



▶ Directors' Reports and Financial Statements
for the year ended 31 March 2000

Corporate Governance

The Board of Directors

Directors: The Board of DCC consists of five executive and three non-executive Directors and the roles of the Chairman and Chief Executive are separate. The Board has appointed Tony Barry as the senior independent Director. Brief biographies of the Directors are set out underneath their photographs on pages 4 and 5. All of the Directors bring independent judgement to bear on issues of strategy, risk, performance, resources, key appointments and standards. Directors are subject to re-election at least every three years.

Board Procedures: The Board holds regular meetings (normally at least six per annum) and there is contact between meetings as required in order to progress the Group's business. The Directors receive regular and timely information in a form and quality appropriate to enable the Board to discharge its duties. The Board has a formal schedule of matters specifically reserved to it for decision, which covers key areas of the Group's business including approval of financial statements, budgets (including capital expenditure), acquisitions and dividends. Certain additional matters are delegated to Board Committees. There is an established procedure for Directors in the furtherance of their duties to take independent professional advice if they consider this necessary. All Directors have access to the advice and services of the Company Secretary who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. The Board gives consideration as to whether new Directors require additional training for their role.

Board Committees: There are three principal Board Committees with formal terms of reference: the Audit Committee, the Nomination Committee and the Remuneration Committee. The Audit Committee and the Remuneration Committee comprise the three non-executive Directors. The Nomination Committee comprises the non-executive Directors and the Chief Executive/Deputy Chairman. All of the non-executive Directors are considered by the Board to be independent of management and free of any relationships which could interfere with the exercise of their independent judgement.

Directors' Remuneration

The Board's report on Directors' remuneration is set out on pages 34 to 37.

Relations with Shareholders

DCC attaches considerable importance to shareholder communications and has a well-established investor relations function. There is regular dialogue with institutional investors and shareholders as well as presentations after the interim and preliminary results. Results announcements are sent promptly to all shareholders and published on the Company's web site at www.dcc.ie. The web site contains additional information for investors which is regularly updated.

At the Company's Annual General Meeting the Group Chief Executive makes a presentation and answers questions on the Group's business and its performance during the prior year.

The 1999 Annual Report and AGM notice were sent to shareholders 20 working days before the meeting and the level of proxy votes cast on each resolution, and the numbers for and against, were announced at the meeting. Similar arrangements have been made for the 2000 Annual Report and AGM. The 2000 AGM will be held on 3 July 2000 at 11.00am at the Berkeley Court Hotel, Lansdowne Road, Dublin 4.

Accountability and Audit

Audit Committee: The written terms of reference of the Audit Committee deal clearly with its authority and duties which include, inter alia, consideration of the appointment of the external auditors and their fees, review of the scope and results of the work performed by both internal and external auditors and review of the Group's system of internal control.

Internal Control

The Company has complied with the Combined Code provisions in respect of internal control by reporting on internal financial control in accordance with the guidance for Directors on internal control and financial reporting issued by the Rutteman Committee in December 1994, as permitted by the transitional rules of the Irish and London Stock Exchanges.

The updated guidance for Directors on internal control published by the Turnbull Committee in September 1999 extends the existing requirement in respect of internal financial control to cover all controls including financial, operational and compliance controls and risk management. The procedures necessary to implement this guidance have been established and have been fully operational since 1 April 2000.

The Directors acknowledge that they are responsible for the Group's system of internal financial control, which is established to provide reasonable assurance of

- the safeguarding of assets against unauthorised use or disposition; and
- the maintenance of proper accounting records and the reliability of financial information used within the business or for publication.

This system can provide only reasonable and not absolute assurance against material misstatement or loss.

The Directors have established a number of key procedures designed to provide an effective system of internal financial control, including providing a basis for the Directors to review the effectiveness of the system. The more important of these procedures, which are supported by detailed controls and processes, include

- developing an organisation structure with clearly defined lines of authority and accountability;
- a comprehensive system of financial reporting involving budgeting, monthly reporting and variance analysis;
- maintenance of a highly skilled and experienced workforce, particularly at senior management level;
- a treasury risk management policy which limits the exposure of the Group in this area;
- a formally constituted Audit Committee which meets with internal and external auditors and reviews the Group's financial reporting and internal financial control systems; and
- an independent Group internal audit function.

The Directors have reviewed the effectiveness of the Group's system of internal financial control and will continue to do so on a regular basis.

Going Concern

After making enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Directors' responsibility for preparing the financial statements is explained on page 38 and the reporting responsibilities of the auditors are set out in their report on pages 39 and 40.

Compliance

DCC has complied, during the year ended 31 March 2000, with all of the Principles of Good Governance and Code of Best Practice set out in the Combined Code, save that details of Directors' remuneration have been provided on an aggregate basis as permitted by the Listing Rules of the Irish Stock Exchange.

Report of the Directors

for the year ended 31 March 2000

The Directors present their report and the audited financial statements for the year ended 31 March 2000.

Principal Activities

DCC adds value in the marketing and distribution of its own and third party branded products in four market sectors: IT (through SerCom Distribution), Energy, Healthcare and Food. DCC is also one of Europe's leading providers of supply chain management services (including e-fulfilment) to the IT industry through SerCom Solutions. A summary of the Group's activities is set out on pages 2 and 3.

Subsidiary and Associated Companies

Details of the Company's principal subsidiaries are set out on page 78. Details of its principal associated undertakings are set out on page 60, in note 18 to the financial statements.

Results and Business Review

The profit for the financial year attributable to Group shareholders amounted to €119.8 million as set out in the Consolidated Profit and Loss Account on page 44. This represents an increase of 149.8% over the attributable profit for the year ended 31 March 1999.

The Chairman's Statement on pages 6 and 7, the Chief Executive/Deputy Chairman's Review on pages 8 to 11, the Financial Review on pages 22 to 25 and the Operating Review on pages 12 to 21 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 2000, of recent events and of likely future developments.

Dividends

An interim dividend of 6.45 cent per share was paid on 26 November 1999. The Directors recommend the payment of a final dividend of 11.15 cent per share. Subject to shareholders' approval at the Annual General Meeting on 3 July 2000, this dividend will be paid on 4 July 2000 to shareholders on the register on 26 May 2000. The total net dividend for the year ended 31 March 2000 is 17.60 cent per share, amounting to €15.3 million.

The balance of profit attributable to Group shareholders, which is retained in the business, amounts to €104.5 million.

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

At 12 May 2000 the Company had been advised of the following interests in its issued share capital:

	No of €0.25 Ordinary Shares	% of Issued Share Capital
Bank of Ireland Nominees Limited*	11,534,259	13.2%
FMR Corp and its direct and indirect subsidiaries**	9,643,152	11.0%
Allied Irish Banks plc and its subsidiaries*	5,729,363	6.5%
3i Group plc	3,620,796	4.1%
Aberdeen Asset Managers	3,518,806	4.0%
Irish Life Assurance plc	3,385,506	3.9%

* *Notified as non-beneficial interests.*

** *Under Irish and UK law the shares are held by non-beneficial holders.*

Apart from these holdings, the Company has not been notified of any other interest of 3% or more in its issued ordinary share capital.

Report of the Directors

for the year ended 31 March 2000

Directors

The names of the Directors and a short biographical note on each Director appear on pages 4 and 5. Tommy Breen, Kevin Murray and Fergal O'Dwyer were co-opted to the Board on 7 February 2000. In accordance with Article 83(b) of the Articles of Association these Directors retire at the 2000 Annual General Meeting and, being eligible, offer themselves for re-election. In accordance with Article 80 of the Articles of Association, Tony Barry and Morgan Crowe retire by rotation at the 2000 Annual General Meeting and, being eligible, offer themselves for re-election.

None of the retiring directors has a service contract with the Company or any member of the Group.

Details of Directors' shareholdings and share options are set out in the Board's Report on Directors' Remuneration on pages 34 to 37.

Health and Safety

It is the policy of the Group to ensure the safety, health and welfare of employees by maintaining safe places and systems of work. This policy is based on the requirements of the Safety, Health and Welfare at Work Act, 1989. Safety statements have been prepared by each of the relevant companies in the Group and the policies set out in these statements are kept under regular review.

Year 2000

During the year DCC completed the formally structured Year 2000 compliance programme that it began in 1997. The costs to the Group of implementing this programme did not add materially to the Group's normal expenditure on the maintenance and upgrading of computer hardware and software. As a result of the work undertaken, no significant disruption to the business internally or to customers was experienced.

Euro

DCC's preparation for Euro changeover is proceeding satisfactorily with most companies in the Group already in a position to engage in dual currency trading. Costs of preparation for the Euro are not expected to have a significant impact on the Group's financial position or its trading activities. DCC's share capital was re-denominated into Euros during the year and both the current and prior year financial statements have been prepared in Euros.

Political Donations

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.
12 May 2000

Report on Directors' Remuneration

Remuneration Committee

The Remuneration Committee consists solely of the independent non-executive Directors - Alex Spain (Chairman), Tony Barry and Paddy Gallagher.

The terms of reference for the Remuneration Committee are to determine the remuneration packages of the executive Directors and to approve the grant of share options. The Chief Executive is consulted about remuneration proposals for the other executive Directors and the Remuneration Committee is authorised to obtain access to professional advice if deemed desirable.

Executive Directors' Remuneration

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

The typical elements of the remuneration package for executive Directors are basic salary, pension benefits, a company car and performance related remuneration based on the Company's share option scheme and annual bonuses.

The Company's policy on executive Directors' remuneration recognises that employment and remuneration conditions for the Group's senior executives must properly reward and motivate them to perform in the best interest of the shareholders. The salaries of executive Directors are reviewed annually having regard to personal performance, Company performance and competitive market practice. No fees are payable to executive Directors.

The Company's share option arrangements enable senior management to build, over time, a shareholding in the Company which is material to their net worth and encourages identification with shareholders' interests. The share options granted to executive Directors form a significant part of their total remuneration package. The Remuneration Committee believes this long standing policy has been instrumental in motivating and retaining senior management of the quality required to achieve strong growth. Share options are granted on a phased basis and Directors are encouraged to hold their options beyond the earliest exercise date. Information on share options held by each Director and details of exercise prices and dates are set out on pages 36 and 37.

Employee Share Schemes

The DCC plc 1998 Employee Share Option Scheme was approved by shareholders in 1998. The percentage of share capital which can be issued under the scheme and the individual grant limits 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. At 31 March 2000 employees held basic tier options to subscribe for 1,874,000 ordinary shares (2.1% of issued share capital) and second tier options to subscribe for 1,656,000 ordinary shares (1.9% of issued share capital) under this scheme.

