



12 November 2007

## Interim Results for the Six Months ended 30 September 2007

	€	Change on prior year
Revenue	2,258.7m	+25.3%
Operating profit*	51.6m	+17.6%
Share of associates' profit after tax	0.3m	-95.0%
Profit before exceptional items, amortisation of intangible assets and tax	44.5m	-0.2%
Adjusted earnings per share*	48.52 cent	+14.4%**
Dividend per share	20.55 cent	+15.0%
Operating cashflow	90.3m	+172.6%
Net debt at 30 September 2007	174.0m	

\* excluding exceptional items and amortisation of intangible assets

\*\* excluding the Manor Park contribution in the prior year

DCC, the business support services group, today announced its results for the six months ended 30 September 2007.

Commenting on the results, Jim Flavin, Executive Chairman said:

*“These excellent results were driven by strong organic growth and acquisitions. It is pleasing to note the particularly strong profit growth in DCC’s two largest divisions, DCC Energy and DCC SerCom, and also in DCC’s growing environmental services business.*

*We have had a strong start to the seasonally more significant second half and the Board now expects high teen growth in operating profit for the full year which is ahead of current market expectations.”*

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## Results

A summary of the results for the six months to 30 September 2007 is as follows:

	€'m	Change on prior year
<b>Revenue</b>	<b><u>2,258.7</u></b>	<b>+25.3%</b>
<b>Operating profit*</b>		
DCC Energy	14.5	+23.9%
DCC SerCom	12.5	+18.8%
DCC Healthcare	10.4	+6.5%
DCC Environmental	7.2	+56.7%
DCC Food & Beverage	<u>7.0</u>	-4.3%
<b>Group operating profit</b>	<b>51.6</b>	<b>+17.6%</b>
<b>Share of associates' profit after tax</b>	<b>0.3</b>	<b>-95.0%</b>
<b>Finance costs (net)</b>	<b><u>(7.4)</u></b>	
<b>Profit before exceptional items, amortisation of intangible assets and tax</b>	<b><u>44.5</u></b>	<b>-0.2%</b>
<b>Adjusted EPS* (cent)</b>	<b><u>48.52</u></b>	<b>+14.4%**</b>
<b>Dividend per share (cent)</b>	<b><u>20.55</u></b>	<b>+15.0%</b>

\* excluding exceptional items and amortisation of intangible assets

\*\*excluding the Manor Park contribution in the prior year

### Excellent revenue and operating profit growth

The excellent growth in revenue and operating profit was driven by strong organic growth and acquisitions.

Particularly strong profit growth was achieved in DCC's two largest divisions, DCC Energy and DCC SerCom, and also in DCC's growing environmental services business.

### Share of associates' profit after tax

DCC's 49% shareholding in Manor Park Homebuilders Ltd is held as an asset for sale and accordingly has not been accounted for as an associate company, in line with IFRS 5. The impact of this accounting policy on DCC's reported results in the six months to 30 September 2007 is immaterial. DCC continues to be actively engaged in discussions in pursuit of the best return for shareholders from this investment.

Notwithstanding that the investment in Manor Park Homebuilders has not contributed to earnings in the current period, there continues to be significant shareholder value in the investment.

### Finance costs (net)

The net financing cost for the period increased to €7.4 million (2006: €5.4 million) driven by acquisitions and higher interest rates. The Group's net debt levels averaged €227 million during the period compared to €212 million in the six months to 30 September 2006.

### Excellent underlying growth in adjusted earnings per share

There was excellent growth in adjusted earnings per share from DCC's core managed and controlled businesses and joint ventures which, excluding the contribution from Manor Park Homebuilders in the comparative period to 30 September 2006, was 14.4%.

### **Interim dividend increase of 15%**

The Board has decided to increase the interim dividend by 15% to 20.55 cent per share. This dividend will be paid on 7 December 2007 to shareholders on the register at the close of business on 23 November 2007.

### **Acquisitions and Development**

Acquisition and development expenditure in the period amounted to €119.2 million of which €33.2 million related to capital expenditure. DCC's ongoing acquisition search process has resulted in a number of acquisitions at a total committed cost of €86.0 million. The cash impact of acquisitions in the period was €92.0 million.

The main acquisition during the period was the purchase of CPL Petroleum Ltd, a leading supplier of transport fuels and heating oils to commercial, domestic and agricultural customers throughout Britain.

Today DCC announced the acquisition of Banque Magnetique, a leading French distributor of consumer electronics and IT peripherals to a broad range of retail customers at a cash cost of €38.1 million made up of consideration of €12.5 million and debt acquired of €25.6 million.

DCC is actively pursuing further acquisitions in each of its core areas.

