

directors' report and financial statements

report of the directors

for the year ended 31 March 2005

The Directors present their report and the audited financial statements for the year ended 31 March 2005.

Principal Activities

DCC is a sales, marketing and business support services group focused on the energy, IT distribution, healthcare, food & beverage and environmental markets.

A summary of the Group's activities is set out on pages 12 to 24.

Subsidiary and Associated Companies

Details of the Company's principal operating subsidiaries are set out on pages 89 to 91. Details of its principal associated undertakings are set out on page 69, in note 18 to the financial statements.

A full list of subsidiary and associated undertakings will be annexed to the Annual Return of the Company to be filed with the Irish Registrar of Companies.

Results and Business Review

The profit for the financial year attributable to Group shareholders amounted to €83.8 million as set out in the Consolidated Profit and Loss Account on page 55.

The Chairman's Statement on pages 6 to 7, the Chief Executive's Review on pages 8 to 11, the Operating Review on pages 12 to 24 and the Financial Review on pages 26 to 31 contain a review of the development of the Group's business during the year, of the state of affairs of the business at 31 March 2005, of recent events and of likely future developments.

Dividends

An interim dividend of 13.51 cent per share, amounting to €10.80 million, was paid on 1 December 2004. The Directors recommend the payment of a final dividend of 23.75 cent per share, amounting to €19.07 million. Subject to shareholders' approval at the Annual General Meeting on 5 July 2005, this dividend will be paid on 11 July 2005 to shareholders on the register on 27 May 2005. The total dividend for the year ended 31 March 2005 amounts to 37.26 cent per share, a total of €29.87 million.

The balance of profit attributable to Group shareholders, which is retained in the business, amounts to €54.3 million.

Share Buyback and Treasury Shares

The number of shares held in Treasury at the beginning of the year was 6,667,734 (7.56% of the issued share capital) with a nominal value of €1.667 million. The maximum number of shares held in Treasury was 8,732,734 (9.90% of the issued share capital) with a nominal value of €2.183 million.

On 17 May 2004, the Company purchased 2,065,000 of its own shares (2.34% of the issued share capital) with a nominal value of €0.516 million. The total consideration paid was €26.762 million.

A total of 858,848 shares (0.97% of the issued share capital) with a nominal value of €0.215 million were re-issued during the year at prices ranging from €6.22 to €11.25 consequent to the exercise of share options, leaving a balance held in Treasury at 31 March 2005 of 7,873,886 shares (8.92% of the issued share capital) with a nominal value of €1.968 million.

At the Company's Annual General Meeting on 8 July 2004, the Company was granted authority to purchase up to 8,822,940 of its own shares (10% of the issued share capital) with a nominal value of €2.206 million. This authority has not been exercised and will expire on 5 July 2005, the date of the next Annual General Meeting of the Company. A special resolution will be proposed at the Annual General Meeting to renew this authority.

Research and Development

Certain Group companies carry out development work aimed at improving the quality, competitiveness and range of their products. This expenditure is not material in relation to the size of the Group and is written off to the profit and loss account as it is incurred.

Substantial Shareholdings

The Company has been advised of the following interests in its share capital as at 13 May 2005:

	No. of €0.25 Ordinary Shares	% of Issued Share Capital (including Treasury Shares)	% of Issued Share Capital (excluding Treasury Shares)
FMR Corp. and Fidelity International Limited and their direct and indirect subsidiaries *	9,011,460	10.21%	11.21%
Bank of Ireland Asset Management Limited *	8,699,679	9.86%	10.83%
Schroder Investment Management Limited and Schroder & Co. Limited *	7,932,577	8.99%	9.87%
Jim Flavin	2,456,033	2.78%	3.06%

* Notified as non-beneficial interests

Directors

The names of the Directors and a short biographical note on each Director appear on pages 2 and 3.

In accordance with Article 80 of the Articles of Association, Paddy Gallagher, Maurice Keane and Kevin Murray retire by rotation at the 2005 Annual General Meeting and, being eligible, offer themselves for re-election. In compliance with Provision A.7.2 of the Combined Code on Corporate Governance, Tony Barry and Alex Spain retire at the Meeting, each having served in excess of nine years, and, being eligible, offer themselves for re-election.

None of the retiring Directors has a service contract with the Company or with any member of the Group with a notice period in excess of one year or with provisions for predetermined compensation on termination which exceeds one year's salary and benefits in kind.

Details of the Directors' interests in the share capital of the Company are set out in the Report of the Remuneration Committee on pages 46 to 49.

Health and Safety

It is the policy of the Group to ensure the safety, health and welfare of employees by maintaining a safe working environment and complying with the provisions and requirements of the Safety, Health and Welfare at Work Act, 1989 and all other statutory provisions and codes of practice. Each operating company in the Group has documented and implemented comprehensive safety policies and procedures which are kept under regular review by company management and by the Group Environmental, Health and Safety function.

Political Contributions

There were no political contributions which require to be disclosed under the Electoral Act, 1997.

Auditors

The auditors, PricewaterhouseCoopers, will continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

Alex Spain, Jim Flavin, Directors

DCC House, Stillorgan,
Blackrock, Co Dublin
13 May 2005

report of the remuneration committee

Remuneration Committee

The Remuneration Committee comprises three independent non-executive Directors, Tony Barry (Chairman), Bernard Somers and Alex Spain.

The role and responsibilities of the Remuneration Committee are set out in its written terms of reference, which are available on request and on the Company's website www.dcc.ie. The principal responsibilities of the Committee are determining the policy for the remuneration of the executive Directors and determining their remuneration packages, determining pension arrangements for the executive Directors and the granting of share options under the DCC plc 1998 Employee Share Option Scheme.

The Chief Executive/Deputy Chairman is consulted about remuneration proposals for the other executive Directors. The Remuneration Committee is authorised to obtain access to professional advice if deemed desirable.

Remuneration Policy

The Company's remuneration policy recognises that employment and remuneration conditions for the Group's senior executives must properly reward and motivate them to perform in the best interests of the shareholders. In formulating this policy, the Committee has given due regard to the provisions of the Combined Code on Corporate Governance.

Directors' Service Agreements

Other than for the Chief Executive/Deputy Chairman, there are no service agreements between any Director of the Company and the Company or any of its subsidiaries. The Chief Executive/Deputy Chairman's service agreement provides for one year's notice of termination by the Company.

Directors' Remuneration

Executive Directors' Remuneration

The typical elements of the remuneration package for executive Directors are basic salary, performance related remuneration consisting of performance related annual bonuses and share options, pension benefits and a company car.

Salaries

The salaries of executive Directors are reviewed annually on 1 January having regard to personal performance, Company performance and competitive market practice. No fees are payable to executive Directors.

Performance Related Annual Bonuses

Performance related annual bonuses are payable to the executive Directors, in respect of the financial year to 31 March. The performance targets, which are reviewed annually, are tailored to the responsibilities of each executive Director and include growth in Group earnings,

divisional performance, Group and divisional development and an element related to individual performance and contribution.

The maximum bonus potential, as a percentage of basic salary, for each executive Director is reviewed and set annually and amounted to 65% of basic salary for the year ended 31 March 2005.

Pension Benefits

The Company funds pension schemes which, for executive Directors, aim to provide, on the basis of actuarial advice, a pension of two thirds of pensionable salary at normal retirement date. Pensionable salary is calculated as 105% of basic salary and does not include any performance related bonuses or benefits.

Non-Executive Directors' Remuneration

The remuneration of the non-executive Directors is determined by the Board. The fees paid to non-executive Directors reflect their experience and ability and the time demands of their Board and Board Committee duties.

report of the remuneration committee

Directors' Remuneration Details

The table below sets out the details of the remuneration payable in respect of Directors who held office for any part of the financial year.

	Salary and Fees ²		Bonus		Benefits ³		Pension Contribution ⁴		Total	
	2005 €'000	2004 €'000	2005 €'000	2004 €'000	2005 €'000	2004 €'000	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Executive Directors										
Jim Flavin	768	734	384	220	37	35	115	155	1,304	1,144
Tommy Breen	329	314	175	140	20	18	98	86	622	558
Morgan Crowe ¹	115	334	52	167	7	20	33	88	207	609
Kevin Murray	329	314	175	140	19	18	90	86	613	558
Fergal O'Dwyer	299	284	175	130	20	14	85	79	579	507
Total for executive Directors	1,840	1,980	961	797	103	105	421	494	3,325	3,376
Non-executive Directors										
Alex Spain	130	118	-	-	-	-	-	27	130	145
Tony Barry	54	49	-	-	-	-	-	-	54	49
Paddy Gallagher	57	49	-	-	-	-	-	-	57	49
Maurice Keane	54	49	-	-	-	-	-	-	54	49
Bernard Somers	54	24	-	-	-	-	-	-	54	24
Total for non-executive Directors	349	289	-	-	-	-	-	27	349	316
Pension payment in respect of retired Director									10	10
Total									3,684	3,702

Notes

- 1 Morgan Crowe retired from the Board on 8 July 2004.
- 2 Fees are payable only to non-executive Directors and include Chairman's and Board Committee fees.
- 3 In the case of the executive Directors, benefits relate principally to the use of a company car.
- 4 Executive Director pension contributions in the year ended 31 March 2005 were made to a defined contribution arrangement for Jim Flavin and to a defined benefit scheme for the other executive Directors.

Directors' Defined Benefit Pensions

The table below sets out the increase in the accrued pension benefits to which executive Directors have become entitled during the year ended 31 March 2005 and the transfer value of the increase in accrued benefit, under the Company's defined benefit pension scheme:

	Increase in accrued pension benefit (excl inflation) during the year ²	Transfer value equivalent to the increase in accrued pension benefit ³	Total accrued pension benefit at year end ⁴
	€'000	€'000	€'000
Executive Directors			
Tommy Breen	9	74	118
Morgan Crowe ¹	18	329	225
Kevin Murray	8	68	103
Fergal O'Dwyer	8	62	87
Total	43	533	533

Notes

- 1 Morgan Crowe ceased accruing benefits in July 2004.
- 2 Increases are after adjustment for inflation over the year and reflect additional pensionable service and salary.
- 3 The transfer value equivalent to the increase in accrued pension benefit has been calculated on the basis of actuarial advice in accordance with Actuarial Guidance Note GN11. The transfer values do not represent sums paid to or due to the Directors named, but are the amounts that would transfer to another pension scheme in respect of the increase in accrued pension benefit during the year.
- 4 Figures represent the total accrued pension payable from normal retirement date, based on pensionable service at 31 March 2005.

Share Options

DCC plc 1998 Employee Share Option Scheme

Executive Directors and other senior executives participate in the DCC plc 1998 Employee Share Option Scheme, which was approved by shareholders in 1998. The Scheme encourages identification with shareholders' interests by enabling management to build, over time, a shareholding in the Company which is material to their net worth.

The percentage of share capital which can be issued under the Scheme, the phasing of the grant of options and the limit on the value of options which may be granted to any individual comply with guidelines published by the

institutional investment associations. The Scheme provides for the grant of both basic and second tier options, in each case up to a maximum of 5% of the Company's issued share capital.

Basic tier options may not normally be exercised earlier than three years from the date of grant and second tier options not earlier than five years from the date of grant.

Basic tier options may normally be exercised only if there has been growth in the adjusted earnings per share of the Company equivalent to the increase in the Consumer Price Index plus 2%, compound, per annum over a period of at least three years following the date of grant.

Second tier options may normally be exercised only if the growth in

the adjusted earnings per share over a period of at least five years is such as would place the Company in the top quartile of companies on the ISEQ index in terms of comparison of growth in adjusted earnings per share and if there has been growth in the adjusted earnings per share of the Company equivalent to the increase in the Consumer Price Index plus 10%, compound, per annum in that period.

Directors are encouraged to hold their options beyond the earliest exercise date.

The following are details of share options granted to Directors and the Company Secretary under the DCC plc 1998 Employee Share Option Scheme:

	At 31 March 2004	Granted in year	At 31 March 2005	Weighted Average Exercise Price €	Normal Exercise Period
Executive Directors					
Jim Flavin					
Basic Tier	350,000	25,000	375,000	8.3364	June 2001 – Nov 2014
Second Tier	395,000	-	395,000	8.1063	June 2003 – Nov 2012
Tommy Breen					
Basic Tier	165,000	15,000	180,000	9.0219	June 2001 – Nov 2014
Second Tier	190,000	-	190,000	8.6786	June 2003 – Nov 2012
Kevin Murray					
Basic Tier	165,000	15,000	180,000	9.0219	June 2001 – Nov 2014
Second Tier	190,000	-	190,000	8.6786	June 2003 – Nov 2012
Fergal O'Dwyer					
Basic Tier	140,000	15,000	155,000	8.8196	June 2001 – Nov 2014
Second Tier	165,000	-	165,000	8.4366	June 2003 – Nov 2012
Company Secretary					
Gerard Whyte					
Basic Tier	65,000	10,000	75,000	9.4737	June 2001 – Nov 2014
Second Tier	80,000	-	80,000	8.8716	June 2003 – Nov 2012

No options were exercised by or allowed to lapse by Directors or the Company Secretary under the DCC plc 1998 Employee Share Option Scheme during the year.

DCC Sharesave Scheme

The Group established the DCC Sharesave Scheme in 2000. On 15 June 2001, options were granted under the Scheme to those Group employees, including executive Directors, who entered into associated savings contracts. The options were granted at an option price of €8.79 per share, which represented a discount of 20% to the then market price as permitted by the rules of the Scheme. These options are exercisable between June 2004 and February 2007. On 10 December 2004, a second grant of options under this Scheme was approved. These options were granted to Group employees at an option price of €12.63 per share, which represented a discount of 20% to the then market price. These options are exercisable between March 2008 and February 2011. At 31 March 2005, Group employees held options to subscribe for 986,912 ordinary shares under the DCC Sharesave Scheme.