The DCC plc 1998 Employee Share Option Scheme replaced the DCC Employee Partly Paid Share Scheme which was terminated in May 1998 and under which 205,000 ordinary shares remain partly paid (1999: 210,000). Under a terminated 1986 DCC Executive Share Option Scheme, which applied before DCC became a public company, employees hold options to subscribe for 650,000 ordinary shares (0.7% of issued share capital).

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.

Directors' Pensions

Pensions for executive Directors are calculated on basic salary only - no benefit elements are included - and aim to provide for two thirds of salary at normal retirement date.

Report on Directors' Remuneration

A pension is funded for the Chairman, based on his annual fee, to provide a 1/60th accrual for each year of pensionable service.

The table below shows the increase in the accrued pension benefits to which the Directors have become entitled during the year ended 31 March 2000 and the transfer value of the increase in accrued benefit:

	Executive Directors €'000	Non-Executive Chairman €'000
Increase in accrued annual pension benefits (excl. inflation) during the year	61	2
Accumulated accrued annual pension benefits at year end	484	30
Transfer value equivalent to increase in accrued annual pension benefits at year end	818	34

The transfer value has been calculated on the basis of actuarial advice in accordance with Actuarial Guidance Note GN11.

Directors' Interests in Contracts

There were no contracts (other than a service agreement with a notice period of one year) at any stage during the year between the Company or other Group undertakings and any Director of the Company.

Directors' Remuneration	Notes	2000 €'000	1999 €'000
Executive Directors			
Salary and benefits:			
Basic salary		771	584
Benefits	1	<u>53</u>	<u>49</u>
		824	633
Performance related payments		11	-
Pension charge for year	2	<u>218</u>	<u>167</u>
Total executive Directors' remuneration		<u>1,053</u>	<u>800</u>
<i>Average number of executive Directors</i>	3	2.4	2.0
<i>Average basic salary per executive Director</i>		317	292
<i>% change on prior year</i>		9%	
Non-Executive Directors			
Fees	4	131	126
Pension charge for Chairman	2	<u>22</u>	<u>21</u>
Total non-executive Directors' remuneration		<u>153</u>	<u>147</u>
<i>Average number of non-executive Directors</i>		3.0	3.0
<i>Average non-executive Directors' remuneration</i>		51	49
<i>% change on prior year</i>		5%	
Retired Director			
Payment to retired Director	5	<u>15</u>	<u>15</u>
Total Directors' Remuneration		<u>1,221</u>	<u>962</u>
<i>Average total number of Directors</i>		<u>5.4</u>	<u>5.0</u>

Notes: 1. Benefits relate principally to use of a company car.

2. The pension charge for each year represents payments made to a pension fund as advised by an independent actuary.

3. Tommy Breen, Kevin Murray and Fergal O'Dwyer were co-opted to the Board as executive Directors on 7 February 2000.

4. Includes Chairman's and Board Committee fees.

5. Ex gratia pension paid to a retired non-executive Director.

Report on Directors' Remuneration

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 2000, together with their interests at 31 March 1999 (or date of appointment, if later), were:

	No of Ordinary Shares	
	At 31 March 2000	At 31 March 1999*
Alex Spain	15,634	15,634
Jim Flavin	2,284,355	2,283,349
Tony Barry	7,000	7,000
Tommy Breen	173,362	173,362
Morgan Crowe	731,339	731,339
Paddy Gallagher	1,040	1,040
Kevin Murray	164,618	164,618
Fergal O'Dwyer	113,765	113,765
Michael Scholefield (Secretary)	153,518	153,518

* or date of appointment if later

All of the above interests were beneficially owned. At 31 March 1999, Jim Flavin had a non-beneficial interest in 2,012 ordinary shares. There were no changes in the interests of the Directors and the Company Secretary between 31 March 2000 and 12 May 2000.

Apart from the interests disclosed above neither the Directors nor the Company Secretary were interested at any time in the year in the share capital or loan stock of the Company or other Group undertakings.

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

	No of Options			At 31 March 2000	Weighted Average Exercise Price cent	Normal Exercise Period
	At 31 March 1999	Granted in year*	Exercised in year			
Jim Flavin						
Basic	200,000	-	-	200,000	720.6	June 2001 - Nov 2008
Second Tier	200,000	-	-	200,000	720.6	June 2003 - Nov 2008
Basic	-	75,000	-	75,000	700.0	Nov 2002 - Nov 2009
Second Tier	-	75,000	-	75,000	700.0	Nov 2004 - Nov 2009
	<u>400,000</u>	<u>150,000</u>	<u>-</u>	<u>550,000</u>		
Tommy Breen						
Basic	45,000	-	-	45,000	709.1	June 2001 - Nov 2008
Second Tier	45,000	-	-	45,000	709.6	June 2003 - Nov 2008
Basic	-	50,000	-	50,000	700.0	Nov 2002 - Nov 2009
Second Tier	-	50,000	-	50,000	700.0	Nov 2004 - Nov 2009
	<u>90,000</u>	<u>100,000</u>	<u>-</u>	<u>190,000</u>		
Morgan Crowe						
Basic	50,000	-	-	50,000	700.4	June 2001 - Nov 2008
Second Tier	50,000	-	-	50,000	700.9	June 2003 - Nov 2008
Basic	-	50,000	-	50,000	700.0	Nov 2002 - Nov 2009
Second Tier	-	50,000	-	50,000	700.0	Nov 2004 - Nov 2009
	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>200,000</u>		
Kevin Murray						
Basic	45,000	-	-	45,000	709.1	June 2001 - Nov 2008
Second Tier	45,000	-	-	45,000	709.6	June 2003 - Nov 2008
Basic	-	50,000	-	50,000	700.0	Nov 2002 - Nov 2009
Second Tier	-	50,000	-	50,000	700.0	Nov 2004 - Nov 2009
	<u>90,000</u>	<u>100,000</u>	<u>-</u>	<u>190,000</u>		
Fergal O'Dwyer						
Basic	45,000	-	-	45,000	709.1	June 2001 - Nov 2008
Second Tier	45,000	-	-	45,000	709.6	June 2003 - Nov 2008
Basic	-	50,000	-	50,000	700.0	Nov 2002 - Nov 2009
Second Tier	-	50,000	-	50,000	700.0	Nov 2004 - Nov 2009
	<u>90,000</u>	<u>100,000</u>	<u>-</u>	<u>190,000</u>		

* Options granted during the year to Tommy Breen, Kevin Murray and Fergal O'Dwyer were granted prior to the date of their appointment as Directors.

Report on Directors' Remuneration

Basic tier options may not normally be exercised earlier than three years from the date of grant nor second tier options earlier than five years from the date of grant.

Basic tier options may normally only be exercised 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 the period following the date of grant.

Second tier options may normally only be exercised if the growth in the adjusted earnings per share over the previous 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.

The following are the details of share options granted to Directors under the terminated 1986 DCC Executive Share Option Scheme which applied before DCC became a public company:

	No of Options			Exercise Price cent	Expiry date
	At 31 March 1999*	Exercised in year	At 31 March 2000		
Jim Flavin	225,000	-	225,000	253.9	14 February 2001
Tommy Breen	50,000	-	50,000	253.9	14 February 2001
Morgan Crowe	100,000	-	100,000	253.9	14 February 2001
Kevin Murray	62,500	-	62,500	253.9	14 February 2001
Fergal O'Dwyer	137,500	-	137,500	253.9	14 February 2001

* or date of appointment, if later

No options held by Directors lapsed during the year. The market price of DCC shares on 31 March 2000 was €11.15 and the range during the year was €6.55 to €13.00.

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 39 and 40, 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 41 to 77, 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 1999 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.

Report of the Auditors

for the year ended 31 March 2000

To the Members of DCC plc

We have audited the financial statements on pages 41 to 77 and the detailed information on Directors' emoluments, pensions and interests in shares and share options on pages 34 to 37.

Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing the Annual Report. As described on page 38, this includes responsibility for preparing the financial statements in accordance with Accounting Standards generally accepted in Ireland. Our responsibilities, as independent auditors, are established in Ireland by statute, the Auditing Practices Board, the Listing Rules of the Irish Stock Exchange and our profession's ethical guidance.

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 1999, 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.

We review whether the statement on page 31 reflects the Company's compliance with the seven provisions of the Combined Code specified for our review by the Irish Stock Exchange, 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.

Report of the Auditors

for the year ended 31 March 2000

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 2000 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 1999, 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 32 to 33 is consistent with the financial statements.

The net assets of the Company, as stated in the balance sheet on page 47, 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 2000 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

12 May 2000

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 Consolidation

The consolidated financial statements include the Company and all its subsidiaries. Two of the Group's subsidiary undertakings have, for commercial considerations, financial periods ending on 29 February 2000. In respect of these subsidiary undertakings, audited financial statements for the year ended 29 February 2000 together with interim accounts for March 2000 less interim accounts for March 1999, have been used in preparing the consolidated financial statements.

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 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 from 1 April 1998 is capitalised on the balance sheet and amortised on a straight line basis over its estimated useful economic life.

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 that associated undertaking.

The useful economic life of capitalised goodwill arising on acquisitions since 1 April 1998 is estimated to equate to 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. Provision is made, where appropriate, where the Directors consider there has been an impairment in value.

Accounting Policies

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 net realisable values by the end of their expected working lives:

	Annual Rate
Freehold and Long Term Leasehold Buildings	2%
Plant and Machinery	5% - 33 ¹ / ₃ %
Cylinders	6 ² / ₃ %
Motor Vehicles	10% - 33 ¹ / ₃ %
Fixtures, Fittings and Office Equipment	10% - 33 ¹ / ₃ %

Land is not depreciated.

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.

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.

Deferred Taxation

Full provision under the liability method is made for deferred taxation on timing differences to the extent that, in the opinion of the Directors, it is probable that a liability will crystallise in the foreseeable future.

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 Euros 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 Euros 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 retained profits 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 sterling borrowings. Gains and losses on these derivatives are deferred and 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.

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.

