



Press Release

18 May 2010

Preliminary Results for the year ended 31 March 2010

RESULTS HIGHLIGHTS			
	€	<u>Change on prior year</u>	
		<i>Reported</i>	<i>Constant currency[†]</i>
Revenue	6,725.0m	+5.1%	+10.8%
Operating profit*	192.8m	+6.9%	+12.8%
Profit before net exceptional items, amortisation of intangible assets and tax	182.1m	+14.2%	+20.7%
Profit before tax	164.9m	+19.7%	+27.2%
Adjusted earnings per share*	177.98 cent	+5.2%	+11.3%
Dividend per share	67.44 cent	+8.2%	
Operating cash flow	297.8m (2009: €304.9m)		
Free cash flow**	229.1m (2009: €218.5m)		
Net debt	53.5m (2009: €90.7m)		
Return on total capital employed	18.4% (2009: 17.8%)		

[†] all constant currency figures quoted in this report are based on retranslating 2009/10 figures at prior year translation rates

* excluding net exceptionals and amortisation of intangible assets

** after interest and tax payments

DCC, the business support services group, today announced its results for the year ended 31 March 2010.

Commenting on the results, Tommy Breen, Chief Executive said:

“DCC had an excellent second half, which resulted in the Group’s operating profit for the full year increasing by 12.8% on a constant currency basis and profit before exceptional items, amortisation of intangible assets and tax increasing by 20.7%, also on a constant currency basis. This result was achieved against a backdrop of difficult economic and trading conditions and having delivered particularly strong operating profit growth of 22.4% on a constant currency basis in the prior year. Return on total capital employed increased to 18.4% in the year.

Adjusted earnings per share, on a constant currency basis, increased by 11.3%. Reported adjusted earnings per share was 5.2% ahead of the prior year, reflecting the adverse impact of the 6.9% weakening of the sterling/euro exchange rate in the year on the translation into euro of the significant proportion (2010: 75%) of DCC’s profits that are denominated in sterling.

Cash generation was again particularly strong, helped by a reduction in working capital of €71.8 million, resulting in operating cash flow of €297.8 million. During the year, DCC completed a US private debt placement raising the equivalent of €284 million in 5, 7, 10 and 12 year funding. The strength of DCC's business model and improving debt market conditions at the time of the placement led to the funds being raised on favourable terms.

DCC Energy, DCC's largest division, had another year of excellent operating profit growth driven by significant development activity in Britain and continental Europe. DCC Energy's proven ability to identify, execute, integrate and extract synergies from acquisitions was the key to this growth. The business also enjoyed the benefit of a second consecutive cold winter, although temperatures during the key trading months of April and from October through March were overall similar to the prior year.

DCC SerCom, DCC's second largest division, performed well, driven by excellent results in its distribution businesses in Britain. DCC Healthcare achieved a strong recovery in operating profit driven by excellent performances in its Hospital Supplies and Services and Health and Beauty Solutions businesses. As anticipated, DCC Environmental and DCC Food & Beverage experienced difficult trading conditions and operating profits in both of these businesses declined in the year, notwithstanding better second half performances, particularly in DCC Environmental which returned to profit growth.

The Board is recommending a 10.0% increase in the final dividend which, taken together with the 5.0% increase in the interim dividend, results in an increase in dividend for the full year of 8.2%.

The outlook for the year to 31 March 2011 is framed against the continuing uncertain economic outlook and has regard to an assumption that the weather pattern will not be as favourable as it was in each of the last two financial years. At this early stage the Group anticipates an operating profit increase of approximately 5% with adjusted earnings per share to be modestly ahead of the prior year, both on a constant currency basis. Based on an exchange rate of Stg£0.86 = €1.0, this equates to an operating profit increase of approximately 10% and an adjusted earnings per share increase of approximately 5%, both on a reported basis.

DCC is in a very strong financial position which provides significant capacity as we pursue an increasing number of acquisition opportunities."

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Results

A summary of the results for the year ended 31 March 2010 is as follows:

	€'m	<i>Change on prior year</i>	
		<i>Reported</i>	<i>Constant currency[†]</i>
Revenue	<u>6,725.0</u>	+5.1%	+10.8%
Operating profit*			
DCC Energy	113.1	+12.3%	+19.6%
DCC SerCom	40.8	+1.7%	+6.4%
DCC Healthcare	21.1	+22.2%	+26.6%
DCC Environmental	9.3	-9.1%	-2.6%
DCC Food & Beverage	<u>8.5</u>	-29.8%	-29.5%
Group operating profit*	192.8	+6.9%	+12.8%
Share of associates' profit after tax	0.2		
Finance costs (net)	<u>(10.9)</u>	-48.4%	-47.3%
Profit before exceptional items, amortisation of intangible assets and tax	182.1	+14.2%	+20.7%
Exceptional charge (net)	(11.0)		
Amortisation of intangible assets	<u>(6.2)</u>		
Profit before tax	164.9	+19.7%	+27.2%
Taxation	<u>(33.2)</u>		
Profit after tax	131.7	+12.7%	+19.9%
Minority interests	<u>(0.9)</u>		
Attributable profit	<u>130.8</u>	+12.5%	+19.7%
Adjusted earnings per share*	177.98 cent	+5.2%	+11.3%
Dividend per share	67.44 cent	+8.2%	
Operating cash flow	297.8m (2009: €304.9m)		
Free cash flow**	229.1m (2009: €218.5m)		
Net debt at 31 March 2010	53.5m (2009: €90.7m)		
Return on total capital employed	18.4% (2009: 17.8%)		

[†] all constant currency figures quoted in this report are based on retranslating 2009/10 figures at prior year translation rates

* excluding net exceptionals and amortisation of intangible assets

** after interest and tax payments

Overview of results

Revenue

DCC achieved constant currency revenue growth of 10.8% to €6.7 billion driven by acquisitions in DCC Energy and strong organic growth in DCC SerCom.

Operating profit

DCC's operating profit of €192.8 million increased by 12.8% on a constant currency basis. This result was achieved against a backdrop of difficult economic and trading conditions and having delivered particularly strong operating profit growth of 22.4% on a constant currency basis in the prior year. Approximately two thirds of the growth was driven by acquisitions and one third was organic.

DCC Energy, DCC's largest division, had another year of excellent operating profit growth driven by significant development activity in Britain and continental Europe. DCC Energy's proven ability to identify, execute, integrate and extract synergies from acquisitions was the key to this growth. The business also enjoyed the benefit of a second consecutive cold winter, although temperatures during the key trading months of April and from October through March were overall similar to the prior year.

DCC SerCom, DCC's second largest division, performed well, driven by excellent results in its distribution businesses in Britain. DCC Healthcare achieved a strong recovery in operating profit driven by excellent performances in its Hospital Supplies and Services and Health and Beauty Solutions businesses.

As anticipated, DCC Environmental and DCC Food & Beverage experienced difficult trading conditions and operating profits in both of these businesses declined in the year, notwithstanding better second half performances, particularly in DCC Environmental which returned to profit growth.

The Group's focus on achieving cost efficiencies across all parts of its operations has resulted in operating costs on a constant currency basis being 7% lower than the previous year (adjusted for the impact of acquisitions).