The following are details of the share options granted to executive Directors and the Company Secretary under the DCC Sharesave Scheme:

	No. of Ordinary Shares At 31 March 2005	No. of Ordinary Shares At 31 March 2004
Executive Directors		
Jim Flavin	2,383	2,383
Tommy Breen	2,383	2,383
Kevin Murray	2,383	2,383
Fergal O'Dwyer	2,383	2,383
Company Secretary		
Gerard Whyte	2,006	1,877

The market price of DCC shares on 31 March 2005 was €17.94 and the range during the year was €12.10 to €18.50.

Additional information in relation to the DCC plc 1998 Employee Share Option Scheme and the DCC Sharesave Scheme appears in note 33 on page 82.

Directors' and Company Secretary's Interests

The interests of the Directors and the Company Secretary (including their respective family interests) in the share capital of DCC plc at 31 March 2005, together with their interests at 31 March 2004, were:

	No. of Ordinary Shares At 31 March 2005	No. of Ordinary Shares At 31 March 2004
Directors		
Alex Spain	25,634	20,634
Jim Flavin	2,456,033	2,456,033
Tony Barry	17,000	17,000
Tommy Breen	211,512	211,512
Paddy Gallagher	5,040	5,040
Maurice Keane	5,000	5,000
Kevin Murray	187,306	212,306
Fergal O'Dwyer	212,506	212,506
Bernard Somers	-	-
Company Secretary		
Gerard Whyte	125,353	124,667

All of the above interests were beneficially owned. There were no changes in the interests of the Directors and the Company Secretary between 31 March 2005 and 13 May 2005. Apart from the interests disclosed above, the Directors and the Company Secretary had no interests in the share capital or loan stock of the Company or any other Group undertaking at 31 March 2005. The Company's Register of Directors' Interests (which is open to inspection) contains full details of Directors' shareholdings and share options.

statement of directors responsibilities

The following statement, which should be read in conjunction with the statement of auditors' responsibilities set out within their report on pages 51 and 52, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the auditors in relation to the financial statements.

The Directors are required by company law to ensure that the Company prepares financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that year.

Following discussions with the auditors, the Directors consider that in preparing the financial statements on pages 53 to 88, which have been prepared on the going concern basis, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider applicable have been followed (subject to any explanations or material departures disclosed in the notes to the financial statements).

The Directors are required to take all reasonable steps to secure compliance by the Company with its obligations in relation to the preparation and maintenance of proper books of account and

financial statements which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2003 and the European Communities (Companies: Group Accounts) Regulations, 1992. The Directors have a general duty to act in the best interests of the Company and must, therefore, take such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Books of Account

The measures taken with regard to keeping proper books of account include the use of systems and procedures appropriate to the business and the employment of competent and reliable persons. The books of account are kept at DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland.

To the Members of DCC plc

We have audited the financial statements on pages 53 to 88 and the detailed information on directors' emoluments, pensions and interests in shares and share options on pages 46 to 49. The financial statements have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies on pages 53 and 54.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable Irish law and accounting standards generally accepted in Ireland are set out on page 50 in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, auditing standards issued by the Auditing Practices Board applicable in Ireland and the Listing Rules of the Irish Stock Exchange. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 193 of the Companies Act 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to

whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2003, and the European Communities (Companies: Group Accounts) Regulations, 1992. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the Company balance sheet is in agreement with the books of account. We also report to you our opinion as to:

- whether the Company has kept proper books of account;
- whether the directors' report is consistent with the financial statements; and
- whether at the balance sheet date there existed a financial situation which may require the Company to convene an extraordinary general meeting; such a financial situation may exist if the net assets of the Company, as stated in the Company balance sheet, are not more than half of its called-up share capital.

We also report to you if, in our opinion, information specified by law or the Listing Rules regarding

directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the chairman's statement, the chief executive's review, the operating review, the financial review, the corporate social responsibility statement, the corporate governance statement and the directors' report.

We review whether the corporate governance statement reflects the Company's compliance with the nine provisions of the Combined Code (issued 2003) specified for our review by the Listing Rules and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls or to form an opinion on the effectiveness of the Company's or Group's corporate governance procedures or its risk and control procedures.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant

estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and the Group at 31 March 2005 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2003, and the European Communities (Companies: Group Accounts) Regulations, 1992.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Company. The Company balance sheet is in agreement with the books of account.

In our opinion, the information given in the Report of the Directors on pages 43 to 45 is consistent with the financial statements.

The net assets of the Company, as stated in the balance sheet on page 58, are more than half of the amount of its called up share capital and, in our opinion, on that basis there did not exist at 31 March 2005 a financial situation which, under Section 40(1) of the Companies (Amendment) Act, 1983, would require the convening of an extraordinary general meeting of the Company.

PricewaterhouseCoopers
Chartered Accountants and
Registered Auditors
Dublin
13 May 2005

Accounting Policies

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The currency used in these financial statements is the euro, denoted by the symbol €.

Basis of Preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2003. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

Basis of Consolidation

The consolidated financial statements include the Company and all its subsidiaries.

The results of subsidiary and associated undertakings acquired or disposed of during the year are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal.

Goodwill

Goodwill comprises the excess of consideration paid to acquire new businesses over the fair value of the identifiable net assets acquired.

Goodwill arising on the acquisition of subsidiaries prior to 1 April 1998 was eliminated from the balance sheet through reserves in the year in which it arose. Goodwill arising on the acquisition of subsidiaries since 1 April 1998 is capitalised on the balance sheet and amortised on a straight line basis over its estimated useful economic life. On disposal of an undertaking acquired prior to 1 April 1998, goodwill eliminated against reserves in respect of that undertaking is included in the determination of the profit or loss on disposal.

In the case of interests acquired by the Group in associated undertakings, goodwill is capitalised as part of their carrying value and amortised over its expected useful economic life. In the case of similar interests acquired by associated undertakings of the Group, the accounting treatment followed in respect of goodwill is that adopted by the associated undertakings.

The useful economic life of capitalised goodwill arising on acquisitions since 1 April 1998 is estimated to be 20 years.

Subsidiaries

Subsidiaries are included in the Company balance sheet at cost less provision for any impairment in value.

Associated Undertakings

Associated undertakings are companies other than subsidiaries in which the Group holds, on a long-term basis, a participating interest in the voting equity share capital and exercises significant influence.

Associated undertakings are included in the Company balance sheet at cost less provision for any impairment in value. Income from associated undertakings included in the Company profit and loss account comprises dividends received and receivable.

The appropriate share of results of associated undertakings is included in the consolidated profit and loss account by way of the equity method of accounting. Associated undertakings are stated in the consolidated balance sheet at cost plus the attributable portion of their retained reserves from the date of acquisition less goodwill amortised.

Turnover

Turnover comprises the invoiced value, including excise duty and excluding value added tax, of goods supplied and services rendered.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Cost is determined on a first in first out basis and in the case of raw materials, bought-in goods and expense stocks comprises purchase price plus transport and handling costs less trade discounts and subsidies. Cost, in the case of products manufactured by the Group, consists of direct material and labour costs together with the relevant production overheads based on normal levels of activity.

Net realisable value represents the estimated selling price less costs to completion and appropriate selling and distribution costs.

Provision is made, where necessary, for slow moving, obsolete and defective stocks.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on a straight line basis at the rates stated below, which are estimated to reduce the assets to their residual level values by the end of their expected working lives:

Annual Rate

Freehold and long term leasehold buildings	2%
Plant and machinery	5 - 33 $\frac{1}{3}$ %
Cylinders	62 $\frac{1}{3}$ %
Motor vehicles	10 - 33 $\frac{1}{3}$ %
Fixtures, fittings & office equipment	10 - 33 $\frac{1}{3}$ %

Land is not depreciated.

Accounting Policies – continued

Leased Assets

Tangible fixed assets, acquired under a lease which transfers substantially all of the risks and rewards of ownership to the Group, are capitalised as fixed assets. Amounts payable under such leases (finance leases), net of finance charges, are shown as short, medium or long term lease obligations, as appropriate. Finance charges on finance leases are charged to the profit and loss account over the term of the lease on an actuarial basis.

The annual rentals under operating leases are charged to the profit and loss account as incurred.

Deferred Consideration

Where acquisitions involve further payments which are deferred or contingent on levels of performance achieved in the years following the acquisition, a discounted deferred acquisition creditor is accrued. Notional interest is charged to the profit and loss account over the relevant period by reference to the period of deferral, current interest rates and the amount of the likely payments.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profit as computed for taxation purposes and profit as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into euro at the exchange rates ruling at the balance sheet date or at contracted rates, where appropriate.

The trading results of overseas subsidiaries are translated into euro at the average rate of exchange for the year.

Profits and losses arising on transactions in foreign currencies during the year are included in the profit and loss account at the exchange rate ruling on the date of the transactions.

Exchange differences arising from a re-translation of the opening net investment in subsidiary and associated undertakings are dealt with in the Statement of Total Recognised Gains and Losses net of differences on related currency borrowings.

Derivative Financial Instruments

The Group is a party to derivative financial instruments (derivatives), primarily to manage its exposure to fluctuations in foreign currency exchange rates and interest rates and to manage its exposure to changes in the prices of certain commodity products.

Gains and losses on derivative contracts used to hedge foreign exchange and commodity price trading exposures are recognised in the profit and loss account when the hedged transactions occur.

As part of exchange rate risk management, foreign currency swap agreements are used to convert US dollar borrowings into euro and sterling borrowings. Gains and losses on these derivatives are deferred and are recognised on the maturity of the underlying debt, together with the matching loss or gain on the debt.

Interest rate swap agreements and similar contracts are used to manage interest rate exposures. Amounts payable or receivable in respect of these derivatives are recognised as adjustments to interest expense over the period of the contracts.

Liquid Resources

Liquid Resources comprise short term deposits which are readily disposable stores of value. These deposits are typically placed on money markets for periods of up to six months.

Capital Grants

Capital grants received and receivable by the Group are credited to capital grants and are amortised to the profit and loss account on a straight line basis over the expected useful lives of the assets to which they relate.

Pension Costs

Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the Group benefits from the employees' services. The effect of variations from regular cost are spread over the expected average remaining service lives of the members in the schemes. The basis of contributions are determined on the advice of independent qualified actuaries.

The disclosures required under the transitional arrangements of Financial Reporting Standard 17 'Retirement Benefits' are shown in note 32(b).

Consolidated Profit and Loss Account

for the year ended 31 March 2005

	Notes	2005 €'000	2004 €'000
Turnover			
Group turnover	1	2,627,927	2,074,465
Share of turnover of associated undertakings	1	103,597	123,500
Total turnover		<u>2,731,524</u>	<u>2,197,965</u>
Group turnover			
Continuing activities		2,345,470	2,051,441
Acquisitions		282,457	23,024
Cost of sales	1	2,627,927	2,074,465
	2	(2,248,576)	(1,739,395)
Gross profit	2	379,351	335,070
Net operating costs before operating exceptional items and goodwill amortisation	2	(269,670)	(233,395)
Operating profit before operating exceptional items and goodwill amortisation			
- parent and subsidiary undertakings	1	109,681	101,675
Share of operating profit before goodwill amortisation - associated undertakings	1	21,855	19,201
Operating profit before operating exceptional items and goodwill amortisation		131,536	120,876
Continuing activities		123,293	120,708
Acquisitions		8,243	168
		<u>131,536</u>	<u>120,876</u>
Operating exceptional items	7	(3,815)	(2,288)
Goodwill amortisation	6	(10,089)	(8,282)
Operating profit	2	117,632	110,306
Non-operating net exceptional items	7	(12,152)	(5,897)
Net interest payable and similar charges - parent and subsidiary undertakings	8	(5,207)	(3,693)
Share of net interest payable and similar charges - associated undertakings	9	(369)	(1,109)
Profit on ordinary activities before taxation	10	99,904	99,607
Taxation	11	(15,115)	(14,509)
Profit after taxation		84,789	85,098
Minority interests	12	(1,022)	(771)
Profit for the financial year attributable to Group shareholders	13	83,767	84,327
Dividends paid	14	(10,388)	(9,748)
Dividends proposed	14	(19,070)	(16,824)
Profit retained for the year	36	<u>54,309</u>	<u>57,755</u>
Earnings per ordinary share - basic (cent)	15	104.69c	101.98c
Earnings per ordinary share - diluted (cent)	15	102.26c	100.42c
Adjusted earnings per ordinary share - basic (cent)	15	137.25c	121.89c
Adjusted earnings per ordinary share - diluted (cent)	15	134.07c	120.03c

Alex Spain, Jim Flavin, Directors

Statement of Total Recognised Gains and Losses

for the year ended 31 March 2005

	2005 €'000	2004 €'000
Profit for the financial year	83,767	84,327
Exchange adjustments - associated companies	(237)	(210)
Exchange adjustments - subsidiaries	<u>(10,084)</u>	<u>6,652</u>
Total recognised gains for the financial year	<u>73,446</u>	<u>90,769</u>

Note of Historical Cost Profits and Losses

for the year ended 31 March 2005

There is no difference between the profit on ordinary activities before taxation and the profit retained for the year on an historical cost basis and the amounts shown in the consolidated profit and loss account on page 55.