Consolidated Profit and Loss Account

for the year ended 31 March 2000

	Notes	2000		1999	
		€'000	€'000	€'000	€'000
Turnover					
Subsidiary undertakings	1		1,203,758		774,144
Share of turnover of associated undertakings	1		112,353		73,132
Total turnover - continuing activities	1		<u>1,316,111</u>		<u>847,276</u>
Discontinued activities	1		210,889		211,990
Total turnover			<u>1,527,000</u>		<u>1,059,266</u>
Turnover - subsidiary undertakings					
Continuing activities			1,154,860		735,604
Acquisitions			48,898		38,540
			<u>1,203,758</u>		<u>774,144</u>
Discontinued activities			16,480		17,562
	1		<u>1,220,238</u>		<u>791,706</u>
Cost of sales	2		(1,005,720)		(624,760)
Gross profit	2		<u>214,518</u>		<u>166,946</u>
Net operating costs	2		(152,654)		(115,414)
Operating profit before goodwill amortisation					
- parent and subsidiary undertakings	2		61,864		51,532
Share of operating profit before goodwill amortisation of associated undertakings	1		15,879		12,129
Operating profit before goodwill amortisation	1		<u>77,743</u>		<u>63,661</u>
Continuing activities		73,187		54,388	
Acquisitions		598		3,512	
		<u>73,785</u>		<u>57,900</u>	
Discontinued activities		3,958		5,761	
		<u>77,743</u>		<u>63,661</u>	
Goodwill amortisation	5		(3,535)		(1,557)
Operating profit	1		<u>74,208</u>		<u>62,104</u>
Net exceptional gains on sale of associated and subsidiary undertakings - discontinued activities	6		71,365		-
Net interest payable and similar charges					
- parent and subsidiary undertakings	7		(6,132)		(4,364)
Share of net interest payable and similar charges - associated undertakings	8		(268)		(75)
Profit on ordinary activities before taxation	9		<u>139,173</u>		<u>57,665</u>
Continuing activities		63,333		48,433	
Acquisitions	10	306		3,644	
		<u>63,639</u>		<u>52,077</u>	
Discontinued activities		75,534		5,588	
		<u>139,173</u>		<u>57,665</u>	
Taxation	11		(18,701)		(8,883)
Profit after taxation			<u>120,472</u>		<u>48,782</u>
Minority interests	12		(631)		(802)
Profit for the financial year attributable to Group shareholders	13		<u>119,841</u>		<u>47,980</u>
Dividends paid	14		(5,631)		(4,922)
Dividends proposed	14		(9,735)		(8,070)
Profit retained for the year			<u>104,475</u>		<u>34,988</u>
Earnings per ordinary share					
- basic (cent)	15		137.39c		55.39c
- fully diluted (cent)	15		133.43c		54.32c
Adjusted earnings per ordinary share					
- basic (cent)	15		68.80c		57.19c
- fully diluted (cent)	15		66.89c		56.08c

Alex Spain, Jim Flavin, Directors

Statement of Total Recognised Gains and Losses

for the year ended 31 March 2000

	2000 €'000	1999 €'000
Profit attributable to Group shareholders	119,841	47,980
Other movements on associated company reserves	2,307	(454)
Exchange adjustments	4,968	(220)
Total recognised gains relating to the year	<u>127,116</u>	<u>47,306</u>

Note of Historical Cost Profits and Losses

for the year ended 31 March 2000

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 44.

Consolidated Balance Sheet

as at 31 March 2000

	Notes	2000 €'000	1999 €'000
Fixed Assets			
Intangible assets - goodwill	16	75,559	46,028
Tangible fixed assets	17	123,094	106,697
Financial assets - associated undertakings	18	34,598	56,844
		<u>233,251</u>	<u>209,569</u>
Current Assets			
Stocks	20	76,016	54,133
Debtors	21	248,401	150,924
Cash and term deposits	23	551,276	311,314
		<u>875,693</u>	<u>516,371</u>
Creditors: Amounts falling due within one year			
Bank and other debt	24	191,781	42,724
Trade and other creditors	29	266,133	163,081
Corporation tax		17,937	10,762
Proposed dividend		9,735	8,070
		<u>485,586</u>	<u>224,637</u>
Net Current Assets		<u>390,107</u>	<u>291,734</u>
Total Assets less Current Liabilities		<u>623,358</u>	<u>501,303</u>
Financed by:			
Creditors: Amounts falling due after more than one year			
Bank and other debt	24	161,725	191,330
Unsecured Notes due 2008/11	24	108,611	97,557
Deferred acquisition consideration		17,569	9,868
		<u>287,905</u>	<u>298,755</u>
Provisions for Liabilities and Charges	30	<u>2,090</u>	<u>2,244</u>
		<u>289,995</u>	<u>300,999</u>
Capital and Reserves			
Called up equity share capital	33	21,827	22,128
Share premium account	34	121,987	120,796
Reserves	35	185,309	52,297
Equity Shareholders' Funds	36	<u>329,123</u>	<u>195,221</u>
Equity minority interests	37	3,274	3,902
Capital grants	38	966	1,181
		<u>333,363</u>	<u>200,304</u>
		<u>623,358</u>	<u>501,303</u>

Alex Spain, Jim Flavin, Directors

Company Balance Sheet

as at 31 March 2000

	Notes	2000 €'000	1999 €'000
Fixed Assets			
Tangible fixed assets	17	733	512
Financial assets			
- associated undertakings	18	1,233	1,233
- subsidiary undertakings	19	70,860	67,385
		<u>72,826</u>	<u>69,130</u>
Current Assets			
Debtors: Amounts falling due within one year	21	3,396	2,167
Debtors: Amounts falling due after more than one year	21	226,944	212,414
Cash and term deposits	23	4,792	1,930
		<u>235,132</u>	<u>216,511</u>
Creditors: Amounts falling due within one year			
Bank and other debt	24	644	886
Trade and other creditors	29	1,176	1,366
Corporation tax		4	-
Proposed dividend		9,735	8,070
		<u>11,559</u>	<u>10,322</u>
Net Current Assets		<u>223,573</u>	<u>206,189</u>
Total Assets less Current Liabilities		<u>296,399</u>	<u>275,319</u>
Financed by:			
Creditors: Amounts falling due after more than one year			
Amounts owed to subsidiary undertakings		107,104	87,394
Provisions for Liabilities and Charges	30	<u>4</u>	<u>4</u>
		<u>107,108</u>	<u>87,398</u>
Capital and Reserves			
Called up equity share capital	33	21,827	22,128
Share premium account	34	121,987	120,796
Reserves	35	45,477	44,997
Equity Shareholders' Funds		<u>189,291</u>	<u>187,921</u>
		<u>296,399</u>	<u>275,319</u>

Alex Spain, Jim Flavin, *Directors*

Consolidated Cash Flow Statement

for the year ended 31 March 2000

	Notes	2000 €'000	1999 €'000
Cash flow from operating activities	41	96,297	65,530
Returns on investments and servicing of finance	42	(5,635)	(4,214)
Taxation paid		(9,400)	(5,768)
Capital expenditure	42	(24,736)	(16,816)
Acquisitions and disposals	42	72,170	(59,124)
Equity dividends paid		<u>(13,701)</u>	<u>(10,527)</u>
Cash inflow/(outflow) before management of liquid resources and financing		114,995	(30,919)
(Increase)/decrease in liquid resources	43	(46,231)	140,319
Financing	42	<u>95,255</u>	<u>29,478</u>
Increase in cash for the year	43	<u>164,019</u>	<u>138,878</u>

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

for the year ended 31 March 2000

	Notes	2000 €'000	1999 €'000
Increase in cash for the year	43	164,019	138,878
Increase/(decrease) in liquid resources	43	46,231	(140,319)
Net loans drawn down	43	(99,116)	(31,260)
Funds paid on finance lease arrangements	43	<u>3,870</u>	<u>2,693</u>
Changes in net cash/(debt) resulting from cash flow		115,004	(30,008)
Exchange movements	43	<u>(5,548)</u>	<u>2,677</u>
Movement in net cash/(debt) in the year		109,456	(27,331)
Net (debt)/cash at start of year	43	<u>(20,297)</u>	<u>7,034</u>
Net cash/(debt) at end of year	43	<u>89,159</u>	<u>(20,297)</u>

Notes to the Financial Statements

for the year ended 31 March 2000

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

	2000			1999		
	Turnover*	Profit Before Taxation	Net Assets	Turnover*	Profit Before Taxation	Net Assets
	€'000	€'000	€'000	€'000	€'000	€'000
IT	542,298	20,458	41,017	354,613	14,975	31,351
Energy	369,812	20,053	51,526	193,305	18,213	55,740
Healthcare	155,555	15,951	48,400	114,759	9,780	34,523
Food	160,372	8,916	23,616	120,190	7,135	23,030
Value Added						
Marketing and Distribution	1,228,037	65,378	164,559	782,867	50,103	144,644
Supply Chain Management						
Services	61,551	3,812	17,019	43,899	5,424	16,332
Other Interests	26,523	4,595	11,816	20,510	2,373	8,985
Continuing activities	1,316,111	73,785	193,394	847,276	57,900	169,961
Discontinued activities	210,889	3,958	-	211,990	5,761	31,121
	1,527,000	77,743	193,394	1,059,266	63,661	201,082
Goodwill amortisation		(3,535)			(1,557)	
Net exceptional gains		71,365			-	
Interest (net)		(6,400)			(4,439)	
Net cash/(debt)			89,159			(20,297)
Amounts due in respect of acquisitions			(28,569)			(20,035)
Investments			7,128			673
Disposal proceeds receivable			16,100			-
Capitalised goodwill			75,559			46,028
Minority interests			(3,274)			(3,902)
Group unallocated net assets			(20,374)			(8,328)
	1,527,000	139,173	329,123	1,059,266	57,665	195,221

* Comprises turnover of subsidiary and associated undertakings.

(ii) Turnover

	2000			1999		
	Subsidiary Undertakings	Associated Undertakings	Total	Subsidiary Undertakings	Associated Undertakings	Total
	€'000	€'000	€'000	€'000	€'000	€'000
IT	541,649	649	542,298	354,613	-	354,613
Energy	369,812	-	369,812	193,305	-	193,305
Healthcare	140,427	15,128	155,555	103,256	11,503	114,759
Food	90,319	70,053	160,372	79,071	41,119	120,190
Value Added						
Marketing and Distribution	1,142,207	85,830	1,228,037	730,245	52,622	782,867
Supply Chain Management						
Services	61,551	-	61,551	43,899	-	43,899
Other Interests	-	26,523	26,523	-	20,510	20,510
Continuing activities**	1,203,758	112,353	1,316,111	774,144	73,132	847,276
Discontinued activities***	16,480	194,409	210,889	17,562	194,428	211,990
Turnover	1,220,238	306,762	1,527,000	791,706	267,560	1,059,266

** Of which acquisitions in 2000 contributed €49.547 million (1999: €42.531 million).

*** Of which €194.300 million (1999: €193.989 million) related to Food and €16.589 million (1999: €18.001 million) related to Supply Chain Management Services.