Approximately 75% of the Group's operating profit in the year was denominated in sterling. The average exchange rate at which sterling profits were translated during the year was Stg£0.8873 = €1, compared to an average translation rate of Stg£0.8262 = €1 in the prior year, an adverse movement of 6.9%. This adverse translation impact on Group operating profit was €10.6 million, resulting in an operating profit increase of 6.9% on a reported basis.

Excellent second half performance

DCC's results in the significantly more important second half of its financial year were excellent. An analysis of the performance in each half, on a constant currency basis, is as follows:

Operating profit	2009/10*			2008/09			Change		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
	€'m	€'m	€'m	€'m	€'m	€'m			
DCC Energy	27.9	92.5	120.4	22.8	77.9	100.7	+22.9%	+18.6%	+19.6%
DCC SerCom	14.7	28.0	42.7	13.5	26.6	40.1	+8.5%	+5.3%	+6.4%
DCC Healthcare	9.0	12.9	21.9	9.8	7.5	17.3	-8.0%	+72.0%	+26.6%
DCC Environmental	5.2	4.8	10.0	7.3	2.9	10.2	-28.9%	+62.6%	-2.6%
DCC Food & Beverage	4.3	4.2	8.5	7.2	4.9	12.1	-40.6%	-12.8%	-29.5%
Group	61.1	142.4	203.5	60.6	119.8	180.4	+0.9%	+18.8%	+12.8%
Adjusted EPS (cent)	54.08	134.11	188.19	54.84	114.29	169.13	-1.4%	+17.3%	+11.3%

* all constant currency figures quoted in this report are based on retranslating 2009/10 figures at prior year translation rates

Finance costs (net)

Net finance costs for the year decreased significantly to €10.9 million (2009: €21.1 million) as a result of lower interest rates and lower average net debt levels. The Group's net debt averaged €155 million during

the year, significantly lower than the average of €236 million during the prior year. Interest was covered 17.7 times by Group operating profit before amortisation of intangible assets (8.5 times in 2009).

Profit before net exceptional items, amortisation of intangible assets and tax

Profit before net exceptional items, amortisation of intangible assets and tax of €182.1 million increased by 20.7% on a constant currency basis (14.2% on a reported basis).

Net exceptional items

The Group incurred a net exceptional charge of €11.0 million as follows:

	€'m
Restructuring costs and other	9.1
Goodwill impairments	<u>1.9</u>
	<u>11.0</u>

The restructuring costs were incurred in relation to recently acquired businesses and the implementation of cost reduction programmes across the Group.

Profit before tax

Profit before tax of €164.9 million increased by 27.2% on a constant currency basis (19.7% on a reported basis).

Taxation

As anticipated, the effective tax rate for the Group increased to 19% compared to 13% in the previous year. This increase was primarily due to lower available interest deductions against the Group's taxable profits in the UK and increased UK and continental European profits.

Adjusted earnings per share

Adjusted earnings per share of 177.98 cent increased by 11.3% on a constant currency basis (5.2% on a reported basis).

Dividend

The Board is recommending an increase of 10.0% in the final dividend to 43.70 cent per share which, when added to the interim dividend of 23.74 cent per share, gives a total dividend of 67.44 cent per share for the year, a 8.2% increase over the prior year dividend of 62.34 cent per share. The dividend is covered 2.6 times by adjusted earnings per share (2.7 times in 2009). It is proposed to pay the final dividend on 22 July 2010 to shareholders on the register at the close of business on 28 May 2010.

Cash flow

The Group's cash flow can be summarised as follows:

Year ended 31 March	2010 €'m	2010 €'m	2009 €'m	2009 €'m
Operating profit		192.8		180.4
Decrease/(increase) in working capital:				
DCC Energy	45.9		72.3	
DCC SerCom	8.7		4.1	
DCC Healthcare	6.1		1.3	
DCC Environmental	1.0		4.2	
DCC Food & Beverage	<u>10.1</u>	71.8	<u>(1.9)</u>	80.0
Depreciation and other		<u>33.2</u>		<u>44.5</u>
Operating cash flow		297.8		304.9
Capital expenditure (net)		<u>(35.7)</u>		<u>(50.4)</u>
Interest and tax paid		<u>(33.0)</u>		<u>(36.0)</u>
Free cash flow		229.1		218.5
Acquisitions		<u>(133.6)</u>		<u>(101.7)</u>
Dividends		<u>(52.5)</u>		<u>(48.7)</u>
Exceptional items		<u>(12.8)</u>		<u>(60.9)</u>
Share issues		7.7		10.2
Disposals		<u>0.8</u>		<u>8.5</u>
Net inflow		38.7		25.9
Opening net debt		<u>(90.7)</u>		<u>(123.7)</u>
Translation		<u>(1.5)</u>		<u>7.1</u>
Closing net debt		<u>(53.5)</u>		<u>(90.7)</u>

Operating cash flow was again excellent at €297.8 million, compared to €304.9 million in 2009. Net working capital days at 31 March 2010 reduced significantly to 4.6 days from 11.9 days at 31 March 2009, with each of DCC's divisions achieving reductions in working capital days.

Free cash flow was €229.1 million compared to €2185 million in the prior year.

Return on total capital employed

Reflecting the excellent operating profit growth and cash generation, DCC's return on total capital employed improved to 18.4% (2009: 17.8%).

Financial strength

At 31 March 2010, DCC had net debt of €53.5 million (2009: €90.7 million) and total equity of €836.9 million (2009: €726.2 million). This equates to gearing of 6% and a net debt to EBITDA ratio of 0.2.

In March 2010, DCC completed a US private debt placement, raising the equivalent of €284 million in 5, 7, 10 and 12 year funding which further strengthened the Group's capital structure and its financial capacity to pursue organic and acquisition growth opportunities. The strength of DCC's business model and improving debt market conditions at the time of the placement led to the funds being raised on favourable terms. Approximately 95% of the Group's total debt has been raised in the US private placement market with an average credit margin over floating Euribor/Libor of 1.23% and an average maturity of 7 years.

Acquisition and net capital expenditure

The cash outlay on acquisitions and net capital expenditure in the year amounted to €169.3 million as follows:

	Acquisitions	Net Capex	Total
	€'m	€'m	€'m
DCC Energy	110.3	16.3	126.6
DCC SerCom	7.1	4.0	11.1
DCC Healthcare	4.5	9.1	13.6
DCC Environmental	11.2	5.6	16.8
DCC Food & Beverage	<u>0.5</u>	<u>0.7</u>	<u>1.2</u>
Total	<u>133.6</u>	<u>35.7</u>	<u>169.3</u>

DCC Energy expanded its oil distribution business into continental Europe through the completion of the acquisitions of Shell's oil distribution businesses in Denmark for a consideration of €14.0 million (August 2009) and in Austria for a consideration of €18.3 million (January 2010). These businesses distribute heating oils and transport fuels to domestic, commercial and industrial customers throughout Denmark and Austria.