Consolidated Balance Sheet

as at 31 March 2005

	Notes	2005 €'000	2004 €'000
Fixed Assets			
Intangible assets - goodwill	16	193,762	129,566
Tangible fixed assets	17	247,647	212,252
Financial assets - associated undertakings	18	64,192	53,780
		<u>505,601</u>	<u>395,598</u>
Current Assets			
Stocks	20	123,734	110,577
Debtors	21	421,534	330,385
Cash and term deposits	22	352,399	320,616
		<u>897,667</u>	<u>761,578</u>
Creditors: Amounts falling due within one year			
Bank and other debt	23	45,127	143,732
Trade and other creditors	28	471,283	362,688
Corporation tax		37,122	36,077
Proposed dividend	14	19,070	16,824
		<u>572,602</u>	<u>559,321</u>
Net Current Assets		<u>325,065</u>	<u>202,257</u>
Total Assets less Current Liabilities		<u>830,666</u>	<u>597,855</u>
Financed by:			
Creditors: Amounts falling due after more than one year			
Bank and other debt	23	10,370	16,555
Unsecured Notes due 2008 to 2016	23	305,094	97,612
Deferred acquisition consideration		10,839	6,799
Capital grants	29	958	1,112
		<u>327,261</u>	<u>122,078</u>
Provisions for Liabilities and Charges	30	<u>5,361</u>	<u>2,084</u>
		<u>332,622</u>	<u>124,162</u>
Capital and Reserves			
Called up equity share capital	33	22,042	22,035
Share premium account	34	124,506	124,438
Other reserves	35	1,400	1,400
Profit and loss	36	345,748	321,739
Equity Shareholders' Funds	37	<u>493,696</u>	<u>469,612</u>
Equity minority interests	38	4,348	4,081
		<u>498,044</u>	<u>473,693</u>
		<u>830,666</u>	<u>597,855</u>

Alex Spain, Jim Flavin, Directors

Company Balance Sheet

as at 31 March 2005

	Notes	2005 €'000	2004 €'000
Fixed Assets			
Tangible fixed assets	17	-	983
Financial assets			
- associated undertakings	18	1,300	1,300
- subsidiary undertakings	19	145,814	145,814
		<u>147,114</u>	<u>148,097</u>
Current Assets			
Debtors	21	277,799	291,088
Cash and term deposits	22	248	367
		<u>278,047</u>	<u>291,455</u>
Creditors: Amounts falling due within one year			
Trade and other creditors	28	226,615	15,669
Proposed dividend	14	19,070	16,824
		<u>245,685</u>	<u>32,493</u>
Net Current Assets		<u>32,362</u>	<u>258,962</u>
Total Assets less Current Liabilities		<u>179,476</u>	<u>407,059</u>
Financed by:			
Creditors: Amounts falling due after more than one year			
Amounts owed to subsidiary undertakings		10,387	187,711
Deferred acquisition consideration		139	2,016
		<u>10,526</u>	<u>189,727</u>
Provisions for Liabilities and Charges	30	<u>972</u>	<u>827</u>
		<u>11,498</u>	<u>190,554</u>
Capital and Reserves			
Called up equity share capital	33	22,042	22,035
Share premium account	34	124,506	124,438
Other reserves	35	344	344
Profit and loss	36	21,086	69,688
Equity Shareholders' Funds		<u>167,978</u>	<u>216,505</u>
		<u>179,476</u>	<u>407,059</u>

Alex Spain, Jim Flavin, Directors

Consolidated Cash Flow Statement

for the year ended 31 March 2005

	Notes	2005 €'000	2004 €'000
Cash flow from operating activities	40	108,300	141,246
Returns on investments and servicing of finance	41	(2,904)	(3,609)
Taxation paid		(9,093)	(5,295)
Capital expenditure	41	(34,146)	(28,092)
Acquisitions	41	(81,148)	(14,460)
Equity dividends paid		(27,212)	(24,765)
Cash (outflow)/inflow before management of liquid resources and financing		(46,203)	65,025
Increase in liquid resources	42	(33,245)	(27,105)
Financing	41	101,364	(90,239)
Increase/(decrease) in cash for the year	42	21,916	(52,319)

Reconciliation of Net Cash Flow to Movement in Net (Debt)/Cash

for the year ended 31 March 2005

	Notes	2005 €'000	2004 €'000
Increase/(decrease) in cash for the year	42	21,916	(52,319)
Increase in liquid resources	42	33,245	27,105
Unsecured Notes due 2014/16 issued	42	(212,064)	-
Net loans repaid	42	85,734	61,551
Capital element of finance lease payments	42	5,062	4,976
Changes in net (debt)/cash resulting from cash flow		(66,107)	41,313
Exchange movements	42	(4,802)	1,345
Net (outflow)/inflow in the year		(70,909)	42,658
Net cash at start of year	42	62,717	20,059
Net (debt)/cash at end of year	42	(8,192)	62,717

Notes to the Financial Statements

for the year ended 31 March 2005

1. Segmental Information

(a) Segmental Analysis by Class of Business

An analysis by class of business of turnover, profit before taxation and net assets is set out below:

(i) Summary

	2005			2004		
	Turnover €'000	Profit Before Taxation €'000	Net Assets €'000	Turnover €'000	Profit Before Taxation €'000	Net Assets €'000
Energy	1,240,551	51,292	112,788	841,344	45,791	105,434
IT Distribution	878,153	27,562	82,459	859,441	31,274	78,949
Healthcare	170,686	16,097	42,769	148,961	13,595	37,129
Food & Beverage	242,332	13,240	37,237	170,665	10,876	27,634
Environmental	25,823	5,472	15,731	24,131	5,044	10,239
Other	173,979	17,873	55,331	153,423	14,296	43,230
	<u>2,731,524</u>	<u>131,536</u>	<u>346,315</u>	<u>2,197,965</u>	<u>120,876</u>	<u>302,615</u>
Goodwill amortisation		(10,089)			(8,282)	
Net exceptional items (note 7)		(15,967)			(8,185)	
Interest (net)		(5,576)			(4,802)	
Net (debt)/cash			(8,192)			62,717
Amounts due in respect of acquisitions			(17,923)			(11,477)
Investments			100			100
Capitalised goodwill - subsidiaries			193,762			129,566
Capitalised goodwill - associates			3,052			6,996
Minority interests			(4,348)			(4,081)
Proposed dividend			(19,070)			(16,824)
	<u>2,731,524</u>	<u>99,904</u>	<u>493,696</u>	<u>2,197,965</u>	<u>99,607</u>	<u>469,612</u>

(ii) Split between Subsidiary Undertakings and Associated Undertakings

	2005			2004		
	Subsidiary Undertakings €'000	Associated Undertakings €'000	Total €'000	Subsidiary Undertakings €'000	Associated Undertakings €'000	Total €'000
Turnover	2,627,927	103,597	2,731,524	2,074,465	123,500	2,197,965
Operating profit before goodwill amortisation	109,681	21,855	131,536	101,675	19,201	120,876
Goodwill amortisation	(9,746)	(343)	(10,089)	(7,794)	(488)	(8,282)
Operating profit	99,935	21,512	121,447	93,881	18,713	112,594
Net exceptional items (note 7)	(15,967)	-	(15,967)	(8,185)	-	(8,185)
Interest (net)	(5,207)	(369)	(5,576)	(3,693)	(1,109)	(4,802)
Profit before taxation	78,761	21,143	99,904	82,003	17,604	99,607
Net assets (including capitalised goodwill)	429,504	64,192	493,696	415,832	53,780	469,612

Notes to the Financial Statements

for the year ended 31 March 2005

1. Segmental Information - continued

(iii) Other

Other which includes Homebuilding and Supply Chain Management is analysed as follows:

	2005			2004		
	Turnover €'000	Operating Profit €'000	Net Assets €'000	Turnover €'000	Operating Profit €'000	Net Assets €'000
Homebuilding	68,649	18,979	45,660	65,406	15,188	29,018
Supply Chain Management	105,330	(1,106)	9,671	88,017	(892)	14,212
	<u>173,979</u>	<u>17,873</u>	<u>55,331</u>	<u>153,423</u>	<u>14,296</u>	<u>43,230</u>

(iv) Acquisitions

Acquisitions in the year contributed turnover of €282.457 million (2004: €23.024 million), operating profit before goodwill amortisation and operating exceptional items of €8.243 million (2004: €0.168 million) and profit before taxation of €4.263 million (2004: €87,000).

(b) Segmental Analysis by Geographical Area

An analysis by geographical area of turnover, profit before taxation and net assets is set out below:

(i) Summary

	2005			2004		
	Turnover by Origin €'000	Profit Before Taxation €'000	Net Assets €'000	Turnover by Origin €'000	Profit Before Taxation €'000	Net Assets €'000
Ireland	845,657	39,006	63,971	700,036	39,473	62,414
Rest of the World	1,782,270	70,675	221,204	1,374,429	62,202	193,417
	<u>2,627,927</u>	<u>109,681</u>	<u>285,175</u>	<u>2,074,465</u>	<u>101,675</u>	<u>255,831</u>
Associated undertakings	103,597	21,855	61,140	123,500	19,201	46,784
	<u>2,731,524</u>	<u>131,536</u>	<u>346,315</u>	<u>2,197,965</u>	<u>120,876</u>	<u>302,615</u>
Goodwill amortisation		(10,089)			(8,282)	
Net exceptional items (note 7)		(15,967)			(8,185)	
Interest (net)		(5,576)			(4,802)	
Net (debt)/cash			(8,192)			62,717
Amounts due in respect of acquisitions			(17,923)			(11,477)
Investments			100			100
Capitalised goodwill - subsidiaries			193,762			129,566
Capitalised goodwill - associates			3,052			6,996
Minority interests			(4,348)			(4,081)
Proposed dividend			(19,070)			(16,824)
	<u>2,731,524</u>	<u>99,904</u>	<u>493,696</u>	<u>2,197,965</u>	<u>99,607</u>	<u>469,612</u>

(ii) Turnover by Destination

	2005 €'000	2004 €'000
Ireland	829,122	682,055
United Kingdom	1,610,340	1,226,136
Rest of Europe	175,683	153,011
USA	10,665	10,256
Other	2,117	3,007
Share of associated undertakings	103,597	123,500
	<u>2,731,524</u>	<u>2,197,965</u>

Notes to the Financial Statements

for the year ended 31 March 2005

2. Cost of Sales and Net Operating Costs

	2005			2004		
	Continuing Activities €'000	Acquisitions €'000	Total €'000	Continuing Activities €'000	Acquisitions €'000	Total €'000
Cost of sales	(1,999,602)	(248,974)	(2,248,576)	(1,718,370)	(21,025)	(1,739,395)
Gross profit	345,868	33,483	379,351	333,071	1,999	335,070
Operating costs						
Distribution	(130,146)	(13,858)	(144,004)	(120,270)	(1,093)	(121,363)
Administrative	(117,491)	(12,493)	(129,984)	(113,421)	(738)	(114,159)
Other operating expenses	(15)	-	(15)	(17)	-	(17)
	(247,652)	(26,351)	(274,003)	(233,708)	(1,831)	(235,539)
Other operating income	3,222	1,111	4,333	2,144	-	2,144
	(244,430)	(25,240)	(269,670)	(231,564)	(1,831)	(233,395)
Operating exceptional items	(1,640)	(2,175)	(3,815)	(2,288)	-	(2,288)
Goodwill amortisation	(8,150)	(1,596)	(9,746)	(7,720)	(74)	(7,794)
Net operating costs	(254,220)	(29,011)	(283,231)	(241,572)	(1,905)	(243,477)
Operating profit						
- parent and subsidiaries	91,648	4,472	96,120	91,499	94	91,593
- associated undertakings (note 1(a))	21,512	-	21,512	18,713	-	18,713
	113,160	4,472	117,632	110,212	94	110,306

3. Acquisitions

The profit on ordinary activities before taxation arising from acquisitions represents the aggregate of net incremental profit resulting from the acquisition of subsidiaries and associated undertakings in the relevant financial year.

4. Employee Information

The average weekly number of persons (including executive Directors) employed by subsidiaries of the Group during the year analysed by class of business was:

	2005 Number	2004 Number
Energy	1,733	1,414
IT Distribution	779	773
Healthcare	742	685
Food & Beverage	528	350
Environmental	154	141
Supply Chain Management	505	405
	4,441	3,768

The staff costs for the above were:

	2005 €'000	2004 €'000
Wages and salaries	152,281	124,540
Social welfare costs	16,210	13,621
Pension costs	8,626	7,242
	177,117	145,403

5. Directors' Emoluments and Interests

Directors' emoluments and interests are given in the Report of the Remuneration Committee on pages 46 to 49.

Notes to the Financial Statements

for the year ended 31 March 2005

6. Goodwill Amortisation

	2005 €'000	2004 €'000
Amortisation of capitalised goodwill arising on the acquisition of subsidiaries after 1 April 1998 (note 16)	9,746	7,794
Amortisation of goodwill included in the carrying value of associated undertakings (note 18)	343	488
	<u>10,089</u>	<u>8,282</u>

7. Net Exceptional Items

	2005 €'000	2004 €'000
Operating exceptional items	3,815	2,288
Non-operating net exceptional items	12,152	5,897
Net exceptional items	<u>15,967</u>	<u>8,185</u>

Operating exceptional items and non-operating net exceptional items in the year amounted to €16.0 million in relation to the restructuring of SerCom Solutions, acquisition related restructuring in DCC Energy and legal costs.

SerCom Solutions, DCC's supply chain management subsidiary, restructured its operations by consolidating its kitting and assembly activities at its Limerick facility and by closing its loss making Dublin facility.

As part of the post acquisition integration of the business of Shell Direct UK, exceptional restructuring costs have been incurred, arising in part from an overlap of operations with DCC's Scottish Fuels business, in order to improve the overall efficiency of its business.

DCC incurred costs in relation to the Fyffes plc legal action referred to in the Chairman's statement on page 6, and in relation to the pursuit in Taiwan of the damages, costs and interest awarded to DCC by the High Court in London following the successful legal action against Pihsiang Machinery Manufacturing Company Limited, a Taiwanese public company, Donald Wu, its chairman and major shareholder, and Jenny Wu, his wife and director (the Defendants). The total amount owing jointly and severally by the Defendants at 31 March 2005 was €19.4 million. DCC has not recognised this amount in its accounts pending its collection.

