

16 January 2012

DCC plc – Interim Management Statement

Weak Demand in DCC Energy Reduces Full Year Outlook

DCC plc, the sales, marketing, distribution and business support services group listed on both the Irish and London stock exchanges, is issuing this Interim Management Statement in accordance with the reporting requirements of the Transparency Regulations 2007.

Third Quarter ended 31 December 2011

The third quarter of its financial year is an important trading period for the DCC Group and in particular for its two largest divisions, DCC Energy and DCC SerCom. Weak demand for the Group's energy products resulted in Group operating profit for the quarter being further behind the prior year than had been anticipated.

Weather conditions in Northern Europe in the quarter were exceptionally mild in contrast to the very cold weather in the same period in the prior year. Continuing the trend of exceptionally mild weather experienced since January 2011, the average monthly temperature in the UK (DCC Energy's largest market) for the quarter to 31 December 2011 was the warmest on record (while the same period in the prior year was the coldest on record).

This prolonged period of exceptionally mild weather together with the continuing difficult economic conditions and high oil prices (on average the price of Brent crude was 27% higher than in the same quarter in the prior year) resulted in overall volumes in DCC Energy being 12% behind the prior year on a like for like basis. Heating related volumes were approximately 22% behind. The substantially weaker demand in a very competitive market negatively impacted gross margins and these factors, together with the effect of a predominantly fixed operating cost base, had a significant impact on DCC Energy's profits in the quarter.

Revenues and profits in DCC SerCom, DCC's second largest division, were strongly ahead of the prior year, reflecting acquisitions completed in the prior year and strong organic growth, notwithstanding a weak home entertainment market in the UK.

Overall trading in the balance of the Group - DCC Healthcare, DCC Environmental and DCC Food & Beverage - in the quarter was, as expected, in line with the prior year.

Outlook for the Year to 31 March 2012

Whilst it is still early in the Group's important final quarter to 31 March 2012, temperatures have so far remained seasonally mild. The absence of any sustained cold weather this winter along with the difficult economic background and high oil prices are likely to continue to impact adversely both volumes and margins for energy products in the quarter. As a result DCC now estimates that the operating profit of DCC Energy for the year to 31 March 2012 will be in the range of €75 million to €90 million.

The Group's view on the full year outlook for DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage remains overall in line with market consensus estimates.

On a reported basis and assuming an average exchange rate for the year of Stg£0.865 = €1 (compared to Stg£0.880 = €1 at the time of the previous guidance on 8 November 2011), DCC now expects Group operating profit for the year to 31 March 2012 to be in the range of €175 million to €190 million (compared to the Group's previous guidance of approximately €212 million) and reported adjusted earnings per share to be in the range of 155 cent to 170 cent (compared to the previous guidance of approximately 188 cent).

Development

Notwithstanding the difficult trading, the Group is encouraged by the development activity within DCC Energy in the financial year to date.

The recently completed acquisitions of Pace Fuelcare Ltd and certain oil distribution assets previously owned by Total were very important steps in the continuing development of DCC Energy's oil distribution business in Britain. While these businesses are expected to make only a modest contribution to operating profit in the year to 31 March 2012, they will make an important contribution once integrated.

On 20 December 2011, DCC announced that it had conditionally agreed to acquire Swea Energi in Sweden for an initial consideration of €23 million, which will significantly extend DCC Energy's oil distribution business in Scandinavia.

DCC SerCom's Retail distribution business has recently extended its range of customer services in the home entertainment market through the acquisition for a modest consideration of Ztorm AB, a provider of digital media distribution services based in Sweden.

In total the Group has committed expenditure of €29 million on bolt-on acquisitions since 30 September 2011, bringing the total acquisition expenditure committed in the financial year to date to €149 million.

In addition, the Group incurred capital expenditure of €23 million in the quarter ended 31 December 2011, compared to €35 million in the same quarter in the prior year.

Group Prospects

DCC remains in a strong financial position and continues to pursue a range of development opportunities. The Group anticipates a return to growth in the financial year to 31 March 2013.

Preliminary Results

DCC expects to announce its preliminary results for the year to 31 March 2012 on Tuesday 15 May 2012.

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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.

About DCC plc

DCC plc is a sales, marketing, distribution and business support services group operating across five divisions – DCC Energy, DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage. In its last financial year ended 31 March 2011, DCC had sales of €8.7 billion and operating profit of €230 million. The Group currently employs approximately 8,900 people. DCC's shares are listed on both the Irish and London stock exchanges under Support Services.