In October 2009, DCC Energy acquired the Bayford Oil distribution business, which operates from 14 locations principally in the North of England, for a consideration of €24.7 million and in December 2009 acquired the Brogans oil distribution and fuel card business, which operates from 15 locations principally in Scotland and the north of England, for a consideration of €47.2 million. These acquisitions further enhanced DCC Energy's position as the leading oil distributor in Britain, bringing its market share to approximately 14%, and also significantly increased the scale of its fuel card operations. Since the year end, DCC Energy has acquired Pearts, a medium sized oil distribution business which operates from four locations in the north of England, for a consideration of €15.0 million.

DCC SerCom completed a number of smaller bolt-on acquisitions in its Retail distribution and Enterprise distribution businesses as did DCC Healthcare in its Hospital Supplies and Services business.

In January 2010, the shareholding structures in the Group's British environmental business were re-organised resulting in the formation of a new holding company which now owns all of DCC's British environmental businesses. The holding company is owned 70% by DCC and 30% by Michael Tracey, the managing director of the business, with put and call options in place over his 30% shareholding.

Net capital expenditure of €35.7 million was significantly below the prior year amount of €50.4 million and compares to a depreciation charge for the year of €47.0 million.

Outlook

The outlook for the year to 31 March 2011 is framed against the continuing uncertain economic outlook and has regard to an assumption that the weather pattern will not be as favourable as it was in each of the last two financial years. At this early stage the Group anticipates an operating profit increase of approximately 5% with adjusted earnings per share to be modestly ahead of the prior year, both on a constant currency basis. Based on an exchange rate of Stg£0.86 = €1.0, this equates to an operating profit increase of approximately 10% and an adjusted earnings per share increase of approximately 5%, both on a reported basis.

DCC is in a very strong financial position which provides significant capacity as we pursue an increasing number of acquisition opportunities.

Operating review

DCC Energy

	2010	2009	<u>Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€4,420.1m	€4,130.8m	+7.0%	+13.7%
Operating profit	€113.1m	€100.7m	+12.3%	+19.6%
Return on total capital employed	26.5%	24.9%		

DCC Energy's operating profit was 19.6% ahead of the prior year on a constant currency basis. This was an excellent result particularly considering the very strong performance in the prior year when operating profits grew by 59.3% on a constant currency basis. The business benefited from the successful integration of a number of recent acquisitions and, for the second consecutive year, a particularly cold winter. While there were exceptionally cold conditions in the final quarter of the financial year, the temperatures during the key trading months of April and from October through March were overall similar to the prior year but below the 30 year average.

DCC Energy sold 6.2 billion litres of product, an increase of 15.9% on the prior year. Volumes were 7.8% behind the prior year on an organic basis as the business was impacted by weaker demand due to the economic environment and a more cautious approach towards the extension of credit.

The Oil distribution business achieved an excellent performance with the business in Britain continuing to benefit from the integration of and consequent synergies from recent acquisitions. Significant progress was made in the achievement of development objectives including the acquisitions of Bayford Oil (completed October 2009) and of Brogan Holdings Limited (completed December 2009). DCC is the clear market leader in oil distribution in Britain with a market share of approximately 14% and is well positioned to further consolidate what remains a very fragmented market.

DCC Energy expanded its oil distribution activities into continental Europe through the acquisitions of the Shell oil distribution businesses in Denmark (completed August 2009) and in Austria (completed January 2010). These businesses made an important contribution to the result in the year and should over time provide further development opportunities for DCC Energy. Despite the continued very weak economic environment in Ireland, the profitability of the Irish oil business recovered well.

Despite the difficult economic conditions and overall a less favourable product pricing environment, the LPG business in Britain and Ireland had a solid performance, benefiting from the cold winter weather.

The Fuel Card business had an excellent year, driven by good organic volume growth and the contribution from the acquisitions of Cookes Fuel Card (completed January 2009) and the Brogan fuel card business (completed December 2009).

After the excellent performance in the year to 31 March 2010, which again benefited from particularly cold winter conditions, DCC Energy remains well placed to continue its growth in the year to 31 March 2011, albeit more modestly, and to develop its business further through acquisition.

DCC SerCom

	2010	2009	<u>Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€1,618.5m	€1,551.3m	+4.3%	+8.6%
Operating profit	€40.8m	€40.1m	+1.7%	+6.4%
Operating margin	2.5%	2.6%		
Return on total capital employed	16.1%	15.5%		

DCC SerCom's operating profit grew by 6.4% on a constant currency basis. SerCom Distribution achieved constant currency operating profit growth of 13.6% in difficult market conditions reflecting excellent performances by the British distribution businesses.

DCC SerCom's Retail distribution business, which accounted for 43% of SerCom Distribution's revenue, achieved excellent profit growth. The business performed particularly well in Britain where its focus on delivering value added services for suppliers and customers allowed it to gain market share, particularly with supermarkets and e-tail customers. The French business enjoys a strong position in the retail market and achieved a satisfactory performance despite weak consumer demand. Operating profit in the Irish business was held back by the challenging retail environment and investment undertaken to broaden its home entertainment service offering.

DCC SerCom's Reseller distribution business, which accounted for 38% of SerCom Distribution's revenue, had an excellent year, achieving significant operating profit growth. The business performed very strongly in Britain, achieving strong market share gains for suppliers through market development, notably in the sale of IT products through the mobile phone channel. The business continued to invest in supplier and customer development activity to support future growth.

DCC SerCom's Enterprise distribution business, which accounted for 19% of SerCom Distribution's revenue, had a difficult year, experiencing a decline in operating profit. Market share was maintained in all key areas, however adverse market conditions had an impact on demand for certain enterprise products and consequently on the profitability of the business.

Operating profit declined in DCC SerCom's Supply Chain Management business primarily due to the anticipated change in a major customer's procurement strategy.

SerCom Distribution is well positioned to continue to achieve operating profit growth in the year to 31 March 2011, notwithstanding that market conditions are likely to remain challenging. Operating profit in the Supply Chain Management business is likely to decline resulting in overall operating profit for DCC SerCom being broadly in line with the prior year on a constant currency basis.

DCC Healthcare

	2010	2009	<u>Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€334.0m	€331.2m	+0.9%	+5.8%
Operating profit	€21.1m	€17.3m	+22.2%	+26.6%
Operating margin	6.3%	5.2%		
Return on total capital employed	11.3%	9.4%		

DCC Healthcare achieved constant currency operating profit growth of 26.6% for the year, which represented an excellent recovery in the profitability of the business.

DCC Hospital Supplies & Services achieved excellent operating profit growth. In Ireland, public spending constraints have resulted in price deflation and reduced demand in the healthcare market, which were offset by cost reductions and first time contributions from bolt-on acquisitions. In Britain, DCC's value added distribution services business grew its revenues strongly through a further roll out of its services within key customers and grew its operating profit significantly while continuing to invest in its operational infrastructure. The business was recently successful in a tender process for a 10 year framework agreement to roll out to acute care trusts within NHS London the "just-in-time" distribution service which it currently provides to Guys & St. Thomas' NHS Foundation Trust.