8. Net Interest Payable and Similar Charges - Parent and Subsidiary Undertakings

	2005 €'000	2004 €'000
Interest receivable and similar income		
Interest on cash and term deposits	14,062	8,534
Other interest and similar income receivable	9	33
	<u>14,071</u>	<u>8,567</u>
Interest payable and similar charges		
On bank loans, overdrafts and Unsecured Notes 2008 to 2016		
- repayable within 5 years, not by instalments	(10,519)	(10,454)
- repayable wholly or partly in more than 5 years	(7,113)	(315)
On loan notes		
- repayable within 5 years, not by instalments	(30)	(29)
On finance leases	(1,122)	(1,143)
Other interest	(494)	(319)
	<u>(19,278)</u>	<u>(12,260)</u>
	<u>(5,207)</u>	<u>(3,693)</u>

9. Share of Net Interest Payable and Similar Charges - Associated Undertakings

This comprises the Group's share of the net interest payable and similar charges of its associated undertakings.

Notes to the Financial Statements

for the year ended 31 March 2005

10. Profit on Ordinary Activities Before Taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2005 €'000	2004 €'000
Auditors' remuneration - audit fees	982	804
Amortisation of capital grants	(155)	(173)
Operating leases		
- land and buildings	4,629	4,144
- plant and machinery	160	138
- motor vehicles	3,359	2,174
Depreciation		
- owned assets	26,820	25,926
- leased assets	5,226	3,475

Fees paid to the auditors, PricewaterhouseCoopers, for non-audit services amounted to €2.389 million (2004: €1.257 million).

11. Taxation

	2005 €'000	2004 €'000
Current Tax		
Irish Corporation Tax principally at 12.5% (2004: 12.5%)	2,394	5,636
Less manufacturing relief	(575)	(533)
United Kingdom Corporation Tax at 30%	7,538	7,207
Other overseas tax	619	339
Over provision in respect of prior years	(1,534)	(619)
Total current taxation	8,442	12,030
Deferred Tax		
Irish at 12.5%	213	519
United Kingdom at 30%	2,182	(1,158)
Other overseas deferred tax	-	339
Under provision in respect of prior years	1,037	67
Total deferred tax	3,432	(233)
Total subsidiary undertakings tax charge	11,874	11,797
Associated undertakings	3,241	2,712
	15,115	14,509

Manufacturing relief is scheduled to expire in the year 2010.

Effective tax rate

Profit on ordinary activities before taxation	99,904	99,607
Goodwill amortisation (note 6)	10,089	8,282
Net exceptional items (note 7)	15,967	8,185
	125,960	116,074
Taxation as a percentage of profit before goodwill amortisation, net exceptional items and taxation	12.0%	12.5%

The following table relates the applicable Republic of Ireland statutory tax rate to the effective tax rate of the Group:

	2005 (%)	2004 (%)
Irish corporation tax rate	12.5	12.5
Manufacturing relief	(0.5)	(0.5)
Earnings taxed at higher rates	9.9	11.0
Over provision in respect of prior years	(0.4)	(0.6)
Other timing differences	-	(0.3)
Adjustments for earnings taxed at lower rates and other	(9.5)	(9.6)
	12.0	12.5

Notes to the Financial Statements

for the year ended 31 March 2005

12. Minority Interests

	2005 €'000	2004 €'000
Subsidiary undertakings	573	341
Associated undertakings	449	430
	<u>1,022</u>	<u>771</u>

13. Profit for the Financial Year Attributable to Group Shareholders

As permitted by Section 3(2) of the Companies (Amendment) Act, 1986, a separate profit and loss account for the holding company has not been included in these financial statements. The profit for the financial year attributable to DCC shareholders dealt with in the financial statements of the holding company amounted to €835,000 (2004: €85.853 million).

14. Dividends

	2005 €'000	2004 €'000
Per Ordinary Share		
Interim dividend of 13.51 cent per share (2004: 11.75 cent per share)	10,802	9,823
Dividend attaching to shares bought-back	(414)	(75)
	<u>10,388</u>	<u>9,748</u>
Proposed final dividend of 23.75 cent per share (2004: 20.65 cent per share)	19,070	16,824
	<u>29,458</u>	<u>26,572</u>

The reduction in the interim dividend for the year ended 31 March 2005 of €414,000 primarily relates to the proposed final dividend for the year ended 31 March 2004 attaching to ordinary shares subsequently bought back by the Company.

15. Earnings per Ordinary Share and Adjusted Earnings per Ordinary Share

	2005 €'000	2004 €'000
Profit after taxation and minority interests	83,767	84,327
Net exceptional items (note 7)	15,967	8,185
Goodwill amortisation (note 6)	10,089	8,282
Adjusted profit after taxation and minority interests	<u>109,823</u>	<u>100,794</u>
Basic earnings per ordinary share	cent	cent
Basic earnings per ordinary share	104.69	101.98
Net exceptional items	19.95	9.90
Goodwill amortisation	12.61	10.01
Adjusted basic earnings per ordinary share	<u>137.25</u>	<u>121.89</u>
Weighted average number of shares in issue during the year ('000)	<u>80,018</u>	<u>82,690</u>
Diluted earnings per ordinary share	cent	cent
Diluted earnings per ordinary share	102.26	100.42
Net exceptional items	19.49	9.75
Goodwill amortisation	12.32	9.86
Adjusted diluted earnings per ordinary share	<u>134.07</u>	<u>120.03</u>
Diluted weighted average number of ordinary shares ('000)	<u>81,913</u>	<u>83,974</u>

The adjusted figures for basic earnings per ordinary share and diluted earnings per ordinary share are intended to demonstrate the results of the Group after eliminating the impact of goodwill amortisation and net exceptional items.

Notes to the Financial Statements

for the year ended 31 March 2005

15. Earnings per Ordinary Share and Adjusted Earnings per Ordinary Share - continued

The weighted average number of ordinary shares used in calculating the diluted earnings per share for the year ended 31 March 2005 was 81.913 million (2004: 83.974 million). A reconciliation of the weighted average number of ordinary shares used for the purposes of calculating the diluted earnings per share amounts is as follows:

	2005 €'000	2004 €'000
Weighted average number of shares in issue used for the calculation of basic earnings per share amounts	80,018	82,690
Dilutive effect of options and partly paid shares	1,813	1,240
Dilutive effect of shares potentially issuable under deferred contingent consideration arrangements	82	44
Weighted average number of shares in issue used for the calculation of diluted earnings per share	<u>81,913</u>	<u>83,974</u>

The earnings used for the purpose of the diluted earnings per share calculations were €83.767 million (2004: €84.327 million) and €109.823 million (2004: €100.794 million) for the purposes of the adjusted diluted earnings per share calculation.

16. Intangible Assets - Goodwill

Group

The movement in goodwill arising on the acquisition of subsidiaries is as follows:

	2005 €'000	2004 €'000
Cost		
At 1 April	157,184	151,868
Additions (note 39)	75,523	7,881
Disposals	-	(265)
Other movements	(1,581)	(2,300)
At 31 March	<u>231,126</u>	<u>157,184</u>
Amortisation		
At 1 April	27,618	19,824
Amortisation for the year (note 6)	9,746	7,794
At 31 March	<u>37,364</u>	<u>27,618</u>
Net Book Value		
At 31 March	<u>193,762</u>	<u>129,566</u>

Notes to the Financial Statements

for the year ended 31 March 2005

17. Tangible Fixed Assets

(a) Group

	Freehold & long term leasehold land & buildings €'000	Plant & machinery & cylinders €'000	Fixtures & fittings & office equipment €'000	Motor vehicles €'000	Total €'000
Cost					
At 1 April 2004	82,276	260,457	47,610	61,770	452,113
Acquisitions (note 39)	20,099	13,612	2,225	5,582	41,518
Additions	13,866	14,897	6,343	6,848	41,954
Disposals	(2,870)	(3,647)	(505)	(4,711)	(11,733)
Exchange adjustments	(1,287)	(5,739)	(603)	(1,451)	(9,080)
At 31 March 2005	<u>112,084</u>	<u>279,580</u>	<u>55,070</u>	<u>68,038</u>	<u>514,772</u>
Depreciation					
At 1 April 2004	13,401	160,719	30,903	34,838	239,861
Acquisitions (note 39)	858	5,577	1,270	390	8,095
Charge for year	1,854	16,451	5,951	7,790	32,046
Disposals	(890)	(3,211)	(504)	(3,708)	(8,313)
Exchange adjustments	(157)	(3,506)	(36)	(865)	(4,564)
At 31 March 2005	<u>15,066</u>	<u>176,030</u>	<u>37,584</u>	<u>38,445</u>	<u>267,125</u>
Net Book Value					
At 31 March 2005	<u>97,018</u>	<u>103,550</u>	<u>17,486</u>	<u>29,593</u>	<u>247,647</u>
At 31 March 2004	<u>68,875</u>	<u>99,738</u>	<u>16,707</u>	<u>26,932</u>	<u>212,252</u>

The net book value of tangible fixed assets includes an amount of €4.968 million (2004: €7.121 million) in respect of assets held under finance leases.

(b) Company

	Fixtures & fittings & office equipment €'000	Motor vehicles €'000	Total €'000
Cost			
At 1 April 2004	1,288	1,170	2,458
Additions	31	211	242
Disposals	(1,319)	(1,381)	(2,700)
At 31 March 2005	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation			
At 1 April 2004	913	562	1,475
Charge for year	30	64	94
Disposals	(943)	(626)	(1,569)
At 31 March 2005	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value			
At 31 March 2005	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2004	<u>375</u>	<u>608</u>	<u>983</u>

Notes to the Financial Statements

for the year ended 31 March 2005

18. Financial Assets - Associated Undertakings

(a) Group

	2005 €'000	2004 €'000
At 1 April	53,780	40,330
Additions	-	484
Acquired as a subsidiary during the year (note 39)	(7,916)	-
Retained profits less dividends	18,908	13,664
Exchange adjustments	(237)	(210)
Amortisation of goodwill (note 6)	(343)	(488)
At 31 March	<u>64,192</u>	<u>53,780</u>

The carrying value of associated undertakings is analysed as follows:

	2005 €'000	2004 €'000
Interest in net assets	6,687	4,739
Share of post acquisition reserves	54,475	42,045
	<u>61,162</u>	<u>46,784</u>
Goodwill (net of amortisation)	3,030	6,996
	<u>64,192</u>	<u>53,780</u>

At 31 March 2005 the Group's aggregate share of its associated undertakings' fixed assets, current assets, liabilities due within one year and liabilities due after more than one year was as follows:

	2005 €'000	2004 €'000
Fixed assets	8,940	13,565
Current assets	72,701	65,732
Liabilities due within one year	(7,324)	(14,007)
Liabilities due after more than one year and minority interests	(13,155)	(18,506)
	<u>61,162</u>	<u>46,784</u>

The movement in goodwill in associated undertakings is as follows:

	2005 €'000	2004 €'000
Cost		
At 1 April	10,114	9,890
Additions	-	224
Disposals	(5,447)	-
At 31 March	<u>4,667</u>	<u>10,114</u>
Amortisation		
At 1 April	3,118	2,630
Amortisation for the year (note 6)	343	488
Disposals	(1,824)	-
At 31 March	<u>1,637</u>	<u>3,118</u>
Net Book Value		
At 31 March	<u>3,030</u>	<u>6,996</u>

Notes to the Financial Statements

for the year ended 31 March 2005

18. Financial Assets - Associated Undertakings - continued

Details of the Group's principal associated undertakings at 31 March 2005 are set out below. All of these companies are incorporated and operate in Ireland.

Name and Registered Office	Nature of Business	% Ordinary Shareholding
Food & Beverage		
KP (Ireland) Limited, 79 Broomhill Road, Tallaght, Dublin 24, Ireland.	Manufacture of snack foods.	50.0%
Kylemore Foods Holdings Limited, DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland.	Holding company for the Kylemore group of companies whose principal activities are the operation of restaurants and par bake bread manufacture.	50.0%
Other		
Manor Park Homebuilders Limited, The Gables, Torquay Road, Foxrock, Dublin 18, Ireland.	Residential homebuilding and property development.	49.0%

(b) Company

	2005 €'000	2004 €'000
At 31 March	<u>1,300</u>	<u>1,300</u>

19. Financial Assets - Subsidiary Undertakings

Company	2005 €'000	2004 €'000
At 1 April	145,814	106,653
Additions	-	53,116
Disposals	-	(13,955)
At 31 March	<u>145,814</u>	<u>145,814</u>

The Group's principal operating subsidiary undertakings are shown on pages 89 to 91. All of these subsidiaries are wholly owned except Broderick Bros. Limited (93.8%), Virtus Limited (51.0%), Distrilogie SA (98.36%) where put and call options exist to acquire the remaining 1.64%, DCC Environmental Limited (97.15%) where put and call options exist to acquire the remaining 2.85% and Fannin Limited (96.6%) where put and call options exist to acquire the remaining 3.4%.

The Group's principal overseas holding company subsidiaries are DCC Limited, a company operating, incorporated and registered in England and Wales and DCC International Holdings B.V., a company operating, incorporated and registered in The Netherlands. The registered office of DCC Limited is at Days Healthcare U.K. Limited, Litchard Industrial Estate, Bridgend, Mid Glamorgan CF31 2AL, Wales. The registered office of DCC International Holdings B.V. is Teport Boulevard 140, 1043 EJ Amsterdam, The Netherlands.

Notes to the Financial Statements

for the year ended 31 March 2005

20. Stocks

Group	2005 €'000	2004 €'000
Raw materials and consumables	5,783	3,591
Work in progress	1,855	1,049
Finished goods and goods for resale	<u>116,096</u>	<u>105,937</u>
	<u>123,734</u>	<u>110,577</u>

The replacement cost of stocks is not considered to be materially different from the amounts shown above.