### **Financial strength**

Operating cash flow in the period of €90.3 million was an excellent 172.6% ahead of the prior year. This was helped by a reduction of €17.0 million in net working capital since 31 March 2007 to €168.4 million, which equates to 11 days revenue and compares favourably with 13 days at 30 September 2006. At 30 September 2007, the Group had net debt of €174.0 million and total equity of €633.2 million.

DCC's strong financial position leaves it well placed to pursue its organic and acquisition growth objectives.

### **Exceptional items**

Exceptional charges in the period totalled €55.7 million.

As announced on 27 July 2007, the Irish Supreme Court allowed the appeal by Fyffes plc ("Fyffes") which they made against one finding of the Irish High Court judgment delivered in December 2005. That judgment had found in favour of DCC and others in the case taken against them by Fyffes under Part V of the Irish Companies Act, 1990 ("the Act"), seeking an account of profits arising on the sale of 31,169,493 shares in Fyffes in February 2000 by a DCC Group subsidiary. Four counterparties lodged claims under Part V of the Act stating that in the event that Fyffes was successful in its claim they would be entitled to compensation for losses suffered by them on Fyffes shares purchased by them from the DCC Group. DCC has been legally advised that Part V of the Act provides that any amount awarded to the counterparties will be deducted from any amount awarded to Fyffes. The Supreme Court has listed the matter for further directions (including on costs) on 13 November 2007 and is expected to remit to the High Court the quantification of any liability of the DCC Group to the claimants under Part V of the Act.

As the quantification of any liability is expected to be a matter for the High Court to determine, the Directors have taken legal advice on the exceptional charge that should be made in the accounts in order to provide adequately for any liability that might arise from the High Court hearing and also for costs. On this basis an exceptional charge of €50 million has been made in the accounts for the period.

Other exceptional charges of €5.7 million primarily related to restructuring costs on the integration of the recently acquired CPL Petroleum into DCC's British oil distribution business.

**Outlook**

DCC has had a strong start to the seasonally more significant second half and the Board now expects high teen growth in operating profit for the full year which is ahead of current market expectations.

This announcement and further information on DCC is available on the web at [www.dcc.ie](http://www.dcc.ie)

## Operating review

### DCC Energy

	<i>2007</i>	<i>2006</i>	<i>Change on prior year</i>
<b>Revenue</b>	<b>€1,343.5m</b>	<b>€996.3m</b>	<b>+34.8%</b>
<b>Operating profit</b>	<b>€14.5m</b>	<b>€11.7m</b>	<b>+23.9%</b>

DCC Energy achieved excellent profit growth in the first half of the year with the business benefiting from strong organic growth and the first time contribution from acquisitions completed in the prior year. The result is particularly pleasing considering the exceptionally mild weather encountered in April, a seasonally important trading month for the business.

DCC Energy sold 1.7bn litres of product, an increase of 26.9% on the prior year, further strengthening its position as the leading oil and LPG distributor in Britain and Ireland.

DCC Energy's oil business performed particularly well. In Britain the business benefited from its increased scale and, in particular, its expanded national infrastructure which allowed it to grow its business in the national account and transport fuels segments of the market. The acquisition of CPL Petroleum Ltd was another important step in DCC's strategy of consolidating the highly fragmented oil distribution market in Britain and it is currently being integrated into the existing business. The LPG business performed satisfactorily.

DCC's fuel card business performed strongly in the first half, with the business benefiting from its extensive portfolio of branded fuel cards.

DCC Energy is well placed to achieve strong profit growth in the seasonally more significant second half of the financial year.

### DCC SerCom

	<i>2007</i>	<i>2006</i>	<i>Change on prior year</i>
<b>Revenue</b>	<b>€575.6m</b>	<b>€529.2m</b>	<b>+8.8%</b>
<b>Operating profit</b>	<b>€12.5m</b>	<b>€10.5m</b>	<b>+18.8%</b>
<b>Operating margin</b>	<b>2.2%</b>	<b>2.0%</b>	

DCC SerCom achieved excellent profit growth in the first half of the year, with good revenue growth in both SerCom Distribution and SerCom Solutions.

SerCom Distribution, the IT & consumer electronics business, generated good sales growth, particularly in consumer electronic products in Britain and Ireland and in the Continental European enterprise infrastructure business. The PC and printer market was more difficult however, with ongoing price deflation.

SerCom Solutions, the procurement and supply chain management business, had an excellent first half due to increased demand from key customers in Ireland, Poland and the US and due to its growing procurement business in China.

It is expected that DCC SerCom will achieve strong profit growth in the second half of the financial year.