DCC Health & Beauty Solutions delivered excellent operating profit growth driven by continued growth in the nutraceuticals business and a significant recovery in contribution from its beauty operations. Good revenue growth and excellent operating profit growth was achieved in the nutraceuticals business following new contract wins last year and continued development with key customers. Operational capability was enhanced by capacity expansion and technological developments at DCC's soft gelatine encapsulation facility in Wales. The significant recovery in margins from the beauty business was driven by improved operational efficiency and recovery of prior year input cost increases.

DCC Mobility & Rehab made progress during the year and recorded a strong recovery in operating profit in the second half despite weak market conditions in Britain. The Australian business in particular had an excellent year.

In spite of a continuing challenging trading environment, particularly in Ireland, DCC Healthcare is well placed to achieve profit growth in the year to 31 March 2011. In particular, the developing opportunities in value added distribution services in Britain and the enhanced operational capability of DCC Health & Beauty Solutions provide a strong platform for growth.

DCC Environmental

	2010	2009	<u>Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€77.4m	€81.8m	-5.4%	-0.2%
Operating profit	€9.3m	€10.2m	-9.1%	-2.6%
Operating margin	12.0%	12.5%		
Return on total capital employed	9.7%	12.9%		

While operating profit declined in DCC Environmental in the year ended 31 March 2010, the second half saw a return to profit growth relative to the same period last year. The British business grew its operating profit strongly in the year, however the trading environment remained particularly difficult in Ireland.

The business in Britain was successful in attracting new customers and drove greater operating efficiencies through cost reductions and increased rates of recycling, although it continued to suffer from reduced waste volumes from the construction sector. The business also benefited from a recovery in recyclate prices as the year progressed. In December 2009, DCC Environmental acquired Tank Cleaning Services, based in the North East of England, which, whilst modest in scale, represents a platform to grow the hazardous business in England.

Trading was very difficult in Ireland particularly in those areas of the business with exposure to the construction sector.

In January 2010, DCC announced the reorganisation of its British environmental operations (the William Tracey Group and Wastecycle) with the formation of a new holding company which now owns all of DCC's British environmental businesses. The holding company is owned 70% by DCC and 30% by Michael Tracey, the managing director of the business.

DCC Environmental anticipates strong operating profit growth in the current year, driven by the British business which is expected to benefit from its investment in upgraded recycling equipment and in additional sales resources. Operating profit will also benefit from the consolidation of 100% of the William Tracey Group for the full year (previously 50%).

DCC Food & Beverage

	2010	2009	<u>Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€275.0m	€305.0m	-9.8%	-8.4%
Operating profit	€8.5m	€12.1m	-29.8%	-29.5%
Operating margin	3.1%	3.9%		
Return on total capital employed	10.2%	14.1%		

Overall trading conditions for DCC Food & Beverage were extremely challenging resulting in a decline in operating profit in the year to 31 March 2010 of 29.8%. The rate of decline slowed significantly in the second half to 12.8% compared to 40.6% in the first half.

The Indulgence and Healthfood businesses in Ireland were impacted by difficult economic and trading conditions. The downturn in the economy has resulted in consumers investing more time and effort seeking out cheaper product offerings and spending less on food and beverages. Weakness in the sterling exchange rate resulted in the direct sourcing of product from Britain by retailers and increased cross border shopping. These factors, along with increased competition in the market, resulted in price deflation. Throughout the year the businesses achieved cost reductions, however these only partly mitigated the impact of reduced sales and margins.

The Frozen and Chilled Logistics business performed satisfactorily in this difficult market through its focus on operational efficiencies.

While DCC Food & Beverage anticipates a continuation of the difficult trading environment, a return to operating profit growth in the year to 31 March 2011 is expected.

Annual Report and Annual General Meeting

DCC's 2010 Annual Report will be published in June 2010. The Company's Annual General Meeting will be held at 11:00 am on Friday 16 July 2010 in The Four Seasons Hotel, Simonscourt Road, Ballsbridge, Dublin 4, Ireland.

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 statements.

Presentation of results and dial-in facility

There will be a presentation of these results to analysts and investors/fund managers in Dublin at 9.00 am today. The slides for this presentation can be downloaded from DCC's website www.dcc.ie. A dial-in facility will be available for this meeting:

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This announcement and further information on DCC is available at www.dcc.ie

Group Income Statement

for the year ended 31 March 2010

	Notes	2010			2009		
		Pre exceptionals €'000	Exceptionals (note 5) €'000	Total €'000	Pre exceptionals €'000	Exceptionals (note 5) €'000	Total €'000
Revenue	4	6,724,971	-	6,724,971	6,400,126	-	6,400,126
Cost of sales		(6,054,577)	-	(6,054,577)	(5,735,419)	-	(5,735,419)
Gross profit		670,394	-	670,394	664,707	-	664,707
Administration expenses		(234,181)	-	(234,181)	(244,227)	-	(244,227)
Selling and distribution expenses		(251,118)	-	(251,118)	(252,307)	-	(252,307)
Other operating income		9,703	827	10,530	14,320	6,176	20,496
Other operating expenses		(1,965)	(10,591)	(12,556)	(2,097)	(26,015)	(28,112)
Operating profit before amortisation of intangible assets		192,833	(9,764)	183,069	180,396	(19,839)	160,557
Amortisation of intangible assets		(6,150)	-	(6,150)	(5,719)	-	(5,719)
Operating profit	4	186,683	(9,764)	176,919	174,677	(19,839)	154,838
Finance costs		(17,983)	(1,285)	(19,268)	(41,262)	-	(41,262)
Finance income		7,098	-	7,098	20,152	3,919	24,071
Share of associates' profit after tax		152	-	152	168	-	168
Profit before tax		175,950	(11,049)	164,901	153,735	(15,920)	137,815
Income tax expense		(33,207)	-	(33,207)	(19,436)	(1,500)	(20,936)
Profit after tax for the financial year		142,743	(11,049)	131,694	134,299	(17,420)	116,879
Profit attributable to:							
Owners of the Parent				130,803			116,314
Minority interest				891			565
				131,694			116,879
Earnings per ordinary share -							
Basic	6			158.76c			142.36c
Diluted	6			157.92c			141.36c
Adjusted earnings per ordinary share -							
Basic	6			177.98c			169.13c
Diluted	6			177.04c			167.93c

Group Statement of Comprehensive Income

for the year ended 31 March 2010

	2010 €'000	2009 €'000
Group profit for the financial year	131,694	116,879
Other comprehensive income:		
Currency translation effects	23,353	(85,812)
Group defined benefit pension obligations:		
- actuarial loss	(1,595)	(9,517)
- movement in deferred tax asset	861	911
Gains/(losses) relating to cash flow hedges	986	(1,600)
Movement in deferred tax liability on cash flow hedges	(107)	204
Other comprehensive income/(expense) for the financial year, net of tax	<u>23,498</u>	<u>(95,814)</u>
Total comprehensive income for the financial year	<u>155,192</u>	<u>21,065</u>
Attributable to:		
Owners of the Parent	154,212	20,500
Minority interest	980	565
	<u>155,192</u>	<u>21,065</u>