Notes to the Financial Statements

for the year ended 31 March 2000

1. Segmental Information *continued*

(iii) Profit before Taxation

	2000			1999		
	Parent and Subsidiary Undertakings	Associated Undertakings	Total	Parent and Subsidiary Undertakings	Associated Undertakings	Total
	€'000	€'000	€'000	€'000	€'000	€'000
IT	20,430	28	20,458	14,975	-	14,975
Energy	20,053	-	20,053	18,213	-	18,213
Healthcare	14,880	1,071	15,951	9,085	695	9,780
Food	7,081	1,835	8,916	5,950	1,185	7,135
Value Added						
Marketing and Distribution	62,444	2,934	65,378	48,223	1,880	50,103
Supply Chain Management Services	3,812	-	3,812	5,424	-	5,424
Other Interests	-	4,595	4,595	-	2,373	2,373
Continuing activities*	66,256	7,529	73,785	53,647	4,253	57,900
Discontinued activities**	(4,392)	8,350	3,958	(2,115)	7,876	5,761
Operating profit before goodwill amortisation	61,864	15,879	77,743	51,532	12,129	63,661
Goodwill amortisation	(2,710)	(825)	(3,535)	(830)	(727)	(1,557)
Operating profit	59,154	15,054	74,208	50,702	11,402	62,104
Net exceptional gains	10,365	61,000	71,365	-	-	-
Interest (net)	(6,132)	(268)	(6,400)	(4,364)	(75)	(4,439)
Profit before Taxation	63,387	75,786	139,173	46,338	11,327	57,665

* Of which acquisitions in 2000 contributed a profit of €0.598 million (1999: €3.512 million).

** Of which a profit of €8.342 million (1999: €7.848 million) related to Food and a loss of €4.384 million (1999: loss: €2.087 million) related to Supply Chain Management Services.

(iv) Net Assets

	2000			1999		
	Parent and Subsidiary Undertakings	Associated Undertakings	Total	Parent and Subsidiary Undertakings	Associated Undertakings	Total
	€'000	€'000	€'000	€'000	€'000	€'000
IT	40,824	193	41,017	31,351	-	31,351
Energy	50,934	592	51,526	55,740	-	55,740
Healthcare	41,369	7,031	48,400	29,020	5,503	34,523
Food	8,650	14,966	23,616	8,876	14,154	23,030
Value Added						
Marketing and Distribution	141,777	22,782	164,559	124,987	19,657	144,644
Supply Chain Management Services	17,019	-	17,019	16,332	-	16,332
Other Interests	-	11,816	11,816	-	8,985	8,985
Continuing activities	158,796	34,598	193,394	141,319	28,642	169,961
Discontinued activities***	-	-	-	2,919	28,202	31,121
	158,796	34,598	193,394	144,238	56,844	201,082
Net cash/(debt)	89,159	-	89,159	(20,297)	-	(20,297)
Amounts due in respect of acquisitions	(28,569)	-	(28,569)	(20,035)	-	(20,035)
Investments	7,128	-	7,128	673	-	673
Disposal proceeds receivable	16,100	-	16,100	-	-	-
Capitalised goodwill	75,559	-	75,559	46,028	-	46,028
Minority interests	(3,274)	-	(3,274)	(3,902)	-	(3,902)
Group unallocated net assets	(20,374)	-	(20,374)	(8,328)	-	(8,328)
Net Assets	294,525	34,598	329,123	138,377	56,844	195,221

*** At 31 March 1999 €28.169 million related to Food and €2.952 million related to Supply Chain Management Services.

Notes to the Financial Statements

for the year ended 31 March 2000

1. Segmental Information *continued*

(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

	2000			1999		
	Turnover by Origin €'000	Profit Before Taxation €'000	Net Assets €'000	Turnover by Origin €'000	Profit Before Taxation €'000	Net Assets €'000
Ireland	515,921	35,451	50,538	332,220	28,985	68,214
Rest of the World	687,837	30,805	108,258	441,924	24,662	73,105
	1,203,758	66,256	158,796	774,144	53,647	141,319
Associated undertakings	112,353	7,529	34,598	73,132	4,253	28,642
Continuing activities	1,316,111	73,785	193,394	847,276	57,900	169,961
Discontinued activities	210,889	3,958	-	211,990	5,761	31,121
	1,527,000	77,743	193,394	1,059,266	63,661	201,082
Goodwill amortisation		(3,535)			(1,557)	
Net exceptional gains		71,365			-	
Interest (net)		(6,400)			(4,439)	
Net cash/(debt)			89,159			(20,297)
Investments			7,128			673
Disposal proceeds receivable			16,100			-
Amounts due in respect of acquisitions			(28,569)			(20,035)
Capitalised goodwill			75,559			46,028
Minority interests			(3,274)			(3,902)
Group unallocated net assets			(20,374)			(8,328)
	1,527,000	139,173	329,123	1,059,266	57,665	195,221

(ii) Turnover by Destination - Continuing Activities

	2000 €'000	1999 €'000
Ireland	502,875	318,463
United Kingdom	636,394	427,912
Rest of Europe	44,883	12,763
USA	15,259	11,738
Other	4,347	3,268
Share of associated undertakings	112,353	73,132
	1,316,111	847,276

Notes to the Financial Statements

for the year ended 31 March 2000

2. Cost of Sales and Net Operating Costs

	2000				1999			
	Continuing	Acquisitions	Discontinued	Total	Continuing	Acquisitions	Discontinued	Total
	Activities		Activities		Activities		Activities	
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Cost of sales	(953,410)	(41,153)	(11,157)	(1,005,720)	(585,662)	(28,127)	(10,971)	(624,760)
Gross profit	201,450	7,745	5,323	214,518	149,942	10,413	6,591	166,946
Operating costs								
Distribution	(72,163)	(5,143)	-	(77,306)	(55,697)	(3,432)	-	(59,129)
Administrative	(67,307)	(2,024)	(9,312)	(78,643)	(44,913)	(3,659)	(8,706)	(57,278)
Other operating expenses	(214)	(8)	(403)	(625)	(178)	(5)	-	(183)
	(139,684)	(7,175)	(9,715)	(156,574)	(100,788)	(7,096)	(8,706)	(116,590)
Other operating income	3,920	-	-	3,920	1,082	94	-	1,176
Net operating costs	(135,764)	(7,175)	(9,715)	(152,654)	(99,706)	(7,002)	(8,706)	(115,414)
Operating profit before goodwill amortisation - parent and subsidiaries	65,686	570	(4,392)	61,864	50,236	3,411	(2,115)	51,532

3. Employee Information

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

	2000	1999
	Number	Number
IT	704	602
Energy	515	457
Healthcare	759	724
Food	274	244
Value Added Marketing and Distribution	2,252	2,027
Supply Chain Management Services	681	637
	2,933	2,664

The staff costs for the above were:

	2000	1999
	€'000	€'000
Wages and salaries	86,114	67,113
Social welfare costs	8,408	6,440
Pension costs	3,875	3,119
	98,397	76,672

4. Directors' Emoluments and Interests

Directors' emoluments and interests are given in the Report on Directors' Remuneration on pages 34 to 37.

Notes to the Financial Statements

for the year ended 31 March 2000

5. Goodwill Amortisation

	2000	1999
	€'000	€'000
Amortisation of capitalised goodwill arising on the acquisition of subsidiaries after 1 April 1998 (note 16)	2,710	830
Amortisation of goodwill included in the carrying value of associated undertakings (note 18)	825	727
	<u>3,535</u>	<u>1,557</u>

6. Net Exceptional Gains on Sale of Associated and Subsidiary Undertakings

	2000	1999
	€'000	€'000
Profit on sale of associated undertaking	76,000	-
Profit on sale of subsidiary net tangible assets	18,000	-
Other	(1,902)	-
	<u>92,098</u>	-
Goodwill previously eliminated against reserves	(20,733)	-
	<u>71,365</u>	-
Taxation	(8,000)	-

In February 2000 the Group sold its holding of ordinary shares in its associated undertaking, Fyffes plc. The Group still holds 4,621,901 Convertible Preference shares in Fyffes plc.

In March 2000 the Group unconditionally contracted to sell its 90% interest in International Translation and Publishing Limited, the consideration for which is receivable in cash on 16 May 2000.

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

	2000	1999
	€'000	€'000
Interest receivable and similar income		
Interest on cash and term deposits	19,496	17,792
Other interest receivable	4	259
	<u>19,500</u>	<u>18,051</u>
Interest payable and similar charges		
On bank loans, overdrafts and Unsecured Notes due 2008/11		
- repayable within 5 years, not by instalments	(11,968)	(8,171)
- repayable within 5 years, by instalments	(73)	(310)
- repayable wholly or partly in more than 5 years	(9,042)	(8,293)
On loan notes		
- repayable within 5 years, not by instalments	(50)	(296)
- repayable wholly or partly in more than 5 years	(1,551)	(1,663)
On finance leases	(2,637)	(3,484)
Notional interest	(311)	(198)
	<u>(25,632)</u>	<u>(22,415)</u>
	<u>(6,132)</u>	<u>(4,364)</u>

Where acquisitions involve further payments which are deferred or contingent on levels of performance achieved in the years following acquisition, the profit and loss account is charged with notional interest to eliminate the benefit which the Group is temporarily deriving. The notional interest charge is calculated by reference to the period of deferral, current interest rates and the amount of the likely payments.

Notes to the Financial Statements

for the year ended 31 March 2000

8. 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.

9. Profit on Ordinary Activities Before Taxation

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

	2000 €'000	1999 €'000
Auditors' remuneration	444	317
Revenue grants	(79)	(17)
Amortisation of capital grants	(296)	(366)
Operating leases		
- land and buildings	2,316	1,938
- plant and machinery	12	48
- motor vehicles	988	700
Depreciation		
- owned assets	13,655	11,772
- leased assets	5,235	4,404

10. Acquisitions

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

11. Taxation

	2000 €'000	1999 €'000
Irish Corporation Tax at 27% (1999: 31%)		
- current	5,368	7,476
- deferred	(244)	(65)
- less: manufacturing relief	(2,625)	(3,799)
United Kingdom Corporation Tax at 30%		
- current	4,003	2,881
- deferred	40	(10)
Netherlands Corporation Tax	759	336
Other overseas tax	188	19
Tax on net exceptional gains	8,000	-
(Over)/under provision in respect of prior years		
- current	(202)	(307)
- deferred	26	(374)
	<u>15,313</u>	<u>6,157</u>
Associated undertakings	<u>3,388</u>	<u>2,726</u>
	<u>18,701</u>	<u>8,883</u>

Manufacturing relief is scheduled to expire in the year 2010.

The standard rate of corporation tax in Ireland will be reduced on a phased basis to 12.5% by 1 January 2003.

Notes to the Financial Statements

for the year ended 31 March 2000

12. Minority Interests

	2000	1999
	€'000	€'000
Subsidiary undertakings	3	137
Associated undertakings	<u>628</u>	<u>665</u>
	<u>631</u>	<u>802</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 €15,502,000 (1999: €11,037,000).

14. Dividends

	2000	1999
	€'000	€'000
Per Ordinary Share		
Interim dividend of 6.450 cent per share (1999: 5.396 cent per share)	5,631	4,698
Proposed final dividend of 11.150 cent per share (1999: second interim dividend of 9.264 cent per share)	9,735	8,070
Additional dividend	-	224
	<u>15,366</u>	<u>12,992</u>

The additional dividend of €224,000 paid during the year ended 31 March 1999 was in respect of shares issued after the date of approval of the relevant financial statements but qualifying for receipt of the dividend declared.