### **DCC Healthcare**

	<b>2007</b>	<b>2006</b>	<b>Change on prior year</b>
<b>Revenue</b>	<b>€132.3m</b>	<b>€112.2m</b>	<b>+17.9%</b>
<b>Operating profit</b>	<b>€10.4m</b>	<b>€9.7m</b>	<b>+6.5%</b>
<b>Operating margin</b>	<b>7.8%</b>	<b>8.7%</b>	

DCC Healthcare recorded good profit growth in the first half of the year.

Fannin's compounding services to Irish hospitals delivered strong growth and benefited from the national contract for paediatric nutrition won in September last year. Fannin also continued to achieve excellent organic growth in intravenous pharmaceuticals and related services into the acute care sector in Ireland and Britain. Sales of medical/surgical equipment in Ireland showed stronger than expected growth in the first half.

DCC Mobility and Rehab had an improved performance, benefiting from good sales growth in Britain and from the first time contribution of Ausmedic, the leading supplier of physiotherapy products in Australia and New Zealand, which has performed in line with expectations since acquisition in March 2007.

The performance of DCC Health and Beauty Solutions was impacted by increased costs associated with capacity expansion and new product development on behalf of customers and also a weaker market.

DCC Healthcare expects to achieve good profit growth in the second half of the financial year.

### **DCC Environmental**

	<b>2007</b>	<b>2006</b>	<b>Change on prior year</b>
<b>Revenue</b>	<b>€45.8m</b>	<b>€29.1m</b>	<b>+57.5%</b>
<b>Operating profit</b>	<b>€7.2m</b>	<b>€4.6m</b>	<b>+56.7%</b>
<b>Operating margin</b>	<b>15.8%</b>	<b>15.9%</b>	

DCC Environmental achieved excellent profit growth driven by a particularly strong performance from its UK based recycling and waste management activities.

William Tracey, in which DCC acquired a 50% shareholding in May 2006, performed strongly in the period and has further strengthened its position as Scotland's leading recycling and waste management business.

Wastecycle, the Nottingham based waste management and recycling business in which DCC Environmental acquired a 90% shareholding in November 2006, has experienced strong organic profit growth across all parts of its business.

Enva, DCC's Irish environmental business, achieved modest profit growth in the first half.

DCC Environmental is anticipating strong profit growth in the second half of the financial year based on the growth momentum in both William Tracey and Wastecycle and the underlying positive dynamics within the UK recycling and waste management industry.

### **DCC Food & Beverage**

	<i>2007</i>	<i>2006</i>	<i>Change on prior year</i>
<b>Revenue</b>	<b>€161.5m</b>	<b>€136.5m</b>	<b>+18.3%</b>
<b>Operating profit</b>	<b>€7.0m</b>	<b>€7.3m</b>	<b>- 4.3%</b>
<b>Operating margin</b>	<b>4.3%</b>	<b>5.3%</b>	

DCC Food & Beverage achieved good growth in its healthfoods and indulgence businesses in Ireland. This positive performance was offset by difficulties in the frozen and chilled logistics business.

In Ireland, good growth was achieved in healthfoods, which continues to benefit from ongoing increased investment in the Kelkin brand and new product development. Coffee, speciality teas, snackfoods and confectionery also performed well.

The frozen and chilled logistics business has experienced start up difficulties in a significant new logistics contract which impacted negatively on performance in the first half.

There was modest growth in the small British wine business.

DCC Food & Beverage is expecting operating profits in the second half of the financial year to be broadly in line with the comparative period in the prior year. While continued growth is expected in the healthfoods and indulgence businesses, the new contract in the frozen and chilled logistics business will have some continuing impact and there will be ongoing pressure on margins in the British wine market.

### **Forward-looking statements**

This announcement contains some forward-looking statements that represent DCC's expectations for its business, based on current expectations about future events, which by their nature involve risks and uncertainties. DCC believes that its expectations and assumptions with respect to these forward-looking statements are reasonable. However, because they involve risk and uncertainty, which are in some cases beyond DCC's control, actual results or performance may differ materially from those expressed or implied by such forward-looking information.

### **Principal Risks and Uncertainties**

Under the Transparency (Directive 2004/109/EC) Regulations 2007 the Group is required to give a description of the principal risks and uncertainties it faces.

The principal risks and uncertainties faced by the Group's businesses relate to the economic environment in Ireland, Britain and Continental Europe. The level of activity in these markets is sensitive to economic conditions generally, including, inter alia, economic growth, interest rates, foreign currency exchange rates and inflation. DCC Energy is exposed to commodity price risk in its LPG and oil distribution businesses and weather conditions have an impact on the demand for DCC Energy's products.