Group Balance Sheet

as at 31 March 2010

	Note	2010 €'000	2009 €'000
ASSETS			
Non-current assets			
Property, plant and equipment		358,096	319,301
Intangible assets		595,090	443,188
Investments in associates		2,393	2,208
Deferred income tax assets		12,166	9,435
Derivative financial instruments		101,921	128,313
		<u>1,069,666</u>	<u>902,445</u>
Current assets			
Inventories		234,898	208,759
Trade and other receivables		922,019	672,782
Derivative financial instruments		1,343	322
Cash and cash equivalents		714,917	426,789
		<u>1,873,177</u>	<u>1,308,652</u>
Total assets		<u>2,942,843</u>	<u>2,211,097</u>
EQUITY			
Capital and reserves attributable to owners of the Parent			
Share capital		22,057	22,057
Share premium		124,687	124,687
Other reserves – share options		9,148	7,807
Cash flow hedge reserve		(295)	(1,174)
Foreign currency translation reserve		(129,772)	(153,036)
Other reserves		1,400	1,400
Retained earnings		806,452	720,909
		<u>833,677</u>	<u>722,650</u>
Minority interest		3,249	3,581
Total equity		<u>836,926</u>	<u>726,231</u>
LIABILITIES			
Non-current liabilities			
Borrowings		793,663	525,405
Derivative financial instruments		19,331	17,372
Deferred income tax liabilities		23,479	15,827
Retirement benefit obligations		23,690	29,498
Provisions for liabilities and charges		11,429	5,309
Deferred acquisition consideration		49,351	15,057
Government grants		3,678	1,995
		<u>924,621</u>	<u>610,463</u>
Current liabilities			
Trade and other payables		1,039,641	696,294
Current income tax liabilities		71,699	54,948
Borrowings		58,169	101,657
Derivative financial instruments		557	1,660
Provisions for liabilities and charges		6,372	13,754
Deferred acquisition consideration		4,858	6,090
		<u>1,181,296</u>	<u>874,403</u>
Total liabilities		<u>2,105,917</u>	<u>1,484,866</u>
Total equity and liabilities		<u>2,942,843</u>	<u>2,211,097</u>
Net debt included above	9	<u>(53,539)</u>	<u>(90,670)</u>

Group Statement of Changes in Equity

For the year ended 31 March 2010

	Attributable to owners of the Parent						Minority interest €'000	Total equity €'000
	Equity share capital	Share premium account	Retained earnings	Other reserves (note 8)	Total			
	€'000	€'000	€'000	€'000	€'000	€'000		
At 1 April 2009	22,057	124,687	720,909	(145,003)	722,650	3,581	726,231	
Profit for the financial year	-	-	130,803	-	130,803	891	131,694	
Other comprehensive income/(expense):								
Currency translation	-	-	-	23,264	23,264	89	23,353	
Group defined benefit pension obligations:								
- actuarial loss	-	-	(1,595)	-	(1,595)	-	(1,595)	
- movement in deferred tax asset	-	-	861	-	861	-	861	
Gains relating to cash flow hedges	-	-	-	986	986	-	986	
Movement in deferred tax liability on cash flow hedges	-	-	-	(107)	(107)	-	(107)	
Total comprehensive income	-	-	130,069	24,143	154,212	980	155,192	
Re-issue of treasury shares	-	-	7,657	-	7,657	-	7,657	
Share based payment	-	-	-	1,341	1,341	-	1,341	
Dividends	-	-	(52,183)	-	(52,183)	-	(52,183)	
Other movements in minority interest	-	-	-	-	-	(1,312)	(1,312)	
At 31 March 2010	22,057	124,687	806,452	(119,519)	833,677	3,249	836,926	

For the year ended 31 March 2009

	Attributable to owners of the Parent						Minority interest €'000	Total equity €'000
	Equity share capital	Share premium account	Retained earnings	Other reserves (note 8)	Total			
	€'000	€'000	€'000	€'000	€'000	€'000		
At 1 April 2008	22,057	124,687	650,871	(58,951)	738,664	3,771	742,435	
Profit for the financial year	-	-	116,314	-	116,314	565	116,879	
Other comprehensive income/(expense):								
Currency translation	-	-	-	(85,812)	(85,812)	-	(85,812)	
Group defined benefit pension obligations:								
- actuarial loss	-	-	(9,517)	-	(9,517)	-	(9,517)	
- movement in deferred tax asset	-	-	911	-	911	-	911	
Losses relating to cash flow hedges	-	-	-	(1,600)	(1,600)	-	(1,600)	
Movement in deferred tax liability on cash flow hedges	-	-	-	204	204	-	204	
Total comprehensive income	-	-	107,708	(87,208)	20,500	565	21,065	
Re-issue of treasury shares	-	-	10,267	-	10,267	-	10,267	
Share based payment	-	-	-	1,156	1,156	-	1,156	
Dividends	-	-	(47,937)	-	(47,937)	-	(47,937)	
Other movements in minority interest	-	-	-	-	-	(755)	(755)	
At 31 March 2009	22,057	124,687	720,909	(145,003)	722,650	3,581	726,231	

Group Cash Flow Statement

for the year ended 31 March 2010

	2010	2009
Note	€'000	€'000
Cash flows from operating activities		
Profit for the financial year	131,694	116,879
Add back non-operating (income)/expense		
- tax	33,207	20,936
- share of profit from associates	(152)	(168)
- net operating exceptionals	9,764	19,839
- net finance costs	12,170	17,191
Group operating profit before exceptionals	186,683	174,677
Share-based payments expense	1,341	1,156
Depreciation	46,956	45,409
Amortisation of intangible assets	6,150	5,719
Profit on disposal of property, plant and equipment	(1,515)	(719)
Amortisation of government grants	(800)	(830)
Other	(12,872)	(539)
Decrease in working capital	71,814	80,001
Cash generated from operations	297,757	304,874
Exceptionals	(12,842)	(60,940)
Interest paid	(15,980)	(38,274)
Income tax paid	(20,548)	(14,147)
Net cash flows from operating activities	248,387	191,513
Investing activities		
Inflows		
Proceeds from disposal of property, plant and equipment	9,831	5,484
Government grants received	1,799	1,130
Proceeds on disposal of associate	827	8,481
Interest received	3,507	16,417
	<u>15,964</u>	<u>31,512</u>
Outflows		
Purchase of property, plant and equipment	(47,268)	(56,970)
Acquisition of subsidiaries	(129,515)	(89,725)
Deferred acquisition consideration paid	(4,127)	(11,987)
	<u>(180,910)</u>	<u>(158,682)</u>
Net cash flows from investing activities	(164,946)	(127,170)
Financing activities		
Inflows		
Re-issue of treasury shares	7,657	10,267
Increase in finance lease liabilities	1,035	-
Increase in interest-bearing loans and borrowings	293,568	84,348
	<u>302,260</u>	<u>94,615</u>
Outflows		
Repayment of interest-bearing loans and borrowings	(43,424)	(92,938)
Repayment of finance lease liabilities	(618)	(1,129)
Dividends paid to owners of the Parent	(52,183)	(47,937)
Dividends paid to minority interests	(275)	(766)
	<u>(96,500)</u>	<u>(142,770)</u>
Net cash flows from financing activities	205,760	(48,155)
Change in cash and cash equivalents	289,201	16,188
Translation adjustment	10,243	(36,717)
Cash and cash equivalents at beginning of year	375,517	396,046
Cash and cash equivalents at end of year	674,961	375,517
Cash and cash equivalents consists of:		
Cash and short term bank deposits	714,917	426,789
Overdrafts	(39,956)	(51,272)
	<u>674,961</u>	<u>375,517</u>