Notes to the Financial Statements

for the year ended 31 March 2000

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

	2000	1999
	€'000	€'000
Profit after taxation and minority interests	119,841	47,980
Net exceptional gains (net of taxation)	(63,365)	-
Goodwill amortisation	3,535	1,557
Adjusted profit after taxation and minority interests	<u>60,011</u>	<u>49,537</u>
Basic earnings per ordinary share		
	cent	cent
Basic earnings per ordinary share	137.39	55.39
Net exceptional gains	(72.64)	-
Goodwill amortisation	4.05	1.80
Adjusted basic earnings per ordinary share	<u>68.80</u>	<u>57.19</u>
Weighted average number of ordinary shares in issue during the year ('000)	<u>87,225</u>	<u>86,621</u>
Fully diluted earnings per ordinary share		
	cent	cent
Fully diluted earnings per ordinary share	133.43	54.32
Net exceptional gains	(70.46)	-
Goodwill amortisation	3.92	1.76
Adjusted fully diluted earnings per ordinary share	<u>66.89</u>	<u>56.08</u>
Fully diluted weighted average number of ordinary shares ('000)	<u>89,925</u>	<u>88,504</u>

The adjusted figures for basic earnings per ordinary share and fully 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 which are not expected to recur regularly.

The weighted average number of ordinary shares used in calculating the fully diluted earnings per ordinary share for the year ended 31 March 2000 was 89.925 million (1999: 88.504 million). A reconciliation of the weighted average number of ordinary shares used for the purpose of calculating the fully diluted earnings per share amounts is as follows:

	2000	1999
	'000	'000
Weighted average number of ordinary shares in issue used for the calculation of basic earnings per ordinary share amounts	87,225	86,621
Dilutive effect of options and partly paid shares	943	917
Dilutive effect of ordinary shares potentially issuable under deferred contingent consideration arrangements	<u>1,757</u>	<u>966</u>
Weighted average number of ordinary shares in issue used for the calculation of diluted earnings per ordinary share amounts	<u>89,925</u>	<u>88,504</u>

The earnings used for the purpose of the fully diluted earnings per ordinary share calculations were €119.989 million (1999: €48.079 million) and €60.159 million (1999: €49.636 million) for the purpose of the adjusted diluted earnings per ordinary share calculations.

Notes to the Financial Statements

for the year ended 31 March 2000

16. Intangible Assets - Goodwill

Group

	2000	1999
	€'000	€'000
Arising on the acquisition of subsidiaries:		
At 1 April	46,028	-
Arising during the year (note 39)	32,241	46,858
Amortised to profit and loss account (note 5)	(2,710)	(830)
At 31 March	<u>75,559</u>	<u>46,028</u>

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 1999	42,675	138,523	23,007	22,841	227,046
Acquisitions (note 39)	1,361	1,764	922	307	4,354
Additions	6,958	10,304	6,219	5,526	29,007
Disposals	(1,008)	(1,776)	(5,241)	(3,167)	(11,192)
Reclassifications	(1,759)	396	1,354	9	-
Exchange adjustments	1,613	8,302	863	1,357	12,135
At 31 March 2000	<u>49,840</u>	<u>157,513</u>	<u>27,124</u>	<u>26,873</u>	<u>261,350</u>
Depreciation					
At 1 April 1999	7,806	84,117	16,288	12,138	120,349
Acquisitions (note 39)	-	-	369	28	397
Charge for year	1,089	10,669	3,399	3,733	18,890
Disposals	(367)	(1,421)	(3,834)	(2,283)	(7,905)
Reclassifications	(560)	303	263	(6)	-
Exchange adjustments	277	4,996	390	862	6,525
At 31 March 2000	<u>8,245</u>	<u>98,664</u>	<u>16,875</u>	<u>14,472</u>	<u>138,256</u>
Net Book Value					
At 31 March 2000	<u>41,595</u>	<u>58,849</u>	<u>10,249</u>	<u>12,401</u>	<u>123,094</u>
At 31 March 1999	<u>34,869</u>	<u>54,406</u>	<u>6,719</u>	<u>10,703</u>	<u>106,697</u>

The net book value of tangible fixed assets includes an amount of €20,361,000 (1999: €24,136,000) in respect of assets held under finance leases.

Notes to the Financial Statements

for the year ended 31 March 2000

17. Tangible Fixed Assets *continued*

(b) Company

	Fixtures & fittings & office equipment €'000	Motor vehicles €'000	Total €'000
Cost			
At 1 April 1999	999	540	1,539
Additions	143	324	467
Disposals	-	(124)	(124)
At 31 March 2000	<u>1,142</u>	<u>740</u>	<u>1,882</u>
Depreciation			
At 1 April 1999	802	225	1,027
Charge for year	96	129	225
Disposals	-	(103)	(103)
At 31 March 2000	<u>898</u>	<u>251</u>	<u>1,149</u>
Net Book Value			
At 31 March 2000	<u>244</u>	<u>489</u>	<u>733</u>
At 31 March 1999	<u>197</u>	<u>315</u>	<u>512</u>

18. Financial Assets - Associated Undertakings

(a) Group

	2000 €'000	1999 €'000
At 1 April	56,844	46,474
Additions	726	7,194
Disposals/transfer to investments	(34,144)	-
Retained profits less dividends	9,505	7,175
Other movements in reserves	2,492	(3,154)
Amortisation of goodwill (note 5)	(825)	(727)
Acquired as a subsidiary	-	(118)
At 31 March	<u>34,598</u>	<u>56,844</u>

Notes to the Financial Statements

for the year ended 31 March 2000

18. Financial Assets - Associated Undertakings *continued*

The carrying value of associated undertakings is analysed as follows:

	2000 €'000	1999 €'000
Interest in net assets	7,079	25,615
Goodwill (net of amortisation)	9,410	13,865
Share of post acquisition reserves	18,109	17,364
	<u>34,598</u>	<u>56,844</u>

During the year the Group acquired a 50% interest in an Irish oil distributor for a consideration of €726,000.

At 31 March 2000 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:

	2000 €'000	1999 €'000
Fixed assets	17,155	33,455
Current assets	55,739	90,428
Liabilities due within one year	(29,095)	(59,979)
Liabilities due after more than one year and minority interests	<u>(18,611)</u>	<u>(20,925)</u>

The movement in goodwill of associated undertakings is as follows:

	2000 €'000	1999 €'000
Cost		
At 1 April	16,137	13,732
Additions	685	2,405
Disposals	(6,142)	-
At 31 March	<u>10,680</u>	<u>16,137</u>
Amortisation		
At 1 April	2,272	1,545
Amortisation for the year	825	727
Disposals	(1,827)	-
At 31 March	<u>1,270</u>	<u>2,272</u>
Net Book Value		
At 31 March	<u>9,410</u>	<u>13,865</u>

Notes to the Financial Statements

for the year ended 31 March 2000

18. Financial Assets - Associated Undertakings *continued*

Details of the Group's principal associated undertakings at 31 March 2000 are set out below. All of these companies are incorporated and operate principally in their country of registration.

Name and Registered Office	Nature of Business	Shareholding
Merits Health Products Company Limited, 9 Road 36, Taichung Industrial Park, Taichung, Taiwan.	Manufacture of mobility aids.	45.0%
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 baking, wholesaling and retailing of bakery products and the operation of restaurants.	50.0%
Millais Investments Limited, Kinsale Road, Cork, Ireland.	Holding company for Allied Foods Limited, a distributor of frozen and chilled foods.	50.0%
Manor Park Homebuilders Limited, "The Gables", Torquay Road, Dublin 18, Ireland.	Residential house building.	49.0%

(b) Company

	2000 €'000	1999 €'000
At 31 March	<u>1,233</u>	<u>1,233</u>

Notes to the Financial Statements

for the year ended 31 March 2000

19. Financial Assets - Subsidiary Undertakings

Company	2000 €'000	1999 €'000
At 1 April	67,385	57,283
Additions	3,475	10,209
Disposals	-	(107)
At 31 March	<u>70,860</u>	<u>67,385</u>

The Group's principal operating subsidiary undertakings are shown on page 78. All of these subsidiaries are wholly owned except Broderick Bros. Limited (82.5%), Virtus Limited (51.0%), EuroCaps Limited (80.0%), where put and call options exist to acquire the remaining 20.0%, CasaCare GmbH (74.9%), where put and call options exist to acquire the remaining 25.1%, Distriologie SA (55.0%), where put and call options exist to acquire the remaining 45.0% and Fannin Limited (82.0%), where put and call options exist to acquire the remaining 18.0%.

The Group's principal overseas holding company subsidiaries are DCC Holdings (UK) 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 Holdings (UK) Limited is at Days Medical Aids Limited, Litchard Industrial Estate, Bridgend, Mid Glamorgan CF31 2AL, Wales. The registered office of DCC International Holdings B.V. is Drentestraat 24, 1083 HK Amsterdam, the Netherlands.

20. Stocks

Group	2000 €'000	1999 €'000
Raw materials and consumables	6,873	5,407
Work in progress	1,852	552
Finished goods and goods for resale	<u>67,291</u>	<u>48,174</u>
	<u>76,016</u>	<u>54,133</u>

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

Notes to the Financial Statements

for the year ended 31 March 2000

21. Debtors

	Group		Company	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
Amounts falling due within one year:				
Trade debtors	201,816	134,074	866	421
Amounts owed by subsidiary undertakings	-	-	1,812	1,064
Disposal proceeds receivable	16,100	-	-	-
Corporation tax recoverable	1,492	850	-	-
Value added tax recoverable	2,413	729	11	-
Prepayments and accrued income	12,771	9,202	707	667
Investments	7,128	673	-	-
Other debtors (note 22)	3,043	2,030	-	15
	<u>244,763</u>	<u>147,558</u>	<u>3,396</u>	<u>2,167</u>
Amounts falling due after more than one year:				
Amounts owed by subsidiary undertakings	-	-	226,944	212,318
Other debtors (note 22)	3,638	3,366	-	96
	<u>3,638</u>	<u>3,366</u>	<u>226,944</u>	<u>212,414</u>
	<u>248,401</u>	<u>150,924</u>	<u>230,340</u>	<u>214,581</u>

22. Director's Loan Accounts

Other debtors include nil (1999: €29,000) in respect of house loans to an executive Director as follows:

	M Crowe €'000
Balance at 1 April 1999	29
Interest	1
Repayments	(30)
Balance at 31 March 2000	<u>-</u>
Maximum amount outstanding during year	<u>29</u>

Interest was charged at 5% per annum.