### **Statement of the Directors in respect of the half yearly financial report**

We confirm our responsibility for the half yearly financial statements and that to the best of our knowledge:

1. the condensed set of financial statements comprising the condensed income statement, the condensed statement of recognised income and expense, the condensed balance sheet and the related notes have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;
2. the interim management report includes a fair review of the information required by:

Regulation 8(2) of the Transparency (Directive 2004/109/EC) Regulations 2007, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

Regulation 8(3) of the Transparency (Directive 2004/109/EC) Regulations 2007, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Group's auditors have not reviewed these condensed financial statements.

On behalf of the Board

Jim Flavin  
Executive Chairman

Tommy Breen  
Group Managing Director

12 November 2007

# Group Condensed Income Statement

for the six months ended 30 September 2007

	Notes	Unaudited 6 months ended 30 September 2007			Unaudited 6 months ended 30 September 2006			Audited year ended 31 March 2007		
		Pre exceptionals €'000	Exceptionals (note 4) €'000	Total €'000	Pre exceptionals €'000	Exceptionals €'000	Total €'000	Pre exceptionals €'000	Exceptionals €'000	Total €'000
<b>Revenue</b>	3	<b>2,258,736</b>		<b>2,258,736</b>	1,803,345		1,803,345	4,046,118		4,046,118
Cost of sales		<b>(1,985,788)</b>		<b>(1,985,788)</b>	(1,572,214)		(1,572,214)	(3,544,403)		(3,544,403)
<b>Gross profit</b>		<b>272,948</b>		<b>272,948</b>	231,131		231,131	501,715		501,715
Operating costs		<b>(221,328)</b>	<b>(55,726)</b>	<b>(277,054)</b>	(187,234)	(961)	(188,195)	(361,631)	24,516	(337,115)
<b>Operating (loss)/profit before amortisation of intangible assets</b>		<b>51,620</b>	<b>(55,726)</b>	<b>(4,106)</b>	43,897	(961)	42,936	140,084	24,516	164,600
Amortisation of intangible assets		<b>(3,608)</b>		<b>(3,608)</b>	(3,135)		(3,135)	(6,660)		(6,660)
<b>Operating (loss)/profit</b>	3	<b>48,012</b>	<b>(55,726)</b>	<b>(7,714)</b>	40,762	(961)	39,801	133,424	24,516	157,940
Finance costs (net)		<b>(7,450)</b>		<b>(7,450)</b>	(5,444)		(5,444)	(10,850)		(10,850)
Share of associates' profit after tax		<b>305</b>		<b>305</b>	6,091		6,091	14,710		14,710
<b>(Loss)/profit before tax</b>		<b>40,867</b>	<b>(55,726)</b>	<b>(14,859)</b>	41,409	(961)	40,448	137,284	24,516	161,800
Income tax expense		<b>(4,026)</b>		<b>(4,026)</b>	(4,161)		(4,161)	(12,995)	(7,700)	(20,695)
<b>(Loss)/profit after tax for the financial period</b>		<b>36,841</b>	<b>(55,726)</b>	<b>(18,885)</b>	37,248	(961)	36,287	124,289	16,816	141,105
(Loss)/profit attributable to:										
Equity holders of the Company				<b>(19,470)</b>			35,827			140,186
Minority interests				<b>585</b>			460			919
(Loss)/profit after tax for the financial period				<b>(18,885)</b>			<b>36,287</b>			<b>141,105</b>
<b>(Loss)/earnings per ordinary share</b>										
Basic	5			<b>(24.21c)</b>			44.61c			174.59c
Diluted	5			<b>(23.68c)</b>			43.70c			170.83c
<b>Adjusted earnings per ordinary share</b>										
Basic	5			<b>48.52c</b>			48.95c			160.02c
Diluted	5			<b>47.48c</b>			47.95c			156.58c