Notes to the Preliminary Results

for the year ended 31 March 2010

1. Basis of Preparation

The financial information, from the Group Income Statement to Note 15, contained in this preliminary results statement has been extracted from the Group financial statements for the year ended 31 March 2010 and is presented in euro, rounded to the nearest thousand. The financial information does not include all the information and disclosures required in the annual financial statements. The Annual Report will be distributed to shareholders and made available on the Company's website www.dcc.ie. It will also be filed with the Companies Registration Office. The auditors have reported on the financial statements for the year ended 31 March 2010 and their report was unqualified. The financial information for the year ended 31 March 2009 represents an abbreviated version of the Group's statutory financial statements on which an unqualified audit report was issued and which have been filed with the Companies Registration Office.

The financial information presented in this report has been prepared in accordance with the Listing Rules of the Irish Stock Exchange and the accounting policies that the Group has adopted for 2010 and are consistent with those applied in the prior year except as otherwise set out below:

Adoption of new IFRS

A number of new IFRS and interpretations of the International Financial Reporting Interpretations Committee became effective for the Group's 2010 financial statements. The main changes are as follows:

- IFRS 8 *Operating Segments*. IFRS 8 replaces IAS 14 and uses a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. Adoption of IFRS 8 has not resulted in any changes to the basis of segmentation or to the basis for measurement of operating profit employed in compiling the consolidated financial statements.
- Amendment to IAS 1 *Presentation of Financial Statements (Revised)*. This standard requires information in the financial statements to be aggregated on the basis of shared characteristics and to introduce a statement of comprehensive income which sets out all items of income and expense (that is, all non-owner changes in equity). Entities have a choice as to whether they present comprehensive income within a single statement or in two statements. The Group has elected to present two statements; an Income Statement and a Statement of Comprehensive Income.

The Group has not applied IFRS 3 Revised *Business Combinations* in its financial statements for 2010. This standard will become effective for all Group business combinations from 1 April 2010.

2. Statutory Accounts

The financial information included in this report does not constitute full statutory financial statements but has been derived from the Group financial statements for the year ended 31 March 2010 which were approved by the Board of Directors on 17 May 2010.

3. 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 income statement amounts were as follows:

	2010 €1=Stg£	2009 €1=Stg£
Balance sheet (closing rate)	0.889	0.930
Income statement (average rate)	<u>0.887</u>	<u>0.826</u>

Notes to the Preliminary Results

for the year ended 31 March 2010

4. Segmental Reporting

For management purposes, the Group is primarily organised into five main operating segments: DCC Energy, DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage.

(a) By business segment

	Year ended 31 March 2010						
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Unallocated €'000	Total €'000
Segment revenue	<u>4,420,122</u>	<u>1,618,455</u>	<u>334,044</u>	<u>77,366</u>	<u>274,984</u>	-	<u>6,724,971</u>
Operating profit*	113,105	40,835	21,143	9,297	8,453	-	192,833
Amortisation of intangible assets	(4,510)	(318)	(394)	(799)	(129)	-	(6,150)
Net operating exceptionals (note 5)	(4,195)	(1,051)	(897)	-	(3,621)	-	(9,764)
Operating profit	<u>104,400</u>	<u>39,466</u>	<u>19,852</u>	<u>8,498</u>	<u>4,703</u>	-	<u>176,919</u>
	Year ended 31 March 2009						
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Unallocated €'000	Total €'000
Segment revenue	<u>4,130,842</u>	<u>1,551,316</u>	<u>331,223</u>	<u>81,772</u>	<u>304,973</u>	-	<u>6,400,126</u>
Operating profit*	100,694	40,138	17,300	10,224	12,040	-	180,396
Amortisation of intangible assets	(2,830)	(882)	(704)	(807)	(496)	-	(5,719)
Net operating exceptionals (note 5)	(5,803)	(2,768)	(6,077)	(467)	(3,974)	(750)	(19,839)
Operating profit	<u>92,061</u>	<u>36,488</u>	<u>10,519</u>	<u>8,950</u>	<u>7,570</u>	<u>(750)</u>	<u>154,838</u>

* Operating profit before amortisation of intangible assets and net operating exceptionals

(b) By geography

	Year ended 31 March 2010			
	Republic of Ireland €'000	UK €'000	Rest of the World €'000	Total €'000
Segment revenue	<u>1,107,364</u>	<u>4,748,268</u>	<u>869,339</u>	<u>6,724,971</u>
Operating profit*	34,191	133,361	25,281	192,833
Amortisation of intangible assets	(962)	(4,317)	(871)	(6,150)
Net operating exceptionals (note 5)	(3,175)	(5,429)	(1,160)	(9,764)
Operating profit	<u>30,054</u>	<u>123,615</u>	<u>23,250</u>	<u>176,919</u>
	Year ended 31 March 2009			
	Republic of Ireland €'000	UK €'000	Rest of the World €'000	Total €'000
Segment revenue	<u>1,004,169</u>	<u>4,819,165</u>	<u>576,792</u>	<u>6,400,126</u>
Operating profit*	44,277	121,580	14,539	180,396
Amortisation of intangible assets	(1,741)	(3,887)	(91)	(5,719)
Net operating exceptionals (note 5)	(4,867)	(11,145)	(3,827)	(19,839)
Operating profit	<u>37,669</u>	<u>106,548</u>	<u>10,621</u>	<u>154,838</u>

* Operating profit before amortisation of intangible assets and net operating exceptionals

Notes to the Preliminary Results

for the year ended 31 March 2010

5. Exceptionals

	2010 €'000	2009 €'000
Restructuring costs and other	(8,683)	(14,536)
Impairment of goodwill	(1,908)	(2,433)
Profit on disposal of associate	827	6,176
Closure of Days Healthcare Germany	-	(9,046)
Operating exceptional items	<u>(9,764)</u>	<u>(19,839)</u>
Mark to market gains (included in interest)	(1,285)	3,919
Net exceptional items before taxation	<u>(11,049)</u>	<u>(15,920)</u>
Exceptional deferred taxation charge	-	(1,500)
Net exceptional items after taxation	<u>(11,049)</u>	<u>(17,420)</u>

Exceptional restructuring costs, mainly comprising redundancy costs, were incurred in relation to recently acquired and existing Group businesses.

There was a non-cash goodwill impairment charge. An impairment review is performed annually for each cash-generating unit to which a carrying amount of goodwill has been allocated. The Group has written down the carrying value of goodwill amounts in relation to certain DCC Food & Beverage subsidiaries and accordingly a charge of €1.908 million has been taken in the year ended 31 March 2010.

