

## STOCK EXCHANGE ANNOUNCEMENT

5 April 2017

### DCC announces disposal of its Environmental division

DCC plc, the leading international sales, marketing and business support services group, has agreed to dispose of its Environmental division to Exponent, a leading private equity firm. The enterprise value for the transaction is £219 million, on a debt-free, cash-free basis. The Environmental division comprises the British businesses, William Tracey Group, Oakwood Fuels and Wastecycle and its Irish business, Enva.

The transaction is expected to complete in the quarter to 30 June 2017, following receipt of competition clearance from the Irish competition authority.

DCC Environmental is active in the treatment and recycling of non-hazardous and hazardous waste in Britain and Ireland. In the year ended 31 March 2016, DCC Environmental reported revenue of £153.5 million and operating profit of £15.2 million, whilst generating a return on capital employed of 11.7%<sup>1</sup>. DCC Environmental represented approximately 5% of the DCC Group's operating profit in the year ended 31 March 2016.

DCC expects to receive cash proceeds on completion of approximately £170 million (25% of the British businesses are owned by DCC's long-standing minority partner). The proceeds will be used to fund the continued development of DCC's Energy, Healthcare and Technology divisions. The transaction is expected to give rise to an exceptional profit in the year ending 31 March 2018 of approximately £30 million.

Tommy Breen, Chief Executive of DCC plc, said today:

***“We are pleased to announce the profitable sale of the Environmental division. The business has performed strongly in recent years and we expect it to continue to grow and develop under the ownership of Exponent. I would like to thank all of the dedicated employees of DCC Environmental who have contributed to the success of the division under DCC's ownership.*”**

***The disposal of the Environmental division brings sharpened strategic focus to the Group and will allow DCC to concentrate fully on growing and developing the Energy, Healthcare and Technology divisions where DCC has been actively deploying development capital in recent years.”***

Canaccord Genuity is acting as financial adviser to DCC in relation to this transaction.

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<sup>1</sup> The gross assets of the Environmental division at 30 September 2016 were £134 million.

**For reference:**

Tommy Breen, Chief Executive  
Fergal O'Dwyer, Chief Financial Officer  
Kevin Lucey, Head of Group Finance & Investor Relations

Telephone: +353 1 2799 400  
Email: [investorrelations@dcc.ie](mailto:investorrelations@dcc.ie)  
Web: [www.dcc.ie](http://www.dcc.ie)

Canaccord Genuity  
Chris Robinson / Alastair Rogers  
Telephone: +44 20 7523 8000

Powerscourt (Media)  
Lisa Kavanagh / Victoria Palmer-Moore  
Telephone: +44 20 7250 1446  
Email: [DCC@powerscourtgroup.com](mailto:DCC@powerscourtgroup.com)

**About DCC plc**

DCC plc is an international sales, marketing and business support services group headquartered in Dublin with operations in Britain, Continental Europe and Ireland. DCC has four divisions - DCC Energy, DCC Healthcare, DCC Technology and DCC Environmental. In the financial year ended 31 March 2016, DCC generated revenue of £10.6 billion and operating profit of £300 million and currently employs approximately 11,000 people in 15 countries. DCC's shares are listed on the London Stock Exchange and are included in the FTSE All-Share Index and the FTSE 100 Index.