23. Cash and Term Deposits

	Group		Company	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
Cash in hand and at bank	389,247	201,751	85	128
Term deposits	162,029	109,563	4,707	1,802
	<u>551,276</u>	<u>311,314</u>	<u>4,792</u>	<u>1,930</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 43.

Notes to the Financial Statements

for the year ended 31 March 2000

24. Bank and Other Debt

	Group		Company	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
Bank loans and overdrafts (note 25)	279,271	164,767	-	-
Loan notes (note 26)	33,205	28,655	644	886
Obligations under finance leases (note 27)	41,030	40,632	-	-
	<u>353,506</u>	<u>234,054</u>	<u>644</u>	<u>886</u>
Unsecured Notes due 2008/11 (note 25)	108,611	97,557	-	-
	<u>462,117</u>	<u>331,611</u>	<u>644</u>	<u>886</u>
Bank and other loans and leases:				
- repayable within one year	191,781	42,724	644	886
- repayable after more than one year	161,725	191,330	-	-
Unsecured Notes due 2008/11	108,611	97,557	-	-
	<u>462,117</u>	<u>331,611</u>	<u>644</u>	<u>886</u>

In September 1996 the Group raised US\$100 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 LIBOR.

25. Bank Loans, Overdrafts and Unsecured Notes due 2008/11

	Group		Company	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
Repayable as follows:				
In one year or less	186,324	35,730	-	-
Between one and two years	79,652	61,054	-	-
Between two and five years	12,675	67,983	-	-
Over five years	109,231	97,557	-	-
	<u>387,882</u>	<u>262,324</u>	<u>-</u>	<u>-</u>
The above amounts are further analysed as follows:				
Wholly repayable within one year	186,324	35,730	-	-
Repayable by instalments:				
- between one and two years	630	180	-	-
- between two and five years	12,675	11,208	-	-
- over five years	620	-	-	-
Repayable other than by instalments:				
- between one and two years	79,022	60,874	-	-
- between two and five years	-	56,775	-	-
- over five years	108,611	97,557	-	-
	<u>387,882</u>	<u>262,324</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

for the year ended 31 March 2000

26. Loan Notes

	Group		Company	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
The loan notes are repayable as follows:				
In one year or less	1,251	3,206	644	886
Over five years	31,954	25,449	-	-
	<u>33,205</u>	<u>28,655</u>	<u>644</u>	<u>886</u>
Loan notes are further analysed as follows:				
Wholly repayable within one year	1,251	3,206	644	886
Repayable other than by instalments:				
- over five years	31,954	25,449	-	-
	<u>33,205</u>	<u>28,655</u>	<u>644</u>	<u>886</u>

The above loan notes are unsecured and €33,152,000 (1999: €28,402,000) 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 which are guaranteed by the banks.

27. Finance Leases

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

	2000	1999
	€'000	€'000
In one year or less	<u>4,206</u>	<u>3,788</u>
Between one and two years	4,418	3,784
Between two and five years	14,900	12,862
Over five years	<u>17,506</u>	<u>20,198</u>
	<u>36,824</u>	<u>36,844</u>
	<u>41,030</u>	<u>40,632</u>

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

Furthermore, foreign exchange movements can affect the cost of products sourced and revenues generated from overseas markets and can also affect 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 in the same currency. In order to reduce these exposures and to bring both stability and more certainty to the Group's costs and revenues the Group uses various derivative financial instruments to hedge its position going forward.

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

Notes to the Financial Statements

for the year ended 31 March 2000

28. Derivative and Other Financial Instruments *continued*

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

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

	2000			1999		
	€ equivalent			€ equivalent		
	Financial Liabilities €'000	Financial Assets €'000	Net €'000	Financial Liabilities €'000	Financial Assets €'000	Net €'000
€ Fixed	(1,983)	-	(1,983)	(220)	-	(220)
€ Floating	(77,979)	201,792	123,813	(39,445)	66,303	26,858
€ Total	(79,962)	201,792	121,830	(39,665)	66,303	26,638
Stg£ Fixed	(101,929)	101,921	(8)	(97,579)	91,553	(6,026)
Stg£ Floating	(279,697)	241,584	(38,113)	(194,335)	150,133	(44,202)
Stg£ Total	(381,626)	343,505	(38,121)	(291,914)	241,686	(50,228)
US\$ Fixed	-	-	-	-	-	-
US\$ Floating	(529)	5,979	5,450	(32)	3,325	3,293
US\$ Total	(529)	5,979	5,450	(32)	3,325	3,293
Total	(462,117)	551,276	89,159	(331,611)	311,314	(20,297)

The Group's deferred acquisition consideration of €28,569,000 as stated on the balance sheet, consists entirely of € floating rate financial liabilities (1999: €16,247,000 of € floating rate financial liabilities and €3,788,000 of Stg£ floating rate financial liabilities) payable as follows:

	2000 €'000	1999 €'000
In one year or less	11,000	10,167
In more than one year but not more than two years	7,166	3,268
In more than two years but not more than five years	10,403	6,600
	28,569	20,035

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

- 1 - 3 month EURIBOR
- 1 - 12 month LIBOR
- US\$ prime rate

	2000		1999	
	Weighted average interest rate Fixed rate financial liabilities	Weighted average interest rate Fixed rate financial assets	Weighted average interest rate Fixed rate financial liabilities	Weighted average interest rate Fixed rate financial assets
€	5.2%	n/a	7.8%	n/a
Stg£	8.8%	8.0%	8.8%	8.0%

	2000		1999	
	Weighted average period for which rate is fixed Fixed rate financial liabilities	Weighted average period for which rate is fixed Fixed rate financial assets	Weighted average period for which rate is fixed Fixed rate financial liabilities	Weighted average period for which rate is fixed Fixed rate financial assets
€	6.9 years	n/a	1.5 years	n/a
Stg£	8.5 years	8.5 years	9.0 years	9.5 years

Notes to the Financial Statements

for the year ended 31 March 2000

28. Derivative and Other Financial Instruments *continued*

The maturity profile of the Group's financial liabilities is set out in notes 25 to 27 and can be summarised as follows:

	2000	1999
	€'000	€'000
In one year or less	191,781	42,724
In more than one year but not more than two years	84,070	64,838
In more than two years but not more than five years	27,575	80,845
In more than five years	158,691	143,204
	<u>462,117</u>	<u>331,611</u>

(b) Gains and Losses on Hedges

The Group enters into forward foreign currency contracts to eliminate the currency exposures that arise on revenues and costs denominated in foreign currencies. The Group also enters into commodity swap 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:

	2000			1999		
	Gains €'000	Losses €'000	Total net gains/ (losses) €'000	Gains €'000	Losses €'000	Total net gains/ (losses) €'000
Opening unrecognised gains and losses on hedges	356	3,332	(2,976)	365	1,646	(1,281)
Gains and losses arising in previous years that were recognised in current year	356	1,879	(1,523)	365	1,316	(951)
Gains and losses arising in previous years that were not recognised in current year	-	1,453	(1,453)	-	330	(330)
Gains and losses arising in current year that were not recognised in current year	429	4,940	(4,511)	356	3,002	(2,646)
Closing unrecognised gains and losses on hedges	<u>429</u>	<u>6,393</u>	<u>(5,964)</u>	<u>356</u>	<u>3,332</u>	<u>(2,976)</u>
Of which:						
Gains and losses expected to be recognised within one year	429	5,898	(5,469)	356	1,879	(1,523)
Gains and losses expected to be recognised thereafter	-	495	(495)	-	1,453	(1,453)
	<u>429</u>	<u>6,393</u>	<u>(5,964)</u>	<u>356</u>	<u>3,332</u>	<u>(2,976)</u>

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 Unsecured Notes due 2008/11. See accounting policy for derivative financial instruments.

(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:

	2000		1999	
	Carrying amount €'000	Fair value €'000	Carrying amount €'000	Fair value €'000
Assets:				
Cash and short term deposits	551,276	551,188	311,314	311,314
Publicly traded investments	7,128	11,297	673	343
Liabilities:				
Deferred acquisition consideration	(28,569)	(28,569)	(20,035)	(20,035)
Short term debt	(191,781)	(191,781)	(41,759)	(41,759)
Medium and long term debt	(161,725)	(161,637)	(192,295)	(192,295)
Unsecured Notes due 2008/11	(108,611)	(108,611)	(97,557)	(97,557)
Derivative financial instruments:				
Commodity swaps	-	(1,199)	-	-
Forward exchange rate contracts	-	(4,765)	-	(2,976)
Interest rate contracts	-	-	-	-

28. 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.

Publicly traded investments:

These are valued based on quoted prices.

Deferred acquisition consideration:

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

Medium and long term debt:

The fair value of the Group's medium and long term debt generally approximates to fair value because these instruments re-price frequently at 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 cross currency interest rate swap used to hedge these loan notes. At 31 March 2000 the cross currency interest rate swap had a fair value equating to a loss of €3,338,000. Conversely the Unsecured Notes due 2008/11 had a fair value equating to a gain of the same amount.

Commodity and forward exchange rate 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 Bank Borrowing Facilities

The Group has various borrowing facilities available to it. The undrawn committed bank borrowing facilities available at 31 March 2000 in respect of which all conditions precedent had been met at that date mature as follows:

	2000 €'000	1999 €'000
In one year or less	3,169	-
In more than two years	<u>1,081</u>	<u>4,297</u>
	<u>4,250</u>	<u>4,297</u>

(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) Currency Exposures

At 31 March 2000, after taking into account the effects of foreign currency contracts, the Group had no material currency exposures.

(g) Treasury Policy

The Group's treasury policy and management of derivatives and of financial instruments is discussed in the Financial Review on pages 24 and 25.

Notes to the Financial Statements

for the year ended 31 March 2000

29. Trade and Other Creditors

	Group		Company	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
Amounts falling due within one year:				
Trade creditors	199,454	113,183	73	284
Other creditors and accruals	34,900	21,880	941	933
Deferred acquisition consideration	11,000	10,167	-	-
PAYE and PRSI	2,450	1,911	162	136
Value added tax	12,049	9,626	-	13
Capital grants (note 38)	235	245	-	-
Interest payable	2,401	2,035	-	-
Amounts due in respect of fixed assets	905	714	-	-
Amounts due to associated undertakings	2,739	3,320	-	-
	<u>266,133</u>	<u>163,081</u>	<u>1,176</u>	<u>1,366</u>

30. Provisions for Liabilities and Charges

(a) Group

	2000			1999		
	Deferred taxation (note 31)	Pensions and similar obligations (note 32)	Total	Deferred taxation (note 31)	Pensions and similar obligations (note 32)	Total
	€'000	€'000	€'000	€'000	€'000	€'000
At 1 April	2,200	44	2,244	2,524	45	2,569
Credited to profit and loss account	(178)	(1)	(179)	(449)	(1)	(450)
Acquisitions	-	-	-	147	-	147
Exchange adjustments	25	-	25	(22)	-	(22)
At 31 March	<u>2,047</u>	<u>43</u>	<u>2,090</u>	<u>2,200</u>	<u>44</u>	<u>2,244</u>

(b) Company

	2000	1999
	€'000	€'000
Deferred taxation at 31 March (note 31)	<u>4</u>	<u>4</u>

31. Deferred Taxation

Deferred taxation provided in the financial statements and the full potential liability are as follows:

(a) Group

	Amount Provided		Full Potential Liability	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
Tax effect of timing differences due to:				
Excess of accelerated capital allowances over depreciation	2,097	2,454	2,204	2,587
Other short term timing differences	<u>(50)</u>	<u>(254)</u>	<u>(50)</u>	<u>(254)</u>
	<u>2,047</u>	<u>2,200</u>	<u>2,154</u>	<u>2,333</u>

No provision is made for certain potential taxation liabilities amounting to €107,000 (1999: €133,000) arising from accelerated capital allowances as it is considered that the related taxation will not become payable in the foreseeable future.