21. Debtors

	Group		Company	
	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Amounts falling due within one year:				
Trade debtors	366,340	290,084	-	-
Amounts owed by subsidiary undertakings	-	-	267,985	2,019
Corporation tax recoverable	-	-	-	5
Deferred tax asset (note 30)	3,720	4,527	-	-
Value added tax recoverable	9,925	1,517	80	-
Prepayments and accrued income	24,516	17,160	1,021	1,390
Other debtors	4,560	1,877	-	-
	<u>409,061</u>	<u>315,165</u>	<u>269,086</u>	<u>3,414</u>
Amounts falling due after more than one year:				
Amounts owed by subsidiary undertakings	-	-	-	278,233
Investments	100	100	-	-
Prepayments and other debtors	12,373	15,120	8,713	9,441
	<u>12,473</u>	<u>15,220</u>	<u>8,713</u>	<u>287,674</u>
	<u>421,534</u>	<u>330,385</u>	<u>277,799</u>	<u>291,088</u>

22. Cash and Term Deposits

	Group		Company	
	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Cash in hand and at bank	118,590	115,198	-	-
Term deposits	233,809	205,418	248	367
	<u>352,399</u>	<u>320,616</u>	<u>248</u>	<u>367</u>

For the purposes of the consolidated cash flow statement, cash in hand and at bank comprises cash on demand. The movements in cash in hand and at bank and term deposits are set out in note 42.

Notes to the Financial Statements

for the year ended 31 March 2005

23. Bank and Other Debt

Group	2005 €'000	2004 €'000
Bank loans and overdrafts (note 24)	38,481	137,446
Loan notes (note 25)	731	827
Obligations under finance leases (note 26)	16,285	22,014
	<u>55,497</u>	<u>160,287</u>
Unsecured Notes due 2008 to 2016 (note 24)	305,094	97,612
	<u>360,591</u>	<u>257,899</u>
Bank and other loans and leases:		
- repayable within one year	45,127	143,732
- repayable after more than one year	10,370	16,555
Unsecured Notes due 2008 to 2016	305,094	97,612
	<u>360,591</u>	<u>257,899</u>

In September 1996, the Group raised US\$100.0 million of senior unsecured notes in a private placement with US institutional investors. Of this amount, US\$92.5 million is due in 2008 and US\$7.5 million is due in 2011. The funds have been swapped to sterling at a margin over 3 month sterling Libor.

On 19 February 2004, the Group committed to the issuance of US\$200.0 million and Stg£30.0 million senior unsecured notes in a private placement with US and UK institutional investors. Of these amounts, US\$157.0 million and Stg£30.0 million are due in 2014 and US\$43.0 million is due in 2016. The unsecured notes were subsequently issued on 19 April 2004 with funding equivalent to €212.1 million drawn down on that date. The Group has entered into currency and interest rate swaps with the effect that (i) the dollar denominated funds are swapped to euro at a margin over six month Euribor and (ii) the sterling denominated funds are swapped to a margin over six month sterling Libor.

24. Bank Loans, Overdrafts and Unsecured Notes due 2008 to 2016

Group	2005 €'000	2004 €'000
Repayable as follows:		
Within one year	38,481	137,446
Between two and five years	87,327	90,291
After five years	217,767	7,321
	<u>343,575</u>	<u>235,058</u>
The above amounts are further analysed as follows:		
Wholly repayable within one year	38,481	137,446
Repayable other than by instalments:		
- between two and five years	87,327	90,291
- after five years	217,767	7,321
	<u>343,575</u>	<u>235,058</u>

25. Loan Notes

Group	2005 €'000	2004 €'000
The loan notes are repayable as follows:		
Within one year	731	827

The above loan notes are unsecured and €0.731 million (2004: €0.827 million) are supported by bank guarantees. The Company and certain of its subsidiaries have guaranteed the obligations of the relevant banks in respect of the loan notes.

Notes to the Financial Statements

for the year ended 31 March 2005

26. Finance Leases

The net finance lease obligations to which the Group is committed are:

	2005 €'000	2004 €'000
Within one year	<u>5,915</u>	5,459
Between one and two years	4,894	5,960
Between two and five years	<u>5,476</u>	10,595
	<u>10,370</u>	16,555
	<u>16,285</u>	<u>22,014</u>

27. Derivative and Other Financial Instruments

The Group's treasury activities are designed to finance its operations and to reduce or eliminate the financial risks arising from those operations.

A number of the Group's operating and financial revenues and costs are exposed to movements in the financial and commodity markets which are outside of the Group's control. In particular, interest rates can fluctuate, affecting the cost of borrowings, and commodity price movements can impact on the cost of certain raw materials purchased.

Furthermore, foreign exchange movements can impact on the cost of products sourced and revenues generated from overseas markets and can also impact on the translation of the results and net operating assets or operating liabilities of the Group's overseas operations save to the extent that they are hedged by borrowings or deposits in the same currency. In order to reduce exposures in relation to the Group's revenues and costs, the Group uses various derivative financial instruments to hedge its positions going forward.

All transactions in derivatives (which are mainly interest rate and currency swaps, forward foreign exchange and commodity contracts) are designed to manage risks without engaging in speculative transactions.

(a) Interest Rate Risk Profile of Financial Assets and Financial Liabilities

The following table analyses the currency and interest rate composition of the Group's gross cash and debt portfolio, as stated on the balance sheet, after taking cross currency and interest rate swaps into account:

	2005 € equivalent			2004 € equivalent		
	Financial Assets €'000	Financial Liabilities €'000	Net €'000	Financial Assets €'000	Financial Liabilities €'000	Net €'000
€ Fixed	-	-	-	-	-	-
€ Floating	<u>90,036</u>	<u>(170,180)</u>	<u>(80,144)</u>	67,959	(91,964)	(24,005)
€ Total	<u>90,036</u>	<u>(170,180)</u>	<u>(80,144)</u>	67,959	(91,964)	(24,005)
Stg£ Fixed	88,598	(88,598)	-	91,605	(91,605)	-
Stg£ Floating	<u>168,095</u>	<u>(101,807)</u>	<u>66,288</u>	153,670	(74,330)	79,340
Stg£ Total	<u>256,693</u>	<u>(190,405)</u>	<u>66,288</u>	245,275	(165,935)	79,340
US\$ Fixed	-	-	-	-	-	-
US\$ Floating	<u>5,670</u>	<u>(6)</u>	<u>5,664</u>	7,382	-	7,382
US\$ Total	<u>5,670</u>	<u>(6)</u>	<u>5,664</u>	7,382	-	7,382
Total	<u>352,399</u>	<u>(360,591)</u>	<u>(8,192)</u>	320,616	(257,899)	62,717

Notes to the Financial Statements

for the year ended 31 March 2005

27. Derivative and Other Financial Instruments - continued

The Group's deferred acquisition consideration of €17.923 million (2004: €11.477 million) as stated on the balance sheet, consists of €7.708 million of € floating rate financial liabilities (2004: €9.859 million of € floating rate financial liabilities) and €10.215 million of Stg£ floating rate financial liabilities (2004: €1.618 million) payable as follows:

	2005 €'000	2004 €'000
Within one year	7,084	4,678
Between one and two years	2,375	3,391
Between two and five years	8,464	3,408
	<u>17,923</u>	<u>11,477</u>

The Group's floating rate financial assets and financial liabilities primarily bear interest rates based on:

- 1-6 month Euribor
- 1-6 month Sterling Libor
- 0-1 month US\$ Libor

Details of the fixed interest rates and corresponding time periods for the Group's fixed rate financial assets and financial liabilities, after taking interest rate swaps into account, are as follows:

	2005		2004	
	Weighted average interest rate %		Weighted average interest rate %	
	Fixed rate financial assets	Fixed rate financial liabilities	Fixed rate financial assets	Fixed rate financial liabilities
€	n/a	n/a	n/a	n/a
Stg£	8.0%	8.8%	8.0%	8.8%
	2005		2003	
	Weighted average period for which rate is fixed		Weighted average period for which rate is fixed	
	Fixed rate financial assets	Fixed rate financial liabilities	Fixed rate financial assets	Fixed rate financial liabilities
€	n/a	n/a	n/a	n/a
Stg£	3.5 years	3.5 years	4.5 years	4.5 years

The maturity profile of the Group's financial liabilities is set out in notes 24 to 26 and can be summarised as follows:

	2005 €'000	2004 €'000
Within one year	45,127	143,732
Between one and two years	4,894	5,960
Between two and five years	92,803	100,886
After five years	217,767	7,321
	<u>360,591</u>	<u>257,899</u>

Notes to the Financial Statements

for the year ended 31 March 2005

27. Derivative and Other Financial Instruments - continued

(b) Gains and Losses on Hedges

The Group enters into forward foreign exchange contracts to eliminate the currency exposures that arise on revenues and costs denominated in foreign currencies. The Group also enters into commodity contracts in order to eliminate the exposure to price movements of oil and LPG. Changes in the fair value of instruments used as hedges are not recognised in the financial statements until the hedged position matures. An analysis of these unrecognised gains and losses is as follows:

	2005			2004		
	Gains €'000	Losses €'000	Total €'000	Gains €'000	Losses €'000	Total €'000
At 1 April	1,856	(563)	1,293	6,398	(1,188)	5,210
Portion recognised in current year	(1,856)	563	(1,293)	(4,658)	1,161	(3,497)
Arising in current year	282	(129)	153	116	(536)	(420)
At 31 March	282	(129)	153	1,856	(563)	1,293

Of which, expected to be recognised:

- within one year	282	(129)	153	1,856	(563)	1,293
- after one year	-	-	-	-	-	-
	282	(129)	153	1,856	(563)	1,293

The above table does not include cross currency interest rate swaps where unrecognised gains or losses on the swaps are matched by equal and opposite gains or losses in the fair value of the Unsecured Notes 2008/11 or the Unsecured Notes 2014/16 as described in the accounting policy for derivative financial instruments and detailed in Note 27(c).

(c) Fair Value of Financial Instruments

The carrying amounts and estimated fair values of the financial assets and financial liabilities of the Group are as follows:

	2005		2004	
	Carrying amount €'000	Fair value €'000	Carrying amount €'000	Fair value €'000
Assets:				
Cash and short term deposits	352,399	352,399	320,616	320,616
Liabilities:				
Deferred acquisition consideration	(17,923)	(17,923)	(11,477)	(11,477)
Short term debt	(45,127)	(45,127)	(143,732)	(143,732)
Medium and long term debt	(10,370)	(10,370)	(16,555)	(16,555)
Unsecured Notes due 2008 to 2016	(305,094)	(305,094)	(97,612)	(97,612)
Derivative financial instruments:				
Commodity swaps	-	2	-	12
Forward foreign exchange contracts	-	151	-	1,281
Interest rate contracts	-	-	-	-
	(26,115)	(25,962)	51,240	52,533

Notes to the Financial Statements

for the year ended 31 March 2005

27. Derivative and Other Financial Instruments - continued

The following methods and assumptions were used by the Group in estimating its fair value disclosures for financial instruments:

■ Cash, short term deposits and short term debt:

The carrying amount reported in the balance sheet generally approximates to fair value because of the short maturity of these instruments.

■ Deferred acquisition consideration:

The carrying amount reported in the balance sheet generally approximates to fair value because the future amounts payable are discounted back to their present value.

■ Medium and long term debt:

The carrying amount reported in the balance sheet approximates to fair value because interest rates on these instruments frequently reset to short term market rates.

■ Unsecured Notes due 2008/11:

The fair value of the Group's Unsecured Notes due 2008/11 is shown net of the gain or loss on the sterling cross currency interest rate swap used to hedge these loan notes (note 23). At 31 March 2005, the cross currency interest rate swap had a fair value equating to a loss of €11.126 million (2004: loss of €1.855 million) and the fair value of the Unsecured Notes 2008/11 was lower (2004: lower) than the book value by the same amount.

■ Unsecured Notes due 2014/16:

The fair value of the Group's Unsecured Notes due 2014/16 is shown net of the gain or loss on the currency and interest rate swaps used to hedge these loan notes (note 23). At 31 March 2005, the currency and interest rate swaps had a fair value equating to a loss of €18.690 million and the fair value of the Unsecured Notes 2014/16 was lower than the book value by the same amount. At 31 March 2004, the currency and interest rate swaps had a fair value equating to a gain of €2.306 million and the fair value of the Unsecured Notes 2014/16, which were issued on 19 April 2004 pursuant to commitments entered into on 19 February 2004 (note 23), was higher by the same amount.

■ Commodity and forward foreign exchange contracts:

The fair value of these instruments is based on the estimated replacement cost of equivalent instruments at the balance sheet date.

■ Interest rate contracts:

The fair value of these instruments is based on the estimated replacement cost of equivalent instruments at the balance sheet date. The Group uses interest rate contracts to swap floating rate assets and liabilities into fixed rate assets and liabilities. The fair value of the interest rate contracts attributable to financial assets is offset by the fair value of the interest rate contracts attributable to financial liabilities.

(d) Undrawn Borrowing Facilities

While the Group had various bank borrowing facilities available at 31 March 2005, it had no undrawn committed bank facilities.

(e) Short Term Debtors and Creditors

Short term debtors and creditors are not included in the above disclosures of financial assets and financial liabilities.

(f) Treasury Policy

The Group's treasury policy and management of derivatives and financial instruments is discussed in the Financial Review on pages 26 to 31.