Most of the Group's debt has been raised in the US Private Placement debt market and swapped, using long term interest, currency and cross currency derivatives, to floating rate sterling and euro. Under IAS 39, after "marking to market" swaps designated as fair value hedges and the related fixed rate debt, the level of ineffectiveness is taken to the Income Statement.

Notes to the Preliminary Results

for the year ended 31 March 2010

6. Earnings per Ordinary Share and Adjusted Earnings per Ordinary Share

	2010 €'000	2009 €'000
Profit attributable to owners of the Parent	130,803	116,314
Amortisation of intangible assets after tax	4,787	4,448
Exceptionals after tax (note 5)	<u>11,049</u>	<u>17,420</u>
Adjusted profit after taxation and minority interests	<u>146,639</u>	<u>138,182</u>
Basic earnings per ordinary share	cent	cent
Basic earnings per ordinary share	<u>158.76c</u>	<u>142.36c</u>
Adjusted basic earnings per ordinary share*	<u>177.98c</u>	<u>169.13c</u>
Weighted average number of ordinary shares in issue ('000)	<u>82,391</u>	<u>81,704</u>
Diluted earnings per ordinary share	cent	cent
Diluted earnings per ordinary share	<u>157.92c</u>	<u>141.36c</u>
Adjusted diluted earnings per ordinary share*	<u>177.04c</u>	<u>167.93c</u>
Diluted weighted average number of ordinary shares in issue ('000)	<u>82,830</u>	<u>82,284</u>

* adjusted to exclude amortisation of intangible assets and exceptionals after tax.

7. Dividends

	2010 €'000	2009 €'000
Interim 2009/2010 dividend of 23.74 cent per share (2008/2009: 22.61 cent per share)	19,526	18,564
Final 2008/2009 dividend of 39.73 cent per share (2007/2008: 36.12 cent per share)	<u>32,657</u>	<u>29,373</u>
	<u>52,183</u>	<u>47,937</u>

The Directors are proposing a final dividend in respect of the year ended 31 March 2010 of 43.70 cent per ordinary share (€36.273 million). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

Notes to the Preliminary Results

for the year ended 31 March 2010

8. Other Reserves

Group	Share options €'000	Cash flow hedge reserve €'000	Foreign currency translation reserve €'000	Other reserves €'000	Total €'000
At 1 April 2008	6,651	222	(67,224)	1,400	(58,951)
Currency translation	-	-	(85,812)	-	(85,812)
Cash flow hedges					
- fair value losses in year	-	(7,023)	-	-	(7,023)
- tax on fair value losses	-	1,217	-	-	1,217
- transfers to sales	-	707	-	-	707
- transfers to cost of sales	-	4,716	-	-	4,716
- tax on transfers to income tax expense	-	(1,013)	-	-	(1,013)
Share based payment	1,156	-	-	-	1,156
At 31 March 2009	7,807	(1,174)	(153,036)	1,400	(145,003)
Currency translation	-	-	23,264	-	23,264
Cash flow hedges					
- fair value gains in year	-	4,062	-	-	4,062
- tax on fair value gains	-	(926)	-	-	(926)
- transfers to sales	-	(180)	-	-	(180)
- transfers to cost of sales	-	(2,896)	-	-	(2,896)
- tax on transfers to income tax expense	-	819	-	-	819
Share based payment	1,341	-	-	-	1,341
At 31 March 2010	9,148	(295)	(129,772)	1,400	(119,519)

9. Analysis of Net Debt

	2010 €'000	2009 €'000
Non-current assets:		
Derivative financial instruments	<u>101,921</u>	<u>128,313</u>
Current assets:		
Derivative financial instruments	1,343	322
Cash and cash equivalents	<u>714,917</u>	<u>426,789</u>
	<u>716,260</u>	<u>427,111</u>
Non-current liabilities:		
Borrowings	(2,508)	(1,828)
Derivative financial instruments	(19,331)	(17,372)
Unsecured Notes due 2011 to 2022	<u>(791,155)</u>	<u>(523,577)</u>
	<u>(812,994)</u>	<u>(542,777)</u>
Current liabilities:		
Borrowings	(58,169)	(101,657)
Derivative financial instruments	<u>(557)</u>	<u>(1,660)</u>
	<u>(58,726)</u>	<u>(103,317)</u>
Net debt	<u>(53,539)</u>	<u>(90,670)</u>

10. Retirement Benefit Obligations

The Group's defined benefit pension schemes' assets were measured at market value at 31 March 2010. The defined benefit pension schemes' liabilities at 31 March 2010 were updated to reflect material movements in underlying assumptions.

The deficit on the Group's retirement benefit obligations decreased to €23.690 million at 31 March 2010 from €29.498 million at 31 March 2009. The decrease in the deficit was primarily driven by favourable asset returns and contributions in excess of current service costs, in line with actuarial advice, which were somewhat offset by an increase in the valuation of pension liabilities due to a decrease in corporate bond yields used to value those liabilities.

Notes to the Preliminary Results

for the year ended 31 March 2010

11. Business Combinations

The principal acquisitions completed by the Group during the year, together with percentages acquired were as follows:

- the acquisition of the trade, assets and goodwill of Shell's oil distribution business in Denmark, announced on 19 May 2009;
- Bayford Oil Limited (100%): a UK based oil distribution business, announced on 1 October 2009;
- Shell Direct Austria GmbH (100%): an Austrian fuel distribution business, announced on 10 November 2009;
- Brogan Holdings Ltd ('Brogans') (100%): a UK based fuel distribution and fuel card business, announced on 14 December 2009; and
- DCC Environmental Britain Limited (70%): the company which holds 100% of William Tracey Limited and Wastecycle Limited, announced on 21 January 2010.

The carrying amounts of the assets and liabilities acquired (excluding net cash acquired), determined in accordance with IFRS before completion of the business combinations, together with the fair value adjustments made to those carrying values were as follows:

	2010 €'000 Brogans	2010 €'000 Others	2010 €'000 Total	2009 €'000 Total
Assets				
Non-current assets				
Property, plant and equipment	7,759	30,773	38,532	9,341
Intangible assets - other intangible assets	10,097	15,234	25,331	7,911
Deferred income tax assets	-	479	479	3,415
Total non-current assets	<u>17,856</u>	<u>46,486</u>	<u>64,342</u>	<u>20,667</u>
Current assets				
Inventories	3,398	6,519	9,917	16,125
Trade and other receivables	26,888	59,877	86,765	113,140
Total current assets	<u>30,286</u>	<u>66,396</u>	<u>96,682</u>	<u>129,265</u>
Equity				
Minority interest	-	1,037	1,037	(12)
Total equity	<u>-</u>	<u>1,037</u>	<u>1,037</u>	<u>(12)</u>
Liabilities				
Non-current liabilities				
Deferred income tax liabilities	(3,501)	(5,706)	(9,207)	(2,285)
Retirement benefit obligations	-	57	57	-
Provisions for liabilities and charges	-	(5,399)	(5,399)	-
Deferred acquisition consideration	-	(450)	(450)	-
Government grants	-	(650)	(650)	(6)
Total non-current liabilities	<u>(3,501)</u>	<u>(12,148)</u>	<u>(15,649)</u>	<u>(2,291)</u>
Current liabilities				
Trade and other payables	(30,713)	(72,156)	(102,869)	(118,362)
Current income tax liabilities	(552)	(822)	(1,374)	(734)
Total current liabilities	<u>(31,265)</u>	<u>(72,978)</u>	<u>(104,243)</u>	<u>(119,096)</u>
Identifiable net assets acquired	13,376	28,793	42,169	28,533
Intangible assets - goodwill	34,805	88,289	123,094	69,896
Total consideration (enterprise value)	<u>48,181</u>	<u>117,082</u>	<u>165,263</u>	<u>98,429</u>
Satisfied by:				
Cash	53,955	88,484	142,439	100,034
Net cash acquired	(5,774)	(7,150)	(12,924)	(10,309)
Net cash outflow	48,181	81,334	129,515	89,725
Deferred acquisition consideration	-	35,748	35,748	8,704
Total consideration	<u>48,181</u>	<u>117,082</u>	<u>165,263</u>	<u>98,429</u>