No provision is made for taxation liabilities which would arise on the distribution of profits retained by overseas subsidiaries as there is no intention in the foreseeable future to remit such profits.

Notes to the Financial Statements

for the year ended 31 March 2000

(b) Company

	Amount Provided		Full Potential Liability	
	2000	1999	2000	1999
	€'000	€'000	€'000	€'000
Tax effect of timing differences due to:				
Excess of accelerated capital allowances over depreciation	3	3	3	3
Other short term timing differences	1	1	1	1
	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

32. Pensions and Similar Obligations

The Group operates defined benefit and defined contribution pension 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 €3,875,000 (1999: €3,119,000) of which €1,332,000 (1999: €1,331,000) was paid in respect of defined contribution 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 accrued benefits method are used to assess pension costs. The most recent actuarial valuations range from 31 December 1996 to 17 August 1999.

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.

At the dates of the most recent actuarial valuations, the market value of the assets of the Group's defined benefit schemes totalled €24,643,000 (1999: €18,837,000).

After allowing for expected future increases in earnings and pension payments, the actuarial values of the various schemes' assets were sufficient to cover between 79% and 111% (Group weighted average cover: 100%) 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 2000, €71,000 (1999: €48,000) was included in creditors in respect of pension liabilities and €566,000 (1999: €721,000) 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.

Notes to the Financial Statements

for the year ended 31 March 2000

33. Called up Equity Share Capital

Group and Company	2000 €'000	1999 €'000
Authorised		
152,368,568 ordinary shares of €0.25 each	<u>38,092</u>	<u>38,092</u>
Issued		
87,306,376 ordinary shares of €0.25 each, fully paid (1999: 87,134,555 ordinary shares of IR20p each, fully paid)	21,827	22,128
205,000 ordinary shares of €0.25 each, €0.0025 paid (1999: 210,000 ordinary shares of IR20p each, IR0.2p paid)	<u>-</u>	<u>-</u>
	<u>21,827</u>	<u>22,128</u>
Movements during year		
Ordinary shares of €0.25 each	No of shares ('000)	€'000
At 1 April 1999	87,345	22,128
Acquisition issue	166	42
Payment up of partly paid shares	-	1
Transfer to capital conversion reserve fund	<u>-</u>	<u>(344)</u>
At 31 March 2000	<u>87,511</u>	<u>21,827</u>

At the last Annual General Meeting held on 25 June 1999 each of the issued and unissued ordinary shares of IR20p in DCC plc was re-denominated into an ordinary share of 25.394761 cent. Each such share was then re-nominalised to be an ordinary share of 25 cent. An amount equal to the reduction in the issued share capital resulting from this re-nominalisation was transferred to a capital conversion reserve fund.

Under the DCC plc 1998 Employee Share Option Scheme, employees hold basic tier options to subscribe for 1,874,000 ordinary shares and second tier options to subscribe for 1,656,000 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 all numbers of shares in issue in each case.

Under the terminated DCC Employee Partly Paid Share Scheme, at 31 March 2000, 205,000 shares (1999: 210,000 shares) remain partly paid.

Under a terminated 1986 DCC Executive Share Option Scheme, which applied before DCC became a public company, employees hold options exercisable up to February 2001 to subscribe for 650,000 ordinary shares (1999: 650,000 ordinary shares) at €2.5395 per share.

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.

Notes to the Financial Statements

for the year ended 31 March 2000

34. Share Premium Account

Group and Company	2000 €'000	1999 €'000
At 1 April	120,796	112,090
Premium on issue of shares	1,203	8,769
Share issue expenses	(12)	(63)
At 31 March	<u>121,987</u>	<u>120,796</u>

35. Reserves

(a) Group

	Profit and loss account €'000	Associated undertaking reserves €'000	Capital conversion reserve fund €'000	Other reserves €'000	Total €'000
At 1 April 1999	33,877	17,364	-	1,056	52,297
Profit retained for the year	94,970	9,505	-	-	104,475
Goodwill previously eliminated against reserves realised on sale of subsidiary and associated undertakings	5,733	15,000	-	-	20,733
Transfers	26,253	(26,253)	-	-	-
Re-nominalisation of share capital	-	-	344	-	344
Movement on other reserves - associated undertakings	-	2,492	-	-	2,492
Exchange adjustments	4,968	-	-	-	4,968
At 31 March 2000	<u>165,801</u>	<u>18,108</u>	<u>344</u>	<u>1,056</u>	<u>185,309</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. This goodwill will be charged in the profit and loss account should the Group dispose of the businesses to which it relates.

(b) Company

	Profit and loss account €'000	Capital conversion reserve fund €'000	Total €'000
At 1 April 1999	44,997	-	44,997
Profit retained	136	-	136
Re-nominalisation of share capital	-	344	344
At 31 March 2000	<u>45,133</u>	<u>344</u>	<u>45,477</u>

Notes to the Financial Statements

for the year ended 31 March 2000

36. Reconciliation of Movements in Equity Shareholders' Funds

Group	2000 €'000	1999 €'000
Profit attributable to Group shareholders	119,841	47,980
Dividends	<u>(15,366)</u>	<u>(12,992)</u>
	104,475	34,988
Movement on associated undertaking reserves	2,492	(3,154)
Goodwill realised previously eliminated against reserves (note 6)	20,733	-
Equity share capital issued (net of expenses)	1,234	9,525
Exchange adjustments	<u>4,968</u>	<u>(220)</u>
Net movement in shareholders' funds	133,902	41,139
Opening equity shareholders' funds	<u>195,221</u>	<u>154,082</u>
Closing equity shareholders' funds	<u>329,123</u>	<u>195,221</u>

37. Equity Minority Interests

Group	2000 €'000	1999 €'000
At 1 April	3,902	5,295
Acquisitions (note 39)	326	(166)
Acquisition of minority interest in subsidiary undertakings	-	(1,289)
Disposal of minority interest in subsidiary undertaking (note 40)	<u>(947)</u>	-
Share of profit for the financial year (note 12)	3	137
Dividends to minorities	<u>(86)</u>	<u>(135)</u>
Exchange and other adjustments	76	60
At 31 March	<u>3,274</u>	<u>3,902</u>

38. Capital Grants

Group	2000 €'000	1999 €'000
At 1 April	1,426	1,953
Received in year	62	14
Amortisation in year	<u>(296)</u>	<u>(366)</u>
Exchange and other adjustments	9	(175)
At 31 March	1,201	1,426
Disclosed as due within one year (note 29)	<u>(235)</u>	<u>(245)</u>
	<u>966</u>	<u>1,181</u>

Notes to the Financial Statements

for the year ended 31 March 2000

39. Acquisitions of Subsidiary Undertakings

The principal acquisitions completed during the year were Distrilogie SA (55.0%), Casa Garden & Co. KG (since renamed CasaCare) (74.9%), the Cawoods oil business (100.0%) and a number of other smaller LPG distributors.

The Group acquired 55% of the share capital of Distrilogie and entered into put and call options for the remaining 45%. Distrilogie is treated as a 100% subsidiary of the Group with an estimate of the consideration payable, on exercise of the put and call options, included in the deferred contingent consideration arising on the acquisition. The amounts provided in deferred contingent consideration represent an estimate of the amounts that are reasonably expected to be payable, discounted to their present values which are contingent on the future performance of Distrilogie. Further performance related payments beyond these amounts, of a maximum of €18.857 million may be made up to 31 March 2003. The estimation of deferred contingent consideration will be reviewed as more certain information becomes available with the corresponding adjustments being made to goodwill.

In addition to the above the Group has provided for the purchase of certain minority interests.

A summary of the effect of these acquisitions is as follows:

	Acquisition of subsidiary undertakings €'000	Fair value adjustments €'000	Fair value at acquisition €'000
Tangible fixed assets	3,957	-	3,957
Stocks	7,743	(750)	6,993
Debtors	22,291	(850)	21,441
Net debt	(9,303)	-	(9,303)
Creditors	(16,353)	(300)	(16,653)
Tax and deferred tax	(761)	-	(761)
Minority interests	(326)	-	(326)
Net assets acquired	<u>7,248</u>	<u>(1,900)</u>	<u>5,348</u>
Goodwill			<u>32,241</u>
Cost			<u>37,589</u>
Satisfied by:			
Cash			19,124
Deferred consideration and deferred contingent consideration			<u>18,465</u>
			<u>37,589</u>

Acquisition accounting has been adopted in respect of the above acquisitions. The fair value adjustments relate to stocks, debtors and creditors and the alignment of accounting policies with those of the Group.