Notes to the Financial Statements

for the year ended 31 March 2005

28. Trade and Other Creditors

	Group		Company	
	2005	2004	2005	2004
Amounts falling due within one year:	€'000	€'000	€'000	€'000
Trade creditors	367,221	297,501	-	-
Other creditors and accruals	62,516	35,588	761	1,836
Deferred acquisition consideration	7,084	4,678	2,824	1,885
PAYE and National Insurance	5,274	3,799	11	268
Value added tax	16,693	12,951	-	619
Capital grants (note 29)	128	129	-	-
Interest payable	5,332	1,617	-	-
Amounts due in respect of fixed assets	499	566	-	-
Amounts due to subsidiary undertakings	-	-	223,019	11,061
Amounts due to associated undertakings	6,536	5,859	-	-
	471,283	362,688	226,615	15,669

29. Capital Grants

Group	2005	2004
	€'000	€'000
At 1 April	1,241	1,413
Amortisation in year	(155)	(173)
Exchange and other adjustments	-	1
At 31 March	1,086	1,241
Disclosed as due within one year (note 28)	(128)	(129)
	958	1,112

30. Provisions for Liabilities and Charges

(a) Group

	2005			2004		
	Deferred taxation (note 31) €'000	Pension and similar obligations (note 32) €'000	Total €'000	Deferred taxation (note 31) €'000	Pension and similar obligations (note 32) €'000	Total €'000
At 1 April	(2,454)	11	(2,443)	(1,875)	11	(1,864)
Charged/(credited) to profit and loss account	3,432	-	3,432	(233)	-	(233)
Acquisitions	554	-	554	-	-	-
Exchange adjustments and other	98	-	98	(346)	-	(346)
At 31 March	1,630	11	1,641	(2,454)	11	(2,443)
Disclosed as:						
Deferred tax asset (note 21)	(3,720)	-	(3,720)	(4,527)	-	(4,527)
Provisions for liabilities and charges	5,350	11	5,361	2,073	11	2,084
	1,630	11	1,641	(2,454)	11	(2,443)

Notes to the Financial Statements

for the year ended 31 March 2005

30. Provisions for Liabilities and Charges - continued

(b) Company

	2005 €'000	2004 €'000
At 1 April	827	552
Charged to profit and loss account	145	275
At 31 March	<u>972</u>	<u>827</u>

31. Deferred Taxation

The net deferred taxation liability/(asset) provided in the financial statements is analysed as follows:

(a) Group

	2005 €'000	2004 €'000
Tax effect of timing differences due to:		
Excess of accelerated capital allowances over depreciation	4,940	361
Other short term timing differences	<u>(3,310)</u>	<u>(2,815)</u>
	<u>1,630</u>	<u>(2,454)</u>

(b) Company

	2005 €'000	2004 €'000
Tax effect of timing differences due to:		
Excess of accelerated capital allowances over depreciation	4	4
Other short term timing differences	<u>968</u>	<u>823</u>
	<u>972</u>	<u>827</u>

32. Pension and Similar Obligations

The Group has continued to account for pensions in accordance with SSAP 24 and the relevant disclosures are given in note (a) below. Financial Reporting Standard 17 - Retirement Benefits (FRS 17) was issued by the Accounting Standards Board in November 2000 and represents a significant change in the method of accounting for pension costs compared with the previous rules as set out in SSAP 24. Full implementation of the new accounting rules prescribed by FRS 17 has been deferred by the Accounting Standards Board. The Group has elected to avail of transitional provisions outlined in the standard which, for 2005, permit the use of the SSAP 24 regulations for determining pension cost but require the additional disclosure of the impact of the adoption of FRS 17 as at 31 March 2005, as shown in note (b).

(a) SSAP 24 Disclosures

The Group operates defined benefit and defined contribution schemes in the parent and subsidiary undertakings. The pension scheme assets are held in separate trustee administered funds.

Total pension costs for the year amounted to €8.626 million (2004: €7.242 million) of which €5.043 million (2004: €4.152 million) was paid in respect of defined benefit schemes.

The pension costs relating to the Group's defined benefit schemes are assessed in accordance with the advice of independent qualified actuaries. Either the attained age or the projected unit benefits method are used to assess pension costs. The most recent actuarial valuations range from 1 April 2002 to 1 May 2004.

The assumptions which have the most significant effect on the results of the actuarial valuations are those relating to the rates of return on investments and the rates of increase in remuneration and pensions. It was assumed that the rates of return on investments would, on average, exceed annual remuneration increases by 2% and pension increases by 3% per annum.

Notes to the Financial Statements

for the year ended 31 March 2005

32. Pension and Similar Obligations - continued

At the dates of the most recent actuarial valuations, the market value of the assets of the Group's defined benefit schemes totalled €50.715 million (2004: €45.350 million).

After allowing for expected future increases in earnings and pension payments, the actuarial values of the various schemes' assets were sufficient to cover between 47% and 102% (Group weighted average cover: 71%) of the benefits that had accrued to the members of the individual schemes. Any actuarial deficits are being spread over the average remaining service lives of current employees.

At 31 March 2005, €2.614 million (2004: €200,000) was included in creditors in respect of pension liabilities and €11.437 million (2004: €10.719 million) was included in debtors in respect of pension prepayments.

In general, actuarial valuations are not available for public inspection, although the results of valuations are advised to the members of the various pension schemes.

(b) Financial Reporting Standard 17 'Retirement Benefits' disclosures

The Group operates eight defined benefit schemes in the Republic of Ireland and three in the UK. Full actuarial valuations were carried out between 1 April 2002 and 1 May 2004 and updated to 31 March 2005 for Financial Reporting Standard 17 disclosure purposes by a qualified independent actuary. The main financial assumptions used in the valuations were:

Irish Schemes	2005	2004	2003
Rate of increase in salaries	4.00%	4.00%	4.00%
Rate of increase in pensions in payment	2.25% - 5.00%	2.25% - 5.00%	2.25% - 5.00%
Discount rate	4.00% - 4.80%	5.25%	5.50%
Inflation assumption	2.25%	2.25%	2.25%
UK Schemes	2005	2004	2003
Rate of increase in salaries	3.75%	3.75%	3.75%
Rate of increase in pensions in payment	2.75% - 4.00%	2.75% - 4.00%	2.25% - 4.00%
Discount rate	5.25%	5.60%	5.25%
Inflation assumption	2.75%	2.75%	2.25%

The expected long term rates of return on the assets of the schemes were as follows:

Irish Schemes	2005	2004	2003
Equities	7.20%	7.50%	7.75%
Bonds	3.70%	4.50%	4.75%
Property	5.20%	5.50%	5.75%
Cash	2.40%	3.00%	4.00%
UK Schemes	2005	2004	2003
Equities	8.10%	7.50%	7.50%
Bonds	4.60%	4.50%	5.00%
Property	6.10%	5.50%	6.00%
Cash	3.50%	3.00%	4.00%

Notes to the Financial Statements

for the year ended 31 March 2005

32. Pension and Similar Obligations - continued

The market value of the assets of the schemes were as follows:

	2005		
	Rol €'000	UK €'000	Total €'000
Equities	31,920	7,150	39,070
Bonds	9,884	1,389	11,273
Property	2,006	7	2,013
Cash	1,900	552	2,452
Total market value at 31 March	45,710	9,098	54,808
Present value of scheme liabilities	(64,581)	(15,458)	(80,039)
	<u>(18,871)</u>	<u>(6,360)</u>	<u>(25,231)</u>
Related deferred tax asset			3,028
Net pension funding deficit at 31 March 2005			<u>(22,203)</u>
	2004		
	Rol €'000	UK €'000	Total €'000
Equities	29,020	6,504	35,524
Bonds	7,502	1,161	8,663
Property	2,145	9	2,154
Cash	7,580	159	7,739
Total market value at 31 March	46,247	7,833	54,080
Present value of scheme liabilities	(58,035)	(13,036)	(71,071)
	<u>(11,788)</u>	<u>(5,203)</u>	<u>(16,991)</u>
Related deferred tax asset			2,124
Net pension funding deficit at 31 March 2004			<u>(14,867)</u>
	2003		
	Rol €'000	UK €'000	Total €'000
Equities	19,777	4,633	24,410
Bonds	7,753	998	8,751
Property	2,045	9	2,054
Cash	6,383	167	6,550
Total market value at 31 March	35,958	5,807	41,765
Present value of scheme liabilities	(49,614)	(10,531)	(60,145)
	<u>(13,656)</u>	<u>(4,724)</u>	<u>(18,380)</u>
Related deferred tax asset			2,573
Net pension funding deficit at 31 March 2003			<u>(15,807)</u>

Notes to the Financial Statements

for the year ended 31 March 2005

32. Pension and Similar Obligations - continued

If FRS 17 had been adopted in the financial statements, the Group's shareholders' funds and profit and loss reserve would be as follows:

	2005		2004		2003	
	€'000	€'000	€'000	€'000	€'000	€'000
Shareholders' Funds						
Group shareholders' funds excluding pension deficit		493,696		469,612		429,279
Net pension funding deficit		(22,203)		(14,867)		(15,807)
Net pension prepayment	(8,910)		(10,538)		(8,951)	
Related deferred tax asset	1,069		1,317		1,119	
Net pension prepayment		(7,841)		(9,221)		(7,832)
Group shareholders' funds including pension deficit and pension prepayment		463,652		445,524		405,640
Profit and Loss Reserve						
Profit and loss reserve excluding pension deficit		345,748		321,739		281,400
Net pension funding deficit		(22,203)		(14,867)		(15,807)
Net pension prepayment	(8,910)		(10,538)		(8,951)	
Related deferred tax asset	1,069		1,317		1,119	
Net pension prepayment		(7,841)		(9,221)		(7,832)
Profit and loss reserve including pension deficit and pension prepayment		315,704		297,651		257,761

Impact of FRS 17 on reported profit

The following is a pro-forma indication of the impact on the Group profit and loss account if the Group had implemented FRS 17 in full in relation to its defined benefit pension schemes:

	2005			2004		
	SSAP 24 pension expense €'000	Total net pension cost under FRS 17 €'000	Incremental profit impact of FRS 17 €'000	SSAP 24 pension expense €'000	Total net pension cost under FRS 17 €'000	Incremental profit impact of FRS 17 €'000
Impact on Group operating profit						
Pension cost/current service cost	(5,043)	(3,029)	2,014	(4,152)	(2,355)	1,797
Past service cost (benefit enhancements)	-	(392)	(392)	-	(30)	(30)
Total operating charge	(5,043)	(3,421)	1,622	(4,152)	(2,385)	1,767
Impact on other finance income						
Expected return on pension scheme assets	-	3,517	3,517	-	2,848	2,848
Interest on pension scheme liabilities	-	(3,940)	(3,940)	-	(3,303)	(3,303)
Net return	-	(423)	(423)	-	(455)	(455)
Total net impact on reported profits	(5,043)	(3,844)	1,199	(4,152)	(2,840)	1,312

Notes to the Financial Statements

for the year ended 31 March 2005

32. Pension and Similar Obligations - continued

Statement of total recognised gains and losses	2005	2004	2003
	€'000	€'000	€'000
Actual return less expected return on pension scheme assets	1,277	5,362	(13,394)
Experience gains and losses arising on the scheme liabilities	(1,608)	(3,424)	(3,005)
Changes in assumptions underlying the present value of the scheme liabilities	(7,421)	(2,764)	(5,869)
Actuarial loss recognised in the statement of total recognised gains and losses	(7,752)	(826)	(22,268)
Movement in deficit during the year	2005	2004	2003
	€'000	€'000	€'000
Deficit in scheme at 1 April	(16,991)	(18,380)	(3,164)
Movement in year:			
Current service cost	(3,029)	(2,355)	(2,160)
Past service cost	(392)	(30)	(141)
Acquisitions and other	(1,825)	-	-
Contributions paid	4,998	5,237	8,275
Other finance (expense)/income	(423)	(455)	672
Actuarial loss	(7,752)	(826)	(22,268)
Exchange	183	(182)	406
Deficit in scheme at 31 March	(25,231)	(16,991)	(18,380)
Experience gains and losses	2005	2004	2003
	€'000	€'000	€'000
Difference between the expected and actual return on scheme assets	1,277	5,362	(13,394)
Percentage of scheme assets	2%	10%	(32%)
Experience gains and losses on scheme liabilities	(1,608)	(3,424)	(3,005)
Percentage of the present value of the scheme liabilities	2%	5%	5%
Total recognised in statement of total recognised gains and losses	(7,752)	(826)	(22,268)
Percentage of the present value of the scheme liabilities	10%	1%	37%

Notes to the Financial Statements

for the year ended 31 March 2005

33. Called up Equity Share Capital

Group and Company	2005	2004
	€'000	€'000
Authorised		
152,368,568 ordinary shares of €0.25 each	38,092	38,092
Issued		
88,169,404 ordinary shares (including 7,873,886 ordinary shares held as Treasury Shares) of €0.25 each, fully paid (2004: 88,139,404 ordinary shares (including 6,667,734 ordinary shares held as Treasury Shares) of €0.25 each, fully paid)	22,042	22,035
60,000 ordinary shares of €0.25 each, €0.0025 paid (2004: 90,000 ordinary shares of €0.25 each, €0.0025 paid)	-	-
	22,042	22,035
Movements during year		
	No of shares	€'000
Ordinary shares of 0.25 each	('000)	€'000
At 1 April 2004	88,229	22,035
Payment up of partly paid shares	-	7
At 31 March 2005	88,229	22,042

During the year the Group purchased 2,065,000 of its own ordinary shares of €0.25 each at a total cost of €26.762 million. These shares are held as Treasury Shares and they are not included in the calculation of earnings per share from the date they were purchased by the Group.

Under the DCC plc 1998 Employee Share Option Scheme, Group employees hold basic tier options to subscribe for 2,282,700 ordinary shares and second tier options to subscribe for 2,498,584 ordinary shares. The number of shares in respect of which basic tier and second tier options may be granted under this Scheme may not exceed 5% of the total number of shares in issue in each case.

Under the DCC Sharesave Scheme, Group employees hold options to subscribe for 986,912 ordinary shares. These options are exercisable between June 2004 and February 2011.

Under the terminated DCC Employee Partly Paid Share Scheme, at 31 March 2005, 60,000 shares (2004: 90,000 shares) remain partly paid.

All shares, whether fully or partly paid, carry equal voting rights and rank for dividends to the extent to which the total amount payable on each share is paid up.

