	**931**	808
Gain on sale of investment in transportation company	**-**	(765)	**-**	(765)
Gain on foreign exchange from reduction of AC investment	**-**	(454)	**-**	(454)
Gain on disposal of capital assets	**(58)**	(28)	**(213)**	(218)
Cash flow from operations	**15,974**	17,330	**55,773**	47,782
Change in other non-cash items	**13,291**	12,550	**(8,076)**	(12,057)
Operating activities	**29,265**	29,880	**47,697**	35,725
Investing Activities				
Purchase of capital assets	**(6,112)**	(6,147)	**(20,427)**	(19,133)
Proceeds from sale of investment in transportation company	**-**	2,049	**-**	2,049
Proceeds from sale of capital assets	**69**	74	**512**	819
Investing activities	**(6,043)**	(4,024)	**(19,915)**	(16,265)
Financing Activities				
Change in bank advances and short-term notes	**(42,313)**	(20,490)	**(23,942)**	5,303
Net proceeds from issue of units	**19,679**	-	**19,679**	-
Purchase of units for cancellation	**-**	(669)	**-**	(3,293)
Repayment of long-term debt	**(1,491)**	(1,343)	**(1,848)**	(1,591)
Distributions	**(5,509)**	(7,961)	**(21,375)**	(21,446)
Financing activities	**(29,634)**	(30,463)	**(27,486)**	(21,027)
CHANGE IN CASH	**(6,412)**	(4,607)	**296**	(1,567)
Cash, beginning of period	**15,296**	13,195	**8,588**	10,155
CASH, END OF PERIOD	**$ 8,884**	$ 8,588	**$ 8,884**	$ 8,588
Supplemental Disclosure of Cash Flow Information				
Cash paid during the period for				
Interest expense	**$ 559**	$ 1,063	**$ 13,060**	$ 14,862
Income taxes	**439**	159	**1,184**	1,062
Cash Flow From Operations Per Unit	**$ 1.03**	$ 1.17	**$ 3.74**	$ 3.21