# Group Condensed Balance Sheet

as at 30 September 2007

	Unaudited 30 Sept. 2007 €'000	Unaudited 30 Sept. 2006 €'000	Audited 31 March 2007 €'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	331,567	297,422	319,621
Intangible assets	395,651	294,180	321,369
Investments in associates	5,131	82,440	90,332
Deferred income tax assets	5,922	6,937	8,305
Derivative financial instruments	4,685	5,678	3,091
	<u>742,956</u>	<u>686,657</u>	<u>742,718</u>
<b>Current assets</b>			
Inventories	180,943	156,795	177,450
Trade and other receivables	676,720	525,471	597,257
Derivative financial instruments	303	93	51
Cash and cash equivalents	524,622	296,584	337,079
	<u>1,382,588</u>	<u>978,943</u>	<u>1,111,837</u>
Assets held for sale	85,506	-	-
<b>Total assets</b>	<u><b>2,211,050</b></u>	<u><b>1,665,600</b></u>	<u><b>1,854,555</b></u>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Equity share capital	22,057	22,057	22,057
Share premium account	124,687	124,687	124,687
Other reserves	1,400	1,400	1,400
Other reserves - share options	5,634	3,902	4,807
Cash flow hedge reserve	68	(2,470)	(117)
Foreign currency translation reserve	(10,440)	(1,265)	(2,914)
Retained earnings	486,149	438,033	531,994
Minority interests	3,646	4,266	5,816
<b>Total equity</b>	7 <u>633,201</u>	<u>590,610</u>	<u>687,730</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	438,675	286,267	268,579
Derivative financial instruments	55,213	33,384	45,944
Deferred income tax liabilities	14,244	11,854	14,748
Retirement benefit obligations	17,847	20,069	16,372
Provisions for liabilities and charges	5,929	6,110	6,122
Deferred acquisition consideration	14,072	13,447	18,523
Capital grants	2,206	2,497	2,393
<b>Total non-current liabilities</b>	<u>548,186</u>	<u>373,628</u>	<u>372,681</u>
<b>Current liabilities</b>			
Trade and other payables	749,665	533,658	601,404
Current income tax liabilities	55,823	43,319	50,849
Borrowings	209,357	107,009	125,978
Derivative financial instruments	350	2,905	236
Provisions for liabilities and charges	5,160	5,469	4,807
Deferred acquisition consideration	9,308	9,002	10,870
<b>Total current liabilities</b>	<u>1,029,663</u>	<u>701,362</u>	<u>794,144</u>
<b>Total liabilities</b>	<u>1,577,849</u>	<u>1,074,990</u>	<u>1,166,825</u>
<b>Total equity and liabilities</b>	<u>2,211,050</u>	<u>1,665,600</u>	<u>1,854,555</u>
<b>Net debt</b>	8 <u>(173,985)</u>	<u>(127,210)</u>	<u>(100,516)</u>

# Group Condensed Cash Flow Statement

for the six months ended 30 September 2007

	Unaudited 6 months ended 30 Sept. 2007 €'000	Unaudited 6 months ended 30 Sept. 2006 €'000	Audited year ended 31 March 2007 €'000
<b>Cash flows from operating activities</b>			
Group operating profit before exceptional items	48,012	40,762	133,424
Depreciation	22,099	17,512	39,461
Share-based payments expense	827	510	1,415
Amortisation of intangible assets	3,608	3,135	6,660
Decrease/(increase) in working capital	16,965	(26,068)	(49,656)
Profit on disposal of property, plant and equipment	(96)	(1,028)	(1,362)
Amortisation of capital grants	(141)	(122)	(276)
Dividends received from associates	-	-	268
Other	(969)	(1,571)	(2,513)
Cash generated from operations	90,305	33,130	127,421
Exceptional items	(5,307)	(1,200)	(4,916)
Interest paid	(13,906)	(11,380)	(29,331)
Income tax (paid)/received	(2,641)	472	(10,058)
Net cash flows from operating activities	<u>68,451</u>	<u>21,022</u>	<u>83,116</u>
<b>Cash flows from investing activities</b>			
Inflows			
Proceeds from disposal of fixed assets	1,043	2,331	44,394
Interest received	8,712	6,448	20,211
	<u>9,755</u>	<u>8,779</u>	<u>64,605</u>
Outflows			
Purchase of property, plant and equipment	(33,237)	(24,176)	(60,651)
Acquisition of subsidiaries	(82,628)	(57,507)	(100,213)
Purchase of minority interests	(30)	(1,276)	(1,276)
Deferred acquisition consideration paid	(9,342)	(4,153)	(4,176)
	<u>(125,237)</u>	<u>(87,112)</u>	<u>(166,316)</u>
Net cash flows from investing activities	<u>(115,482)</u>	<u>(78,333)</u>	<u>(101,711)</u>
<b>Cash flows from financing activities</b>			
Inflows			
Proceeds from issue of shares	1,280	4,274	6,098
Increase in interest-bearing loans and borrowings	190,380	34,058	56,303
Increase in finance lease liabilities	266	2,602	3,545
	<u>191,926</u>	<u>40,934</u>	<u>65,946</u>
Outflows			
Share buyback	-	(18,818)	(18,818)
Repayment of interest-bearing loans and borrowings	(30,549)	(170)	(1,240)
Repayment of finance lease liabilities	(664)	(71)	(4,801)
Dividends paid to equity holders of the Company	(25,258)	(22,044)	(36,381)
Dividends paid to minority interests	(2,725)	(14)	(38)
	<u>(59,196)</u>	<u>(41,117)</u>	<u>(61,278)</u>
Net cash flows from financing activities	<u>132,730</u>	<u>(183)</u>	<u>4,668</u>
<b>Change in cash and cash equivalents</b>	<b>85,699</b>	<b>(57,494)</b>	<b>(13,927)</b>
Translation adjustment	(9,294)	3,818	4,196
Cash and cash equivalents at beginning of period	310,187	319,918	319,918
Cash and cash equivalents at end of period	<u>386,592</u>	<u>266,242</u>	<u>310,187</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and short term deposits	524,622	296,584	337,079
Overdrafts	(138,030)	(30,342)	(26,892)
	<u>386,592</u>	<u>266,242</u>	<u>310,187</u>