34. Share Premium Account

Group and Company	2005	2004
	€'000	€'000
At 1 April	124,438	124,444
Premium on issue of shares	68	-
Share issue expenses	-	(6)
At 31 March	124,506	124,438

Notes to the Financial Statements

for the year ended 31 March 2005

35. Other Reserves

(a) Group	Capital Conversion Reserve Fund €'000	Other Reserves €'000	Total €'000
At 31 March 2005 and 31 March 2004	<u>344</u>	<u>1,056</u>	<u>1,400</u>
(b) Company			Capital Conversion Reserve Fund €'000
At 31 March 2005 and 31 March 2004			<u>344</u>

36. Profit and Loss

(a) Group	2005 €'000	2004 €'000
At 1 April	321,739	281,400
Profit retained for the year	54,309	57,755
Share buyback (inclusive of costs)	(26,762)	(24,986)
Re-issue of Treasury Shares (net of expenses)	6,783	1,128
Exchange adjustments - associated undertakings	(237)	(210)
Exchange adjustments - subsidiaries	<u>(10,084)</u>	<u>6,652</u>
At 31 March	<u>345,748</u>	<u>321,739</u>

In accordance with the Group's accounting policy, goodwill arising on the acquisition of subsidiaries prior to 1 April 1998, eliminated from the balance sheet through reserves, amounts to €100.079 million.

(b) Company	2005 €'000	2004 €'000
At 1 April	69,688	34,265
(Loss)/profit retained	(28,623)	59,281
Share buyback (inclusive of costs)	(26,762)	(24,986)
Re-issue of Treasury Shares (net of expenses)	<u>6,783</u>	<u>1,128</u>
At 31 March	<u>21,086</u>	<u>69,688</u>

The cost to the Group of €87.112 million to acquire the 7,873,886 shares held in Treasury has been deducted from the Group and Company Profit and Loss Reserves. These shares were acquired at prices ranging from €9.25 to €12.80 each between 28 July 2000 and 17 May 2004.

Notes to the Financial Statements

for the year ended 31 March 2005

37. Reconciliation of Movements in Equity Shareholders' Funds

Group	2005	2004
	€'000	€'000
Profit for the financial year	83,767	84,327
Dividends	(29,458)	(26,572)
	54,309	57,755
Equity share capital issued (net of expenses)	6,858	1,122
Share buyback (inclusive of costs)	(26,762)	(24,986)
Exchange adjustments - associated undertakings	(237)	(210)
Exchange adjustments - subsidiaries	(10,084)	6,652
Net movement in shareholders' funds	24,084	40,333
Opening equity shareholders' funds	469,612	429,279
Closing equity shareholders' funds	493,696	469,612

38. Equity Minority Interests

Group	2005	2004
	€'000	€'000
At 1 April	4,081	3,632
Minority acquired on acquisition of subsidiary (note 39)	359	-
Acquisition of minority interest in subsidiary undertakings (note 39)	(489)	-
Share of profit for the financial year (note 12)	573	341
Dividends to minorities	(176)	(151)
Exchange and other adjustments	-	259
At 31 March	4,348	4,081

Notes to the Financial Statements

for the year ended 31 March 2005

39. Acquisitions of Subsidiary Undertakings

The principal acquisitions completed during the year were Bottle Green (a UK wine sales and marketing company), the business of Shell Direct UK (a Shell branded oil distributor), Dyneley Holdings Limited (a fuel card services company), Laleham Healthcare (a contract manufacturer and packer for the health and beauty market), and a number of small oil and LPG distributors. The Group also purchased the remaining 48.5% shareholding from minority shareholders in Allied Foods Limited.

A summary of the effect of acquisitions is as follows:

	Acquisition of subsidiary undertakings €'000	Fair value adjustments €'000	Fair value of subsidiary undertakings at acquisition €'000	Acquisition of minority interest in subsidiaries €'000	Total €'000
Tangible fixed assets	33,423	-	33,423	-	33,423
Stocks	6,927	(100)	6,827	-	6,827
Debtors	33,671	(200)	33,471	-	33,471
Net cash	16,528	-	16,528	-	16,528
Creditors	(44,023)	(4,725)	(48,748)	-	(48,748)
Tax and deferred tax	(3,407)	-	(3,407)	-	(3,407)
Minority interest	(359)	-	(359)	489	130
Net assets acquired	<u>42,760</u>	<u>(5,025)</u>	<u>37,735</u>	<u>489</u>	<u>38,224</u>
Goodwill			74,382	1,141	75,523
Less: carrying value as an associate			(7,916)	-	(7,916)
Cost			<u>104,201</u>	<u>1,630</u>	<u>105,831</u>
Satisfied by:					
Cash					94,721
Deferred consideration					<u>11,110</u>
					<u>105,831</u>

The fair values set out above include provisional values for certain acquisitions completed during 2004/2005. Any revisions to these provisional valuations will be reflected in the 2005/2006 financial statements. The fair value adjustments primarily relate to onerous contracts and defined benefit pension deficits of subsidiaries acquired. During the year, €1.675 million of the fair value provisions were utilised.

An analysis of the net outflow of cash in respect of the acquisition of subsidiary undertakings is as follows:

	€'000
Cost	105,831
Net cash acquired	(16,528)
Deferred consideration	(11,110)
Net outflow of cash	<u>78,193</u>
Comprised of:	
Purchase of subsidiary undertakings (net of cash acquired) (note 41(c))	77,288
Purchase of minority interests (note 41(c))	905
	<u>78,193</u>

Notes to the Financial Statements

for the year ended 31 March 2005

40. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	2005 €'000	2004 €'000
Operating profit before goodwill amortisation	131,536	120,876
Operating profit of associated undertakings	(21,855)	(19,201)
Dividends received from associated undertakings	1,354	3,094
Depreciation of tangible fixed assets	32,046	29,401
Amortisation of capital grants	(155)	(173)
Profit on sale of tangible fixed assets	(2,050)	(879)
Increase in stocks	(8,506)	(3,905)
Increase in debtors	(64,144)	(539)
Increase in creditors	49,100	25,050
Other	(2,466)	(1,808)
Operating cash flow before exceptional costs	<u>114,860</u>	<u>151,916</u>
Exceptional costs	(6,560)	(10,670)
Cash flow from operating activities	<u>108,300</u>	<u>141,246</u>

41. Analysis of Cashflows for Headings netted in the Consolidated Cash Flow Statement

	2005 €'000	2004 €'000
(a) Returns on investments and servicing of finance		
Interest received and similar receipts	12,833	8,540
Interest paid and similar payments	(15,561)	(11,998)
Dividends paid to minority interests	(176)	(151)
Net cash outflow from returns on investments and servicing of finance	<u>(2,904)</u>	<u>(3,609)</u>
(b) Capital expenditure		
Expenditure on tangible fixed assets	(42,021)	(32,084)
Proceeds on sale of tangible fixed assets	7,875	3,992
Net cash outflow from capital expenditure	<u>(34,146)</u>	<u>(28,092)</u>
(c) Acquisitions		
Purchase of subsidiary undertakings (net of cash acquired) (note 39)	(77,288)	(7,302)
Investment in associated undertakings (note 18)	-	(484)
Purchase of minority interests (note 39)	(905)	-
Payment of deferred consideration in respect of acquisitions	(2,955)	(6,674)
Net cash outflow from acquisitions	<u>(81,148)</u>	<u>(14,460)</u>
(d) Financing		
Issues of share capital (including share premium)	6,858	1,122
Share buyback	(26,762)	(24,986)
Capital element of finance lease payments	(5,062)	(4,976)
Unsecured Notes due 2014/16 issued	212,064	-
Loans repaid	(85,734)	(61,551)
Investment by minorities	-	152
Net cash inflow/(outflow) from financing	<u>101,364</u>	<u>(90,239)</u>

Notes to the Financial Statements

for the year ended 31 March 2005

42. Analysis of Movement in Net Funds

	At 1 April 2004 €'000	Cash Flow €'000	Exchange Movements €'000	At 31 March 2005 €'000
Cash in hand and at bank	115,198	7,719	(4,327)	118,590
Overdrafts	(51,785)	14,197	(893)	(38,481)
	63,413	21,916	(5,220)	80,109
Term deposits	205,418	33,245	(4,854)	233,809
Bank loans and loan notes	(86,488)	85,734	23	(731)
Unsecured Notes due 2008 to 2016	(97,612)	(212,064)	4,582	(305,094)
Finance leases	(22,014)	5,062	667	(16,285)
Total	<u>62,717</u>	<u>(66,107)</u>	<u>(4,802)</u>	<u>(8,192)</u>

43. Capital Commitments

Group	2005 €'000	2004 €'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	10,897	3,732
Capital expenditure that has been authorised by the Directors but has not yet been contracted for	35,212	28,758

44. Operating Lease Commitments

At 31 March 2005 the Group had annual commitments under operating leases expiring as follows:

	2005			2004		
	Land & buildings €'000	Other €'000	Total €'000	Land & buildings €'000	Other €'000	Total €'000
Expiring within one year	177	890	1,067	436	752	1,188
Expiring between two and five years	1,745	2,468	4,213	1,109	1,743	2,852
Expiring after five years	3,241	-	3,241	3,331	-	3,331
	<u>5,163</u>	<u>3,358</u>	<u>8,521</u>	<u>4,876</u>	<u>2,495</u>	<u>7,371</u>

Notes to the Financial Statements

for the year ended 31 March 2005

45. Contingent Liabilities

(a) Bank and Other Loans

The Company and certain subsidiaries have given guarantees of up to €343.247 million (2004: €256.036 million) in respect of borrowings by the Company and other Group undertakings.

(b) Other

Included in trade creditors is an amount of approximately €6.128 million (2004: €8.616 million) due to creditors who have reserved title to goods supplied. Since the extent to which these creditors are effectively secured at any time depends on a number of conditions, the validity of some of which is not readily determinable, it is not possible to indicate how much of the above amount was effectively secured by reservation of title. However, the amount referred to above is matched in terms of net book value of fixed assets and stocks of raw materials in the possession of the Group which were supplied subject to reservation of title and accordingly the creditors referred to could be regarded as effectively secured to the extent of at least this amount.

Pursuant to the provisions of Section 17, Companies (Amendment) Act, 1986, the Company has guaranteed the liabilities of the following subsidiaries; Alvbay Limited, Atlas Oil Refining Company Limited, Classic Fuel & Oil Limited, DCC Business Expansion Fund Limited, DCC Corporate Finance Limited, DCC Energy Limited, DCC Healthcare Limited, DCC Management Services Limited, DCC Nominees Limited, DCC SerCom Limited, Emo Oil Limited, Flogas Ireland Limited, Shannon Environmental Holdings Limited, Sharptext Limited and TechnoPharm Limited. As a result, these companies will be exempted from the filing provisions of Section 7, Companies (Amendment) Act, 1986.

46. Reporting Currency

The primary currency used in these financial statements is the euro which is denoted by the symbol €. The exchange rates used in translating sterling balance sheets and profit and loss account amounts were as follows:

	2005 €1=Stg£	2004 €1=Stg£
Balance sheet (closing rate)	0.689	0.666
Profit and loss (average rate)*	0.672	0.647

* Average exchange rates adjusted for the impact of profit and loss hedges.

47. Transactions with Related Parties

On 22 June 2004, the Group increased its shareholding in SerCom Distribution Limited to 100.0% through the acquisition of 0.3% of the issued share capital from the management of that company at a cost of €0.938 million.

On 23 June 2004, the Group increased its shareholding in DCC Environmental Limited to 97.2% by acquiring 2.9% of the issued share capital from the minority shareholder. The consideration amounted to €1.201 million and was satisfied in cash. The remaining 2.8% shareholding is subject to put and call options up to 2010.

On 30 August 2004, the Group increased its shareholding in Allied Foods Limited to 100.0% by acquiring the remaining 48.5% of the issued share capital from the minority shareholders. The consideration amounted to €15.245 million and was satisfied in cash.

48. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 13 May 2005.

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shareholder information

corporate information

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Energy

DCC Energy Limited DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: + 353 1 2799 400 Fax: + 353 1 2831 017 email: energy@dcc.ie www.dcc.ie
DCC Energy Limited Airport Road West, Sydenham, Belfast BT3 9ED, Northern Ireland	Sales, marketing and distribution of petroleum products	Tel: + 44 28 9073 2611 Fax: + 44 28 9073 2020 email: enquiries@emooil.com www.emooil.com
Emo Oil Limited Clonminam Industrial Estate, Portlaoise, Co. Laois, Ireland	Sales, marketing and distribution of petroleum products	Tel: + 353 502 747 00 Fax: + 353 502 747 75 email: info@emo.ie www.emo.ie
Emo Oil Limited Tryst House, Glenbervie Business Park, Larbert, Stirlingshire FK5 4RB, Scotland	Sales, marketing and distribution of petroleum products	Tel: +44 1324 408 000 Fax: +44 1324 408 260 Email: info@emooil.co.uk www.emooil.co.uk
Flogas UK Limited 81 Raynsway, Syston, Leicester LE7 1PF, England	Sales, marketing and distribution of liquefied petroleum gas	Tel: +44 116 2649 000 Fax: +44 116 2649 001 Email: info@flogas.co.uk www.flogas.co.uk
Flogas Ireland Limited Dublin Road, Drogheda, Co. Louth, Ireland	Sales, marketing and distribution of liquefied petroleum gas	Tel: +353 41 9831 041 Fax: +353 41 9834 652 Email: info@flogas.ie www.flogas.ie
Fuel Card Group Limited 8 Kerry Hill, Horsforth, Leeds LS18 4AY, England	Sale of motor fuels through fuel cards	Tel: +44 1132 390 490 Fax: +44 1132 098 764 Email: info@fuelcard-group.com www.fuelcard-group.com
GB Oils Limited t/a Scottish Fuels Tryst House, Glenbervie Business Park, Larbert, Stirlingshire FK5 4RB, Scotland	Sales, marketing and distribution of petroleum products	Tel: +44 8453 008 844 Fax: +44 1324 408 260 Email: info@scottishfuels.co.uk www.scottishfuels.co.uk