Notes to the Preliminary Results

for the year ended 31 March 2010

11. Business Combinations (continued)

The acquisition of Brogans has been deemed to be a substantial transaction and separate disclosure of the fair values of the identifiable assets and liabilities has therefore been made. None of the remaining business combinations completed during the year were considered sufficiently material to warrant separate disclosure of the fair values attributable to those combinations. The carrying amounts of the assets and liabilities acquired, determined in accordance with IFRS, before completion of the combination together with the adjustments made to those carrying values disclosed above were as follows:

	Book value €'000	Fair value adjustments €'000	Fair value €'000
Brogans			
Non-current assets (excluding goodwill)	7,759	10,097	17,856
Current assets	30,286	-	30,286
Non-current liabilities and minority interest	(435)	(3,066)	(3,501)
Current liabilities	(31,265)	-	(31,265)
Identifiable net assets acquired	<u>6,345</u>	<u>7,031</u>	<u>13,376</u>
Goodwill arising on acquisition	41,836	(7,031)	34,805
Total consideration (enterprise value)	<u>48,181</u>	<u>-</u>	<u>48,181</u>
	Book value €'000	Fair value adjustments €'000	Fair value €'000
Other acquisitions			
Non-current assets (excluding goodwill)	31,252	15,234	46,486
Current assets	68,113	(1,717)	66,396
Non-current liabilities and minority interest	(6,076)	(5,035)	(11,111)
Current liabilities	(72,894)	(84)	(72,978)
Identifiable net assets acquired	<u>20,395</u>	<u>8,398</u>	<u>28,793</u>
Goodwill arising on acquisition	96,687	(8,398)	88,289
Total consideration (enterprise value)	<u>117,082</u>	<u>-</u>	<u>117,082</u>
	Book value €'000	Fair value adjustments €'000	Fair value €'000
Total			
Non-current assets (excluding goodwill)	39,011	25,331	64,342
Current assets	98,399	(1,717)	96,682
Non-current liabilities and minority interest	(6,511)	(8,101)	(14,612)
Current liabilities	(104,159)	(84)	(104,243)
Identifiable net assets acquired	<u>26,740</u>	<u>15,429</u>	<u>42,169</u>
Goodwill arising on acquisition	138,523	(15,429)	123,094
Total consideration (enterprise value)	<u>165,263</u>	<u>-</u>	<u>165,263</u>

The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis in respect of a number of the business combinations above given the timing of closure of these transactions. Any amendments to these fair values within the twelve month timeframe from the date of acquisition will be disclosable in the 2011 Annual Report as stipulated by IFRS 3.

The principal factors contributing to the recognition of goodwill on business combinations entered into by the Group are the expected profitability of the acquired business and the realisation of cost savings and synergies with existing Group entities.

Notes to the Preliminary Results

for the year ended 31 March 2010

11. Business Combinations (continued)

The total adjustments processed during the year to the fair value of business combinations completed during the year ended 31 March 2009 where those fair values were not readily determinable as at 31 March 2009 were as follows:

	Initial fair value assigned €'000	Adjustments to provisional fair values €'000	Revised fair value €'000
Non-current assets (excluding goodwill)	20,667	-	20,667
Current assets	129,265	420	129,685
Non-current liabilities and minority interest	(2,303)	-	(2,303)
Current liabilities	(119,096)	-	(119,096)
Identifiable net assets acquired	28,533	420	28,953
Goodwill arising on acquisition	69,896	(420)	69,476
Total consideration (enterprise value)	98,429	-	98,429

The post-acquisition impact of business combinations completed during the year on Group profit for the financial year was as follows:

	2010 €'000	2009 €'000
Revenue	454,841	624,717
Cost of sales	(415,701)	(588,184)
Gross profit	39,140	36,533
Operating costs	(22,606)	(26,574)
	16,534	9,959
Operating exceptional items	(117)	(766)
Operating profit	16,417	9,193
Finance costs (net)	(512)	(86)
Profit before tax	15,905	9,107
Income tax expense	(3,891)	(2,199)
Group profit for the financial year	12,014	6,908

The revenue and profit of the Group for the financial period determined in accordance with IFRS as though the acquisition date for all business combinations effected during the year had been the beginning of that year would be as follows:

	2010 €'000	2009 €'000
Revenue	7,559,862	7,016,264
Group profit for the financial year	139,020	117,019

12. 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.

Notes to the Preliminary Results

for the year ended 31 March 2010

13. Related Party Transactions

As announced on 21 January 2010, DCC plc and Michael Tracey, the Managing Director of the William Tracey Group, formed a new holding company, DCC Environmental Britain Limited, which owns DCC's British environmental operations. Michael Tracey is a related party of DCC plc. Prior to the reorganisation DCC and Michael Tracey each owned 50% of the William Tracey Group and owned 90% and 10% respectively of Wastecycle Limited. In return for a consideration of Stg£8.455 million paid by DCC to Michael Tracey, both the William Tracey Group and Wastecycle became 100% subsidiaries of DCC Environmental Britain Limited which is owned 70% by DCC and 30% by Michael Tracey. Put and call options have been put in place over Michael Tracey's 30% shareholding in DCC Environmental Britain Limited to allow for the eventual sale of his shareholding to DCC at market value.

14. Events after the Balance Sheet Date

On 4 May 2010 the Group acquired 100% of F. Peart Limited ('Pearts'), a medium sized oil distribution business which operates from four locations in the north of Britain for a consideration of €15.0 million.

Pearts	Book value €'000	Fair value adjustments €'000	Fair value €'000
Non-current assets (excluding goodwill)	1,740	2,535	4,275
Current assets	15,658	-	15,658
Non-current liabilities and minority interest	(385)	(709)	(1,094)
Current liabilities	(15,217)	-	(15,217)
Identifiable net assets acquired	<u>1,796</u>	<u>1,826</u>	<u>3,622</u>
Goodwill arising on acquisition	<u>13,186</u>	<u>(1,826)</u>	<u>11,360</u>
Total consideration (enterprise value)	<u>14,982</u>	<u>-</u>	<u>14,982</u>

15. Board Approval

This announcement was approved by the Board of Directors of DCC plc on 17 May 2010.