## Group Condensed Statement of Recognised Income and Expense

for the six months ended 30 September 2007

	<b>Unaudited 6 months ended 30 Sept. 2007 €'000</b>	Unaudited 6 months ended 30 Sept. 2006 €'000	Audited year ended 31 March 2007 €'000
Items of (expense)/income recognised directly within equity:			
Currency translation	(7,526)	9,079	7,430
Group defined benefit pension schemes:			
- actuarial (loss)/gain	(2,757)	(932)	1,576
- movement in deferred tax asset	347	236	(169)
Gains/(losses) relating to cash flow hedges (net)	211	(2,490)	(159)
Deferred tax recognised through equity	(13)	13	47
Net (expense)/income recognised directly within equity	<u>(9,738)</u>	<u>5,906</u>	<u>8,725</u>
(Loss)/profit after tax for the period	<u>(18,885)</u>	<u>36,287</u>	<u>141,105</u>
Total recognised expense and income for the period	<u><b>(28,623)</b></u>	<u><b>42,193</b></u>	<u><b>149,830</b></u>
Attributable to:			
Equity holders of the Company	(29,208)	41,733	148,911
Minority interests	<u>585</u>	<u>460</u>	<u>919</u>
Total recognised expense and income for the period	<u><b>(28,623)</b></u>	<u><b>42,193</b></u>	<u><b>149,830</b></u>

# Notes to the Interim Results

for the six months ended 30 September 2007

## 1. Basis of Preparation

The financial information presented in this Interim Report has been prepared in accordance with the Group's accounting policies under International Financial Reporting Standards (IFRS) as set out in the financial statements for the year ended 31 March 2007.

The interim financial statements for the six months ended 30 September 2007 and the comparative figures for the six months ended 30 September 2006 are unaudited. The summary financial statements for the year ended 31 March 2007 represent an abbreviated version of the Group's full accounts for that year, on which the Auditors issued an unqualified audit report and which have been filed with the Registrar of Companies.

## Comparative Amounts

It had been DCC's policy to allocate Group central costs against operating profit and against the share of profit after tax of associates. In the current year, DCC has allocated all Group central costs against operating profit. For consistency, the comparative divisional operating profit and total operating profit and share of profit after tax of associates for the six months ended 30 September 2006 and for the year ended 31 March 2007 have been amended to reflect the accounting approach adopted in the current year. As a result the comparative operating profit amounts for these periods have been reduced by €1.3 million and by €2.9 million respectively and the Group's share of profit after tax of associates has been increased by €1.3 million and by €2.9 million respectively. These adjustments have no impact on the profit before tax or earnings per share previously reported for the six months ended 30 September 2006 and for the year ended 31 March 2007.

## 2. Reporting Currency

The Group's financial statements are prepared in euro denoted by the symbol €. The exchange rates used in translating sterling balance sheet and profit and loss amounts were as follows:

	<b>6 months ended 30 Sept. 2007 €1=Stg£</b>	6 months ended 30 Sept. 2006 €1=Stg£	Year ended 31 March 2007 €1=Stg£
Balance sheet (closing rate)	<b>0.698</b>	0.677	0.680
Profit and loss (average rate)	<b><u>0.678</u></b>	<u>0.688</u>	<u>0.680</u>

## 3. Analysis of Revenue and Operating Profit by Business Segment

	<b>Unaudited 6 months ended 30 Sept. 2007 €'000</b>	Unaudited 6 months ended 30 Sept. 2006 €'000	Audited year ended 31 March 2007 €'000
<b>Revenue</b>			
DCC Energy	1,343,461	996,325	2,247,858
DCC SerCom	575,609	529,245	1,218,047
DCC Healthcare	132,270	112,157	234,276
DCC Environmental	45,853	29,112	66,466
DCC Food & Beverage	161,543	136,506	279,471
Revenue	<b><u>2,258,736</u></b>	<u>1,803,345</u>	<u>4,046,118</u>
Of which acquisitions contributed	<b><u>61,263</u></b>	<u>129,923</u>	<u>411,207</u>