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

	2000 €'000
Cost	37,589
Net debt acquired	9,303
Deferred consideration and deferred contingent consideration	<u>(18,465)</u>
Net outflow of cash	<u>28,427</u>

Notes to the Financial Statements

for the year ended 31 March 2000

40. Sale of Associated and Subsidiary Undertakings

	2000
	€'000
(a) Sale of Subsidiary Undertaking	
Net assets disposed of:	
Fixed assets	1,343
Associated undertakings	34
Stocks	329
Debtors	2,981
Creditors	(2,184)
Net debt	(3,456)
Minority interest	(947)
	<u>(1,900)</u>
Profit on sale of subsidiary undertaking (note 6)	18,000
	<u>16,100</u>
Satisfied by:	
Disposal proceeds receivable in cash	<u>16,100</u>
(b) Sale of Associated Undertaking	
Carrying value as an associate	30,289
Profit on sale of associated undertaking (note 6)	76,000
	<u>106,289</u>
Satisfied by:	
Cash	<u>106,289</u>

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

Group	2000	1999
	€'000	€'000
Operating profit before goodwill amortisation	77,743	63,661
Operating profit of associated undertakings	(15,879)	(12,129)
Dividends received from associated undertakings	2,768	2,268
Depreciation of tangible fixed assets	18,890	16,176
Increase in stocks	(11,081)	(5,151)
Increase in debtors	(45,941)	(20,680)
Increase in creditors	72,845	22,479
Other	(3,048)	(1,094)
Cash flow from operating activities	<u>96,297</u>	<u>65,530</u>

Notes to the Financial Statements

for the year ended 31 March 2000

42. Analysis of Cash Flows for Headings netted in the Consolidated Cash Flow Statement

	2000	1999
	€'000	€'000
(a) Returns on Investments and Servicing of Finance		
Interest received and similar receipts	19,432	19,032
Interest paid and similar payments	(24,981)	(23,112)
Dividends paid to minority interests	(86)	(134)
Net cash outflow from returns on investments and servicing of finance	<u>(5,635)</u>	<u>(4,214)</u>
(b) Capital Expenditure		
Expenditure on tangible fixed assets	(28,815)	(18,274)
Proceeds on sale of tangible fixed assets	4,017	1,444
Grants received	62	14
Net cash outflow from capital expenditure	<u>(24,736)</u>	<u>(16,816)</u>
(c) Acquisitions and Disposals		
Purchase of subsidiary undertakings (net of debt/cash acquired) (note 39)	(28,427)	(40,758)
Investment in associated undertakings (note 18)	(726)	(7,194)
Purchase of minority interests	-	(8,234)
Sale of subsidiary (note 40)	3,456	-
Sale of associated undertaking (note 40)	106,289	-
Payment of deferred consideration/accruals in respect of acquisitions	(8,422)	(2,938)
Net cash inflow/(outflow) from acquisitions and disposals	<u>72,170</u>	<u>(59,124)</u>
(d) Financing		
Issues of share capital (including share premium)	9	8,656
Capital element of finance lease payments	(3,870)	(2,693)
Loans drawn down	99,116	31,260
Other	-	(7,745)
Net cash inflow from financing	<u>95,255</u>	<u>29,478</u>

43. Analysis of Movement in Net Cash/(Debt)

	At			At
	1 April	Cash	Exchange	31 March
	1999	flow	movements	2000
	€'000	€'000	€'000	€'000
Cash in hand and at bank	201,751	161,205	26,291	389,247
Overdrafts	(33,294)	2,814	(3,283)	(33,763)
	<u>168,457</u>	<u>164,019</u>	<u>23,008</u>	<u>355,484</u>
Term deposits	109,563	46,231	6,235	162,029
Bank loans and loan notes	(160,128)	(99,116)	(19,469)	(278,713)
Unsecured Notes due 2008/11	(97,557)	-	(11,054)	(108,611)
Finance leases	(40,632)	3,870	(4,268)	(41,030)
Total	<u>(20,297)</u>	<u>115,004</u>	<u>(5,548)</u>	<u>89,159</u>

Notes to the Financial Statements

for the year ended 31 March 2000

44. Capital Commitments

Group

	2000	1999
	€'000	€'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>4,248</u>	<u>7,004</u>
Capital expenditure that has been authorised by the directors but has not yet been contracted for	<u>12,707</u>	<u>11,482</u>

45. Operating Lease Commitments

At 31 March 2000 the Group had annual commitments under operating leases as follows:

	<u>2000</u>		<u>1999</u>	
	Land and Buildings €'000	Other €'000	Land and Buildings €'000	Other €'000
Expiring within one year	178	73	59	50
Expiring between two and five years	173	648	519	425
Expiring after five years	<u>1,547</u>	-	<u>1,352</u>	-
	<u>1,898</u>	<u>721</u>	<u>1,930</u>	<u>475</u>

46. Contingent Liabilities

(a) Bank and Other Loans

The parent undertaking and certain subsidiaries have given guarantees of up to €454,280,000 (1999: €330,943,000) in respect of borrowings by the parent undertaking itself and other group undertakings.

(b) Grants

In certain circumstances capital grants amounting to a maximum of €4,759,000 (1999: €4,797,000) and revenue grants amounting to a maximum of nil (1999: €863,000) may become repayable.

(c) Other

Included in trade creditors are amounts of approximately €8,909,000 (1999: €7,860,000) 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 Alvabay Limited, Atlas Oil Refining Company Limited, Classic Fuel and Oil Limited, DCC Energy Limited, DCC SerCom Limited, Emo Oil Limited, Emo Oil Services Limited and Flogas Ireland Limited and, as a result, these companies have been exempted from the filing provisions of Section 7, Companies (Amendment) Act, 1986.

Notes to the Financial Statements

for the year ended 31 March 2000

47. 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:

	2000 €1=Stg£	1999 €1=Stg£
Balance sheet (closing rate)	0.599	0.666
Profit and loss (average rate)	0.643	0.681

48. Transactions with Related Parties

On 29 September 1999 the Company increased to 82% its shareholding in Fannin Limited by acquiring from minority shareholders in Fannin Limited 7% of its issued share capital, which was subject to put and call options exercisable by DCC and the Fannin Limited minority shareholders. The total value of the consideration amounted to €3.440 million which was satisfied by €2.215 million in cash and €1.225 million in shares. The remaining 18% shareholding is also subject to put and call options exercisable up to 2003.

49. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 12 May 2000.

Group Directory

Value Added Marketing and Distribution

IT

SerCom Distribution Limited	Holding company	www.dcc.ie
Micro Peripherals Limited*	Computer products distribution	www.micro-p.com
Sharptext Limited	Computer products and office equipment distribution	www.sharptext.com
Gem Distribution Limited*	Computer products distribution	www.gem.co.uk
Distrilogie SA	Computer storage products distribution	www.distrilogie.com

Energy

DCC Energy Limited	Holding and management company	www.dcc.ie
Emo Oil Limited	Distribution of oil products	www.emo.ie
Flogas Ireland Limited	Manufacture and distribution of liquefied petroleum gas	www.flogas.ie
Flogas UK Limited*	Distribution of liquefied petroleum gas	www.flogas.co.uk
Atlas Ireland Limited	Environmental services to garages	www.atlasireland.com
DCC Energy (NI) Limited	Distribution of liquefied petroleum gas and oil products	www.emooil.com

Healthcare

DCC Healthcare Limited	Holding and management company	www.dcc.ie
Days Medical Aids Limited*	Manufacture and distribution of mobility and rehabilitation products	www.daysmedical.com
Fannin Limited	Manufacture and distribution of healthcare products	www.dcc.ie
DCC Shoprider Inc.	Distribution of mobility scooters and power chairs	www.dcc-shoprider.com
CasaCare GmbH	Manufacture and distribution of mobility and rehabilitation products	www.casagarden.de
Virtus Limited	Manufacture and distribution of healthcare products	www.virtus.ie
Healthilife Limited*	Distribution of vitamin and food supplements	www.healthilife.com
EuroCaps Limited*	Manufacture and distribution of soft gelatine capsules	www.softgels.co.uk
Thompson & Capper Limited*	Manufacture and distribution of tablets and capsules	www.tablets2buy.com

Food

DCC Foods Limited	Holding and management company	www.dcc.ie
Robt. Roberts Limited	Marketing and distribution of branded food and beverage products	www.robt-roberts.com
Kelkin Limited	Marketing and distribution of branded healthy food products	www.kelkin.com
Broderick Bros. Limited	Distribution and service of equipment and consumables to the food processing, retailing and catering industries	www.dcc.ie

Supply Chain Management Services

SerCom Solutions Limited	Supply chain management services for the computer industry	www.sercomsolutions.com
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All of the above companies are incorporated and operate principally in the Republic of Ireland except those indicated with * which are incorporated and operate principally in England and Wales, Distrilogie SA which is incorporated and operates principally in France, DCC Energy (NI) Limited which is incorporated and operates principally in Northern Ireland, DCC Shoprider Inc. which is incorporated and operates principally in the United States of America and CasaCare GmbH which is incorporated and operates principally in Germany.

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.

Shareholder Analysis at 12 May 2000

	Number of accounts	% of accounts	Number of shares ('000)	% of shares
1 - 1,000	1,313	51.9%	697,911	0.8%
1,001 - 10,000	1,040	41.1%	2,797,173	3.2%
10,001 - 50,000	81	3.2%	1,794,656	2.0%
50,001 - 100,000	28	1.1%	1,997,573	2.3%
100,001 - 250,000	30	1.2%	4,509,666	5.2%
Over 250,000	39	1.5%	75,509,397	86.5%
Total	2,531	100.0%	87,306,376	100.0%

Share Price Data (€)

	High	Low	31 March
Year ended 31 March 2000	13.00	6.55	11.15
Year ended 31 March 1999	9.02	4.32	7.25

The market capitalisation of DCC plc at 31 March 2000 was €976 million (1999: €632 million) and at 12 May 2000 was €936 million (€10.70 per share).

Web Site

DCC's web site address is www.dcc.ie

The web site includes further information on the Group's activities and provides links into Group companies' web sites. DCC's recent press releases can be read or downloaded from the News section, where visitors can also register to receive future press releases directly by e-mail. The Investor Information section contains a complete dividend history, the financial calendar and further points of contact.

Investor Relations

For investor enquiries please contact:

Michael Scholefield,

Investor Relations Manager,

DCC plc, DCC House, Brewery Road,

Stillorgan, Blackrock, Co Dublin.

Tel: 353 1 283 1011.

Fax: 353 1 283 1018.

e-mail: investorrelations@dcc.ie

Registrar

Administrative enquiries about the holding of DCC shares should be directed in the first instance to the Company's Registrar at:

Computershare Services (Ireland) Limited,

Heron House, Corrig Road, Dublin 18.

Tel: 353 1 216 3100

Fax: 353 1 216 3151

e-mail: web.queries@computershare.co.uk

Shareholder Information

Amalgamation of Accounts

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

Dividends

Shareholders are offered the option of having dividends paid in Euros or pounds sterling. Shareholders may also elect to receive dividend payments either by cheque or by electronic funds transfer directly into their bank accounts. 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 22%), 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 certain non-individual shareholders resident in Ireland (e.g. companies, pension funds, charities etc).

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

Annual General Meeting

The Annual General Meeting will be held at the Berkeley Court Hotel, Lansdowne Road, Dublin 4 on Monday 3 July 2000 at 11a.m. The Notice of Meeting together with an explanatory letter from the Chairman and a proxy card accompany this report.

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.

Share Listings

DCC's shares are listed on the Irish Stock Exchange (symbol: DCC.I) and the London Stock Exchange (symbol: DCC.L).

Financial Calendar

Preliminary results announced	15 May 2000
Ex-dividend date for the final dividend	22 May 2000
Record date for the final dividend	26 May 2000
Annual Report posted	31 May 2000
Annual General Meeting	3 July 2000
Proposed final dividend payment date	4 July 2000
Interim results announced	early November 2000
Payment date for interim dividend	late November 2000

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