IT Distribution

SerCom Distribution Limited DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: sercom@dcc.ie www.sercomdistribution.com
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Distrilogie SA 12 rue des Frères Caudron, 78147 Vélizy Cedex, France	Distribution of enterprise infrastructure products	Tel: +33 1 34 58 47 00 Fax: +33 1 34 58 47 27 Email: info@distrilogie.com www.distrilogie.com
Gem Distribution Limited St. George House, Parkway, Harlow Business Park, Harlow, Essex CM19 5QF, England	Sales, marketing and distribution of computer software	Tel: +44 1279 822 800 Fax: +44 1279 416 228 Email: info@gem.co.uk www.gem.co.uk
Micro Peripherals Limited Shorten Brook Way, Altham Business Park, Altham, Accrington, Lancashire BB5 5YJ, England	Sales, marketing and distribution of computer products	Tel: +44 1282 776 776 Fax: +44 1282 770 001 Email: info@micro-p.com www.micro-p.com
Sharptext Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Sales, marketing and distribution of computer products	Tel: +353 1 4087 171 Fax: +353 1 4193 111 Email: sharptext@sharptext.com www.sharptext.com

Healthcare

DCC Healthcare Limited DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: healthcare@dcc.ie www.dcc.ie
Days Healthcare GmbH Gewerbestraße 13, D-32584 Löhne, Germany	Manufacture, sales, marketing and distribution of mobility & rehabilitation products	Tel: +49 5731 786 50 Fax: +49 5731 786 520 Email: info@dayshealthcare.de www.dayshealthcare.de
Days Healthcare UK Limited Litchard Industrial Estate, Bridgend, Mid Glamorgan CF31 2AL, Wales	Manufacture, sales, marketing and distribution of mobility & rehabilitation products	Tel: +44 1656 664 700 Fax: +44 1656 664 750 Email: info@dayshealthcare.com www.dayshealthcare.com
EuroCaps Limited Crown Business Park, Dukes Town, Tredegar, Gwent NP22 4EF, Wales	Contract manufacture of soft gel capsule nutraceuticals	Tel: +44 1495 308 900 Fax: +44 1495 308 990 Email: info@softgels.co.uk www.softgels.co.uk
Fannin Healthcare Limited Blackthorn Road, Sandyford Industrial Estate, Dublin 18, Ireland	Sales, marketing and distribution of medical and laboratory equipment and consumables	Tel: +353 1 2944 500 Fax: +353 1 2954 777 Email: information@fanninhealthcare.com www.fanninhealthcare.com
Laleham Healthcare Limited Sycamore Park, Mill Lane, Alton, Hampshire GU34 2PR, England	Contract manufacture and packing of nutraceuticals and cosmetics (liquids and creams)	Tel: +44 1420 566 500 Fax: +44 1420 566 566 Email: reception@laleham-healthcare.com www.laleham-healthcare.com
TechnoPharm Limited Pharmapark, Chapelizod, Dublin 20, Ireland	Sales, marketing and distribution of pharmaceutical products and medical devices	Tel: +353 1 626 5006 Fax: +353 1 626 5071 Email: info@technopharm.com www.technopharm.com
Thompson & Capper Limited 9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Contract manufacture and packing of tablet and hard gel capsule nutraceuticals	Tel: +44 1928 573 734 Fax: +44 1928 580 694 Email: enquiries@tablets2buy.com www.tablets2buy.com
Virtus Limited Adamstown, Lucan, Co. Dublin, Ireland	Manufacture and distribution of pneumatic healthcare appliances	Tel: +353 1 628 0571 Fax: +353 1 628 0572 Email: info@virtus.ie www.virtus.ie

Food & Beverage

DCC Food & Beverage Limited 79 Broomhill Road, Tallaght, Dublin 24, Ireland	Holding and divisional management company	Tel: +353 1 4047 300 Fax: +353 1 4599 369 Email: foods@dcc.ie www.dcc.ie
Allied Foods Limited Kinsale Road, Cork, Ireland	Chilled and frozen food distribution	Tel: +353 21 4947 300 Fax: +353 21 4961 488 Email: info@alliedfoods.ie
Bottle Green Limited 19 New Street, Horsforth, Leeds LS18 4BH, England	Sales, marketing and distribution of wine	Tel: +44 113 205 4500 Fax: +44 113 205 4501 Email: info@bottlegreen.com www.bottlegreen.com
Broderick Bros. Limited Cloverhill Industrial Estate, Clondalkin, Dublin 22, Ireland	Sales and service of food equipment	Tel: +353 1 4291 500 Fax: +353 1 4509 570 Email: info@broderickbros.ie
Kelkin Limited Unit 1, Crosslands Industrial Park, Ballymount Cross, Dublin 12, Ireland	Sales, marketing and distribution of branded healthy food and beverages	Tel: +353 1 4600 400 Fax: +353 1 4600 411 Email: info@kelkin.ie www.kelkin.ie
Robt. Roberts Limited 79 Broomhill Road, Tallaght, Dublin 24, Ireland	Sales, marketing and distribution of food and beverages	Tel: +353 1 4047 300 Fax: +353 1 4599 369 Email: info@robt-roberts.ie www.robt-roberts.ie

Environmental

DCC Environmental Limited DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: environmental@dcc.ie www.dcc.ie
Atlas Environmental Ireland Limited Clonminam Industrial Estate, Portlaoise, Co. Laois, Ireland	Specialist waste treatment/ management services	Tel: +353 502 786 00 Fax: +353 502 786 99 Email: info@atlasireland.ie www.atlasireland.ie

Supply Chain Management

SerCom Solutions Limited Sarsfield Road, Raheen Business Park, Limerick, Ireland	Provision of supply chain services	Tel: +353 1 405 6500 Fax: +353 1 405 6555 Email: sales@sercomsolutions.com www.sercomsolutions.com
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shareholder information

Share Price Data	2005	2004
	€	€
Share price movement during the year		
High	18.50	12.25
Low	12.10	9.79
Share price at 31 March	17.94	12.15
Market capitalisation at 31 March	1,442m	991m

Shareholder Analysis at 13 May 2005

Range of shares held	Number of shares*	% of shares	Number of accounts	% of accounts
Over 250,000	64,801,442	80.7	47	1.8
100,001 – 250,000	6,299,219	7.8	37	1.4
10,001 – 100,000	5,986,264	7.5	179	6.9
Less than 10,000	3,208,593	4.0	2,328	89.9
Total	80,295,518	100.0	2,591	100.0

* Excludes 7,873,886 shares held as Treasury Shares.

Share Listings

DCC's shares are traded on the Irish Stock Exchange and the London Stock Exchange. DCC's shares are quoted on the official lists of both the Irish Stock Exchange and the UK Listing Authority.

ISIN: IE0002424939
ISE Xetra: DCC plc
Bloomberg: DCC ID, DCC LN
Reuters: DCC.I, DCC.L

Website - www.dcc.ie

DCC's website provides comprehensive corporate and financial information to the investment community and other interested parties. It incorporates a variety of useful features which enable users to access, analyse and download current and archived financial data and annual reports, register for news and other announcements and view audio and slideshow investor presentations.

Registrar

All administrative queries about the holding of DCC shares should be addressed to the Company's Registrar:

Computershare Investor Services (Ireland) Limited,
Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland.
Tel: + 353 1 216 3100.
Fax: + 353 1 216 3151.
E-mail: web.queries@computershare.ie

Amalgamation of Accounts

Shareholders who receive duplicate sets of Company mailings owing to multiple accounts in their names may write to the Company's Registrar to have their accounts amalgamated.

Dividends

Shareholders are offered the option of having dividends paid in euro or pounds sterling. Shareholders may also elect to receive dividend payments by electronic funds transfer directly into their bank accounts, rather than by cheque. Shareholders should contact the Company's Registrar for details.

Dividend Withholding Tax ('DWT')

The Company is obliged to deduct tax at the standard rate of income tax in Ireland (currently 20%) from dividends paid to its shareholders, unless a particular shareholder is entitled to an exemption from DWT and has completed and returned to the Company's Registrar a declaration form claiming entitlement to the particular exemption. Exemption from DWT may be available to shareholders resident in another EU Member State or in a country with which the Republic of Ireland has a double taxation agreement in place and to non-individual shareholders resident in Ireland (e.g. companies, pension funds, charities etc.).

An explanatory leaflet entitled 'Dividend Withholding Tax – General Information Leaflet' has been published by the Irish Revenue Commissioners and can be obtained by contacting the Company's Registrar at the above address. This leaflet can also be downloaded from the Irish Revenue Commissioners web site at <http://www.revenue.ie/pdf/dwtinfv3.pdf>. Declaration forms for claiming an exemption are available from the Company's Registrar.

CREST

DCC is a member of the CREST share settlement system. Shareholders may continue to hold paper share certificates or hold their shares in electronic form.

Financial Calendar

- Preliminary results announced
16 May 2005
- Ex-dividend date for the final dividend
25 May 2005
- Record date for the final dividend
27 May 2005
- Annual Report posted
2 June 2005
- Annual General Meeting
5 July 2005
- Proposed payment date for final dividend
11 July 2005
- Interim results announced
early November 2005
- Payment date for the interim dividend
early December 2005

Annual General Meeting

The 2005 Annual General Meeting will be held at The Four Seasons Hotel, Simonscourt Road, Ballsbridge, Dublin 4, Ireland on Tuesday 5 July 2005 at 11.00 a.m. The Notice of Meeting together with an explanatory letter from the Chairman and a Form of Proxy accompany this Report.

Electronic Proxy Voting

Shareholders may lodge a Form of Proxy for the 2005 Annual General Meeting via the internet. Shareholders who wish to submit their proxy in this manner may do so by accessing the Company's Registrar's website at www.computershare.com/ie/voting/dcc and following the instructions which are set out on the Form of Proxy.

Investor Relations

For investor enquiries please contact:
Kieran Conlon,
Investor Relations Manager,
DCC plc, DCC House, Brewery Road,
Stillorgan, Blackrock, Co Dublin, Ireland.
Tel: + 353 1 2799 400.
Fax: + 353 1 2799 418.
email: investorrelations@dcc.ie

corporate information

Auditors

PricewaterhouseCoopers
Chartered Accountants
& Registered Auditors
George's Quay
Dublin 2
Ireland

Bankers

ABN AMRO
Allied Irish Banks
Bank of Ireland
BNP Paribas
Deutsche Bank
IIB Bank
KBC Bank
Royal Bank of Scotland
Ulster Bank

Registered and Head Office

DCC House
Stillorgan
Blackrock
Co. Dublin
Ireland

Registrar

Computershare Investor Services
(Ireland) Limited
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18
Ireland

Solicitors

William Fry Solicitors
Fitzwilton House
Wilton Place
Dublin 2
Ireland

Stockbrokers

Davy Stockbrokers
49 Dawson Street
Dublin 2
Ireland

JPMorgan Cazenove
20 Moorgate
London EC2R 6DA
England

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5 Year Review

Profit & Loss Account					
Year ended 31 March	2001	2002	2003	2004	2005
	€'m	€'m	€'m	€'m	€'m
Turnover	1,870.1	2,048.9	2,272.4	2,198.0	2,731.5
Operating profit before operating exceptional items	91.7	102.7	114.3	120.9	131.5
Operating exceptional items	-	-	(2.9)	(2.3)	(3.8)
Operating profit	91.7	102.7	111.4	118.6	127.7
Net interest payable	(4.4)	(5.0)	(5.0)	(4.8)	(5.6)
Profit on ordinary activities before goodwill amortisation, non-operating net exceptional items and tax	87.3	97.7	106.4	113.8	122.1
Goodwill amortisation	(4.9)	(5.7)	(7.3)	(8.3)	(10.1)
Non-operating net exceptional items	-	(1.1)	(1.7)	(5.9)	(12.1)
Profit before taxation	82.4	90.9	97.4	99.6	99.9
Taxation	(13.1)	(13.7)	(15.3)	(14.5)	(15.1)
Minority interests	(1.2)	(0.9)	(1.3)	(0.8)	(1.0)
Profit attributable to Group shareholders	68.1	76.3	80.8	84.3	83.8
Earnings per share					
- Basic (cent)	78.98	90.26	96.66	101.98	104.69
- Basic adjusted (cent)	84.69	98.30	111.00	121.89	137.25
Dividend per share (cent)	21.12	24.50	28.18	32.40	37.26
Dividend cover (times)	4.0	4.0	3.9	3.8	3.7
Interest cover (times)	20.8	20.5	23.0	25.2	23.6
Consolidated Balance Sheet					
As at 31 March	2001	2002	2003	2004	2005
	€'m	€'m	€'m	€'m	€'m
Tangible fixed assets	135.2	159.2	209.4	212.3	247.6
Associated undertakings	38.5	39.0	40.3	53.8	64.2
Goodwill	84.5	118.3	132.1	129.6	193.8
	258.2	316.5	381.8	395.7	505.6
Net current assets	31.1	38.7	45.3	25.3	17.8
Net cash/(debt)	83.2	63.1	20.1	62.7	(8.2)
	372.5	418.3	447.2	483.7	515.2
Shareholders' funds	353.7	391.4	429.3	469.6	493.7
Minority interests	3.5	4.0	3.6	4.1	4.3
Other long term creditors/provisions	15.3	22.9	14.3	10.0	17.2
	372.5	418.3	447.2	483.7	515.2
Movement in working capital	19.9	(6.9)	25.7	(20.6)	23.6
Capital expenditure	34.1	37.3	40.7	30.5	42.0
Acquisitions	20.2	65.6	80.3	9.2	89.3
Development expenditure	74.2	96.0	146.7	19.1	154.9
Operating cash flow	83.4	120.3	98.5	151.9	114.9
Return on tangible capital employed (%)	48.1%	46.3%	42.2%	39.8%	40.5%
Return on total capital employed (%)	23.7%	23.1%	22.0%	21.3%	21.0%
Average number of employees	3,056	3,361	3,685	3,768	4,441



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