## Notes to the Interim Results

for the six months ended 30 September 2007

### 3. Analysis of Revenue and Operating Profit by Business Segment - continued

	Unaudited 6 months ended 30 Sept. 2007 €'000	Unaudited 6 months ended 30 Sept. 2006 €'000	Audited year ended 31 March 2007 €'000
<b>Operating (Loss)/Profit</b>			
DCC Energy	14,528	11,724	59,486
DCC SerCom	12,492	10,513	32,603
DCC Healthcare	10,367	9,736	22,485
DCC Environmental	7,248	4,626	10,445
DCC Food & Beverage	6,985	7,298	15,065
	<u>51,620</u>	<u>43,897</u>	<u>140,084</u>
Amortisation of intangible assets	(3,608)	(3,135)	(6,660)
Operating exceptional items	(55,726)	(961)	24,516
	<u>(7,714)</u>	<u>39,801</u>	<u>157,940</u>
Operating (loss)/profit	<u>(7,714)</u>	<u>39,801</u>	<u>157,940</u>
Of which acquisitions contributed	<u>-</u>	<u>3,616</u>	<u>10,586</u>

### 4. Exceptional Items

	Unaudited 6 months ended 30 Sept. 2007 €'000
Estimated charge for claims under Part V of the Companies Act, 1990	(50,000)
Restructuring and other costs	(5,726)
	<u>(55,726)</u>

As announced on 27 July 2007, the Irish Supreme Court allowed the appeal by Fyffes plc ("Fyffes") which they made against one finding of the Irish High Court judgment delivered in December 2005. That judgment had found in favour of DCC and others in the case taken against them by Fyffes under Part V of the Irish Companies Act, 1990 ("the Act"), seeking an account of profits arising on the sale of 31,169,493 shares in Fyffes in February 2000 by a DCC Group subsidiary. Four counterparties lodged claims under Part V of the Act stating that in the event that Fyffes was successful in its claim they would be entitled to compensation for losses suffered by them on Fyffes shares purchased by them from the DCC Group. DCC has been legally advised that Part V of the Act provides that any amount awarded to the counterparties will be deducted from any amount awarded to Fyffes. The Supreme Court has listed the matter for further directions (including on costs) on 13 November 2007 and is expected to remit to the High Court the quantification of any liability of the DCC Group to the claimants under Part V of the Act.

As the quantification of any liability is expected to be a matter for the High Court to determine, the Directors have taken legal advice on the exceptional charge that should be made in the accounts in order to provide adequately for any liability that might arise from the High Court hearing and also for costs. On this basis an exceptional charge of €50 million has been made in the accounts for the period.

Other exceptional charges of €5.7 million primarily related to restructuring costs on the integration of the recently acquired CPL Petroleum into DCC's British oil distribution business.

## Notes to the Interim Results

for the six months ended 30 September 2007

### 5. Earnings per Ordinary Share and Adjusted Earnings per Ordinary Share

	Unaudited 6 months ended 30 Sept. 2007 €'000	Unaudited 6 months ended 30 Sept. 2006 €'000	Audited year ended 31 March 2007 €'000
(Loss)/profit after taxation and minority interests	(19,470)	35,827	140,186
Amortisation of intangible assets after tax	2,775	2,521	5,119
Exceptional items	55,726	961	(16,816)
Adjusted profit after taxation and minority interests	<u>39,031</u>	<u>39,309</u>	<u>128,489</u>
<b>Basic earnings per ordinary share</b>	<b>cent</b>	<b>cent</b>	<b>cent</b>
Basic (loss)/earnings per ordinary share	<u>(24.21c)</u>	<u>44.61c</u>	<u>174.59c</u>
Adjusted basic earnings per ordinary share*	<u>48.52c</u>	<u>48.95c</u>	<u>160.02c</u>
Weighted average number of ordinary shares in issue ('000)	<u>80,436</u>	<u>80,311</u>	<u>80,294</u>
<b>Diluted earnings per ordinary share</b>	<b>cent</b>	<b>cent</b>	<b>cent</b>
Diluted (loss)/earnings per ordinary share	<u>(23.68c)</u>	<u>43.70c</u>	<u>170.83c</u>
Adjusted diluted earnings per ordinary share*	<u>47.48c</u>	<u>47.95c</u>	<u>156.58c</u>
Diluted weighted average number of ordinary shares in issue ('000)	<u>82,208</u>	<u>81,976</u>	<u>82,061</u>

\*adjusted to exclude amortisation of intangible assets and exceptional items.

#### Adjusted earnings per ordinary share excluding the prior year contribution from Manor Park Homebuilders Limited

The adjusted earnings per ordinary share, excluding the contribution from Manor Park Homebuilders Limited of €5.230 million, for the six months ended 30 September 2006 was 42.43 cent (€13.256 million and 143.51 cent respectively for the year ended 31 March 2007).

### 6. Dividends

	Unaudited 6 months ended 30 Sept. 2007 €'000	Unaudited 6 months ended 30 Sept. 2006 €'000	Audited year ended 31 March 2007 €'000
Interim - paid 17.87 cent per share on 8 December 2006	-	-	14,337
Final - paid 31.41 cent per share on 26 July 2007 (paid 27.31 cent per share on 14 July 2006)	<u>25,258</u>	<u>22,044</u>	<u>22,044</u>
	<u>25,258</u>	<u>22,044</u>	<u>36,381</u>

On 9 November 2007, the Board approved an interim dividend of 20.55 cent per share (2006/2007 interim dividend: 17.87 cent per share). These interim accounts do not reflect this dividend payable.

## Notes to the Interim Results

for the six months ended 30 September 2007

### 7. Movement in Total Equity

	Unaudited 6 months ended 30 Sept. 2007 €'000	Unaudited 6 months ended 30 Sept. 2006 €'000	Audited year ended 31 March 2007 €'000
At beginning of period	687,730	585,403	585,403
Issue of share capital	1,280	4,274	6,098
Share based payment	827	510	1,415
Share buyback	-	(18,818)	(18,818)
Dividends	(25,258)	(22,044)	(36,381)
Movement in minority interest	(2,170)	(448)	1,102
Total recognised expense and income for the period attributable to equity holders	<u>(29,208)</u>	<u>41,733</u>	<u>148,911</u>
At end of period	<u>633,201</u>	<u>590,610</u>	<u>687,730</u>

### 8. Analysis of Net Debt

	Unaudited 30 Sept. 2007 €'000	Unaudited 30 Sept. 2006 €'000	Audited 31 March 2007 €'000
<b>Non-current assets:</b>			
Derivative financial instruments	<u>4,685</u>	<u>5,678</u>	<u>3,091</u>
<b>Current assets:</b>			
Derivative financial instruments	303	93	51
Cash and term deposits	<u>524,622</u>	<u>296,584</u>	<u>337,079</u>
	<u>524,925</u>	<u>296,677</u>	<u>337,130</u>
<b>Non-current liabilities:</b>			
Borrowings	(3,110)	(8,170)	(3,117)
Derivative financial instruments	(55,213)	(33,384)	(45,944)
Unsecured Notes due 2008 to 2019	<u>(435,565)</u>	<u>(278,097)</u>	<u>(265,462)</u>
	<u>(493,888)</u>	<u>(319,651)</u>	<u>(314,523)</u>
<b>Current liabilities:</b>			
Borrowings	(209,357)	(107,009)	(125,978)
Derivative financial instruments	(350)	(2,905)	(236)
	<u>(209,707)</u>	<u>(109,914)</u>	<u>(126,214)</u>
Net debt	<u>(173,985)</u>	<u>(127,210)</u>	<u>(100,516)</u>
Including Group share of joint ventures' net cash	<u>3,678</u>	<u>4,508</u>	<u>5,243</u>

During the period, to further strengthen the Group's long term capital structure, DCC completed its third private placement of Senior Unsecured Loan Notes to a limited number of institutional investors primarily in the US. In summary, the Group raised the equivalent of €186.5 million, comprising Stg£25.0 million at 10 year maturity and \$200.0 million, of which \$43.0 million had a 10 year maturity and \$157.0 million had a 12 year maturity. Both the sterling and the dollar debt were swapped to floating sterling rates using interest rate and cross currency swaps.

Part of the proceeds has been used to finance acquisitions and repay short term sterling debt.

## **Notes to the Interim Results**

for the six months ended 30 September 2007

### **9. Business Combinations**

The principal acquisitions completed by the Group during the period were the acquisitions of CPL Petroleum Ltd, a UK based oil distribution business, and a number of smaller LPG and oil distribution businesses. The initial assignments of fair values to identifiable net assets acquired have been performed on a provisional basis.

### **10. Seasonality of Operations**

The Group's operations are significantly second-half weighted primarily due to a portion of the demand for DCC Energy's products being weather dependent and seasonal buying patterns in SerCom Distribution.

### **11. Distribution of Interim Report**

This report and further information on DCC is available at the Company's website [www.dcc.ie](http://www.dcc.ie). This report is being posted to shareholders and will be available to the public at the Company's registered office at DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland.