

14 May 2013

Preliminary Results for the year ended 31 March 2013

DCC, the sales, marketing, distribution and business support services group, today announced its results for the year ended 31 March 2013.

RESULTS HIGHLIGHTS

	€	<u>% Change on prior year[†]</u>	
		<i>Reported</i>	<i>Constant currency[*]</i>
Revenue	12,966.3m	+25.3%	+19.4%
Operating profit**	229.2m	+27.5%	+21.3%
Profit before net exceptional items, amortisation of intangible assets and tax	211.9m	+31.0%	+24.4%
Adjusted earnings per share**	209.96 cent	+32.6%	+26.0%
Dividend per share	85.68 cent	+10.0%	
Operating cash flow	324.5m (2012: €277.3m)		
Free cash flow***	198.0m (2012: €146.0m)		
Net debt	219.9m (2012: €128.2m)		
Total equity	1,055.3m (2012: €1,014.0m)		
Return on total capital employed	15.6% (2012: 14.2%)		

[†] based on continuing activities i.e. excluding DCC SerCom's Enterprise distribution business which was disposed of in June 2012

^{*} all constant currency figures quoted in this report are based on retranslating 2012/13 figures at prior year translation rates

^{**} excluding net exceptionals and amortisation of intangible assets

^{***} after net capital expenditure, interest and tax payments

- Revenue increased to €13 billion (+19.4% on a constant currency basis) driven by acquisitions, particularly in DCC Energy, and strong organic growth in DCC SerCom.
- Operating profit increased to €229 million (+21.3% on a constant currency basis) primarily reflecting the strong performances in DCC Energy, driven by a return to colder winter weather conditions compared to the very mild weather conditions in the prior year, and in DCC Healthcare, which benefited from acquisitions.
- Adjusted earnings per share up 26.0% on a constant currency basis and 32.6% on a reported basis.
- Proposed 11.4% increase in the final dividend to give a total full year dividend of 85.68 cent, an increase of 10.0% over the prior year. 19th consecutive year of dividend growth.

- Excellent cash generation
 - Operating cash flow of €325 million (€277 million in the prior year)
 - Free cash flow of €198 million (€146 million in the prior year)
 - Working capital days of 2.2, reduced from 2.5 days in the prior year.
- Increase in return on total capital employed to 15.6% driven by increased profit and strong working capital management.
- Record year for development activity with committed acquisition expenditure of €207 million, which has strengthened the market positions of a number of DCC's businesses.
- Successful debt fundraising completed in April 2013 raising \$525 million (€404 million) in the US Private Placement market at attractive rates of interest. This funding, together with available cash resources and committed bank term facilities, ensures that the Group retains significant financial capacity to support its future growth.
- On 3 May 2013, the Group cancelled the listing of its shares on the Irish Stock Exchange while maintaining its Premium listing on the Official List of the United Kingdom Listing Authority. It is anticipated that DCC's shares will be included in the FTSE All-Share Index and the FTSE 250 Index from 24 June 2013.
- The Group anticipates strong growth in operating profit in the year to 31 March 2014.

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

“Group operating profit increased by 21.3% on a constant currency basis. Operating profit in DCC Energy, the Group’s largest division, was significantly ahead of the prior year (48.0% ahead on a constant currency basis), reflecting the return to colder winter weather conditions compared to the very mild winter in the prior year. Operating profit in DCC SerCom, the Group’s second largest division, was modestly ahead of the prior year, on a constant currency basis, with very strong growth in Britain in the mobile communications and tablet product categories. Operating profit in DCC Healthcare grew by 10.3% on a constant currency basis, benefiting from acquisitions in the current and prior year. Operating profit declined in DCC’s two smaller divisions, DCC Environmental and DCC Food & Beverage.

The year was also one of significant development activity, in particular in DCC Energy and DCC Healthcare, with total capital deployed on acquisitions and net capital expenditure across the Group of €278 million.

The Board is recommending an increase of 11.4% in the final dividend to 56.20 cent per share which, when added to the interim dividend of 29.48 cent per share, gives a total dividend of 85.68 cent per share for the year, a 10.0% increase over the prior year. Over the last 19 years, since flotation, DCC has an unbroken record of dividend growth, at a compound annual growth rate of 14.7%.

With its move to a sole listing in London, DCC will, from now on, present its results in sterling.

The outlook for the year to 31 March 2014 is set against a continuing weak economic environment in the Group’s principal markets and the important assumption that there will be normal winter weather conditions. At this very early stage, the Group anticipates that its operating profit will be approximately 10% - 12% ahead of the prior year result which, in sterling, was £187 million. The incremental interest cost of the additional debt raised in April 2013 will temporarily hold back the growth in adjusted earnings per share to approximately 8% - 10% ahead of the prior year result, which in sterling, was 171 pence per share.

DCC retains a strong equity base, long term debt maturities and significant cash and committed bank resources which leave it well placed to continue the development of its business in existing and new geographies.”

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Results

A summary of the Group's results for the year ended 31 March 2013 is as follows:

	€'m	<u>% Change on prior year[†]</u>	
		<i>Reported</i>	<i>Constant currency*</i>
Revenue	<u>12,966.3</u>	+25.3%	+19.4%
Operating profit**			
DCC Energy	130.2	+55.9%	+48.0%
DCC SerCom	50.9	+6.1%	+1.3%
DCC Healthcare	27.2	+16.2%	+10.3%
DCC Environmental	13.4	-6.0%	-11.7%
DCC Food & Beverage	<u>7.5</u>	-29.6%	-29.6%
Group operating profit	229.2	+27.5%	+21.3%
Finance costs (net)	<u>(17.3)</u>		
Profit before net exceptional charge, amortisation of intangible assets and tax	211.9	+31.0%	+24.4%
Exceptional charge (net)	<u>(31.2)</u>		
Amortisation of intangible assets	<u>(17.7)</u>		
Profit before tax	163.0		
Taxation	<u>(32.2)</u>		
Non-controlling interests	<u>(0.4)</u>		
Attributable profit	<u>130.4</u>		
Adjusted earnings per share**	209.96 cent	+32.6%	+26.0%
Dividend per share	85.68 cent	+10.0%	
Operating cash flow	324.5m	(2012: €277.3m)	
Free cash flow***	198.0m	(2012: €146.0m)	
Net debt at 31 March	219.9m	(2012: €128.2m)	
Total equity at 31 March	1,055.3m	(2012: €1,014.0m)	
Return on total capital employed	15.6%	(2012: 14.2%)	

[†] based on continuing activities i.e. excluding DCC SerCom's Enterprise distribution business which was disposed of in June 2012

* all constant currency figures quoted in this report are based on retranslating 2012/13 figures at prior year translation rates

** excluding net exceptionals and amortisation of intangible assets

*** after net capital expenditure, interest and tax payments

Overview of results

Revenue

Group revenue increased by 19.4%, on a constant currency basis, to €13 billion, primarily as a result of acquisitions in DCC Energy and strong organic growth in DCC SerCom. DCC Energy increased its sales volumes by 21.8%, with like for like volumes increasing by 2.3%. Excluding DCC Energy, Group revenue was 14.4% ahead of the prior year on a constant currency basis; most of this growth was organic and was driven by strong growth in DCC SerCom, particularly in Britain.

Operating profit

Group operating profit increased by 21.3% on a constant currency basis; approximately three quarters of this growth was organic, primarily reflecting a recovery in operating profit in DCC Energy.

Operating profit in DCC Energy, the Group's largest division, was significantly ahead of the prior year (48.0% ahead on a constant currency basis) reflecting the return to colder winter weather conditions compared to the very mild winter in the prior year as well as good development activity. The colder weather gave rise to increased heating related volumes, although commercial/industrial volumes were impacted by the weak economic environment.

Operating profit in DCC SerCom, the Group's second largest division, was modestly ahead of the prior year, on a constant currency basis, with very strong growth in Britain in the mobile communications and tablet product categories. Operating profit in DCC Healthcare grew by 10.3% on a constant currency basis, benefiting from acquisitions in the current and prior year.

Operating profit declined in DCC's two smaller divisions, DCC Environmental and DCC Food & Beverage.

Approximately 80% 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£0.8154 = €1, compared to an average translation rate of Stg£0.8684 = €1 for the prior year, a strengthening of 6%, which resulted in a positive translation impact on Group operating profit of €11.2 million. Consequently, on a reported basis, operating profit increased by 27.5%.

An analysis of the performance in each half of the year, on a constant currency basis, is shown below:

	2012/13**			2011/12			Change		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
Operating profit*	€'m	€'m	€'m	€'m	€'m	€'m			
DCC Energy	21.5	102.1	123.6	18.7	64.8	83.5	+14.8%	+57.5%	+48.0%
DCC SerCom*	14.8	33.8	48.6	14.2	33.7	47.9	+4.0%	+0.2%	+1.3%
DCC Healthcare	11.2	14.6	25.8	10.5	12.9	23.4	+6.4%	+13.5%	+10.3%
DCC Environmental	7.1	5.4	12.5	7.8	6.4	14.2	-9.4%	-14.6%	-11.7%
DCC Food & Beverage	3.3	4.2	7.5	6.0	4.7	10.7	-44.2%	-11.1%	-29.6%
Group*	57.9	160.1	218.0	57.2	122.5	179.7	+1.1%	+30.7%	+21.3%
Adjusted EPS* (cent)	48.18	151.29	199.47	46.55	111.76	158.31	+3.5%	+35.4%	+26.0%

* based on continuing activities i.e. excluding DCC SerCom's Enterprise distribution business which was disposed of in June 2012

** all constant currency figures quoted in this report are based on retranslating 2012/13 figures at prior year translation rates

Finance costs (net)

Net finance costs decreased marginally to €17.3 million (2012: €17.9 million). Whilst average net debt during the year was €342 million compared to €248 million during the prior year, the average interest rate on the Group's debt was lower. Interest was covered 13.3 times by Group operating profit before amortisation of intangible assets (10.4 times in 2012).

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

Profit before net exceptional items, amortisation of intangible assets and tax of €211.9 million increased by 24.4% on a constant currency basis (by 31.0% on a reported basis).

Net exceptional charge and amortisation of intangible assets

The Group incurred a net exceptional charge of €31.2 million as follows:

	€'m
Restructuring costs	20.7
Acquisition and related costs	14.9
Other (net)	(4.4)
Total	<u>31.2</u>

The cash effect of the net exceptional charge was €30.9 million in the year ended 31 March 2013.

The Group incurred an exceptional charge of €20.7 million in relation to the restructuring of acquired and existing businesses. Most of this related to the planned integration into DCC Energy's existing operations of certain oil distribution assets previously owned by Total and of the BP UK LPG business, following the clearance of these acquisitions by the relevant competition authorities.

Acquisition and related costs of €14.9 million include the professional and tax costs (such as stamp duty) relating to the evaluation and completion of acquisitions. These costs also include the legal and other professional costs relating to the review and ultimate clearance by the relevant competition authorities of the Total and BP UK LPG acquisitions.

The net exceptional credit primarily relates to deferred acquisition consideration overprovided in previous years of €6.8 million less an IAS 39 ineffectiveness charge of €1.7 million.

The charge for the amortisation of acquisition related intangible assets increased from €11.4 million to €17.7 million, primarily due to the acquisitions completed in the current year and the second half of the prior year.

Profit before tax

Profit before tax of €163.0 million increased by 24.7% on a reported basis.

Taxation

The effective tax rate for the Group decreased to 17% compared to 18% in the previous year, primarily reflecting a reduction in the UK corporation tax rate.

Adjusted earnings per share

Adjusted earnings per share of 209.96 cent increased by 26.0% on a constant currency basis (32.6% on a reported basis).

Dividend

The Board is recommending an increase of 11.4% in the final dividend to 56.20 cent per share which, when added to the interim dividend of 29.48 cent per share, gives a total dividend of 85.68 cent per share for the year, a 10.0% increase over the total prior year dividend. The dividend is covered 2.5 times by adjusted earnings per share (2.1 times in 2012). It is proposed to pay the final dividend on 25 July 2013 to shareholders on the register at the close of business on 24 May 2013. Over the last 19 years, since flotation, DCC has an unbroken record of dividend growth, at a compound annual growth rate of 14.7%.

This is the last dividend which DCC will declare in euro. Subsequent dividends will be declared in sterling; however, DCC will offer shareholders the option of receiving their dividends in euro.

Cash flow

The Group generated excellent operating and free cash flow during the year as set out below:

Year ended 31 March	2013	2012
	€'m	€'m
Operating profit	229.2	185.0
Decrease in working capital	34.6	46.6
Depreciation and other	<u>60.7</u>	<u>45.7</u>
Operating cash flow	324.5	277.3
Capital expenditure (net)	(70.5)	(65.6)
Interest and tax paid	<u>(56.0)</u>	<u>(65.7)</u>
Free cash flow	198.0	146.0
Acquisitions	(206.2)	(168.1)
Disposals	14.4	(1.3)
Dividends	(67.0)	(63.2)
Exceptional items	(30.9)	(2.8)
Share issues	<u>2.1</u>	<u>2.4</u>
Net outflow	(89.6)	(87.0)
Opening net debt	(128.2)	(45.2)
Translation and other	<u>(2.1)</u>	<u>4.0</u>
Closing net debt	<u>(219.9)</u>	<u>(128.2)</u>

Operating cash flow in 2013 was €324.5 million compared to €277.3 million in 2012. Working capital was reduced by €34.6 million despite a €2.3 billion increase in revenue, with overall working capital days decreasing to 2.2 days at 31 March 2013 from 2.5 days at 31 March 2012.

After interest and tax payments and net capital expenditure, free cash flow amounted to €198.0 million compared to €146.0 million in the prior year.

Return on total capital employed

The Group's return on total capital employed increased from 14.2% to 15.6%, driven primarily by the increase in the Group's operating profit, particularly in DCC Energy and strong working capital management.

Acquisition and Capital Expenditure

Acquisition and capital expenditure in the year ended 31 March 2013 amounted to €277.7 million as follows:

	Acquisitions €'m	Capex €'m	Total €'m
DCC Energy	128.1	41.3	169.4
DCC SerCom	7.0	3.8	10.8
DCC Healthcare	71.5	13.3	84.8
DCC Environmental	-	9.5	9.5
DCC Food & Beverage	<u>0.6</u>	<u>2.6</u>	<u>3.2</u>
Total	<u>207.2</u>	<u>70.5</u>	<u>277.7</u>

Acquisitions and disposals

Committed acquisition expenditure in the year ended 31 March 2013 amounted to €207.2 million. The cash outflow on acquisitions in the year of €206.2 million includes the cash outlay on those acquisitions completed during the year and the payment of deferred and contingent acquisition consideration amounts which had previously been provided for.

▪ DCC Energy

DCC Energy made significant strategic progress in expanding the scale and geographic presence of its LPG distribution business, committing circa €100 million to three acquisitions in Britain, Scandinavia and the Benelux region.

- On 28 September 2012, DCC Energy acquired BP's LPG distribution business in Britain. This business supplies a wide range of industrial, commercial and domestic customers with an annual volume of approximately 87,000 tonnes of bulk and cylinder LPG and is highly complementary to Flogas, DCC's existing LPG business in Britain (which has annual sales volumes of approximately 190,000 tonnes). Following clearance of this acquisition by the Office of Fair Trading on 11 January 2013, this business is now being integrated into Flogas, having previously been the subject of a hold separate arrangement.
- On 31 October 2012, DCC Energy acquired BP's LPG distribution business in the Netherlands, together with the trade and assets of BP's smaller LPG distribution business in north Belgium ("Benegas"). Benegas is one of the leading suppliers of LPG in the Netherlands, selling approximately 55,000 tonnes per annum of bulk, cylinder and aerosol LPG to a broad range of industrial, commercial and domestic customers.
- On 9 December 2012, DCC Energy acquired the trade, fixed assets, stock and goodwill of the industrial LPG business of Statoil Fuel & Retail ASA in Sweden and Norway ("SFR LPG"). SFR LPG is the leading distributor of bulk LPG to industrial and commercial customers in Sweden and Norway and sells approximately 260,000 tonnes of LPG per annum. SFR LPG has now been rebranded as Flogas. This acquisition, together with DCC Energy's existing oil distribution businesses in Denmark and Sweden, has significantly increased the scale of DCC Energy's activities in Scandinavia.

The acquisitions of Benegas and SFR LPG have extended DCC's LPG distribution business for the first time beyond Britain and Ireland. These transactions follow acquisitions in recent years in oil distribution in Austria, Denmark and Sweden in pursuit of DCC Energy's vision to be the leading oil and LPG sales, marketing and distribution business in Europe.

Separately, the acquisition completed on 31 October 2011 of certain oil distribution assets in the UK previously owned by Total, which was also subject to a hold separate arrangement, was formally cleared by the UK Competition Commission on 4 September 2012 and is now being integrated into DCC Energy's UK oil distribution activities.

▪ **DCC SerCom**

DCC SerCom made two modest acquisitions in line with its strategy to expand its range of IT and communications products. In May 2012, DCC SerCom acquired Go Telecom BV, a small Dutch business providing products and services in unified communications (including hardware, software and services for audio, video and telepresence conferencing), and in September 2012 it acquired a small distributor of Apple products in Ireland.

On 29 June 2012, DCC SerCom disposed of its Enterprise distribution business, Altimate Group SA.

▪ **DCC Healthcare**

In line with its strategy, DCC Healthcare has significantly increased the scale of its business, particularly in pharma.

- On 29 June 2012, DCC Healthcare broadened the range of services it provides to brand owners in the health & beauty sector and expanded its European customer base when it acquired Vitamex Manufacturing AB (formerly Midsona Manufacturing AB) ("Vitamex"). Vitamex provides product development, registration, manufacturing and packing services to a range of leading Swedish and international consumer healthcare and health & beauty brand owners.
- On 27 February 2013, DCC Healthcare acquired Kent Pharmaceuticals (Holdings) Limited ("Kent Pharma"), a leading British generic pharmaceuticals company. The acquisition of Kent Pharma has brought a highly complementary product portfolio, product licence ownership and strong relationships in the British retail pharmacy channel. DCC Healthcare is combining Kent Pharma with its existing pharma activities to create a substantial generic pharma business with a leading position in the British market. In the near term, the enlarged pharma product portfolio and increased sales and marketing resource will generate growth opportunities for DCC Healthcare in Britain. Over time, the enhanced pharma regulatory and business development capability will also create opportunities for sales development in other geographic markets, in particular within the EU and in the Middle East and North Africa region. The combined business will provide a strong platform for further product in-licensing and bolt-on acquisition opportunities.

Capital expenditure

Net capital expenditure in the year of €70.5 million (2012: €65.6 million) compares to a depreciation charge of €66.5 million (2012: €55.4 million).

Financial strength

DCC's financial position remains very strong, well funded and highly liquid. At 31 March 2013 the Group had net debt of €219.9 million and total equity of €1.06 billion. In April 2013, the Group successfully completed a debt fundraising in the US Private Placement market raising \$525 million (€404.1 million) at attractive rates of interest and with maturity terms of seven, ten and twelve years (average maturity of ten years). Pending deployment of these funds on acquisitions and future debt repayments, the funds raised add to DCC's cash resources and increase the average maturity on all of the Group's debt to just over six years.

The Group's strong funding and liquidity position at 31 March 2013, adjusted for the above fundraising which was completed on 25 April 2013, is summarised as follows:

	At 31 March 2013 €'m	Fundraising 25 April 2013 €'m	Pro-forma €'m
Cash and short term bank deposits	613.7	404.1	1,017.8
Overdrafts	(103.9)	-	(103.9)
Cash and cash equivalents	<u>509.8</u>	<u>404.1</u>	<u>913.9</u>
Bank debt repayable within 1 year	(0.9)	-	(0.9)
US Private Placement debt repayable:			
Y/e 31/3/2014	(66.0)	-	(66.0)
Y/e 31/3/2015	(218.3)	-	(218.3)
Y/e 31/3/2016	(15.2)	-	(15.2)
Y/e 31/3/2017	(112.9)	-	(112.9)
Y/e 31/3/2018	(55.4)	-	(55.4)
Y/e 31/3/2019	-	-	-
Y/e 31/3/2020	(213.0)	-	(213.0)
Y/e 31/3/2021	-	(60.4)	(60.4)
Y/e 31/3/2022	(44.4)	-	(44.4)
Y/e 31/3/2023	-	-	-
Y/e 31/3/2024	-	(258.2)	(258.2)
Y/e 31/3/2025	-	-	-
Y/e 31/3/2026	-	(85.5)	(85.5)
Other debt	(3.6)	-	(3.6)
Debt	<u>(729.7)</u>	<u>(404.1)</u>	<u>(1,133.8)</u>
Net debt	<u>(219.9)</u>	<u>-</u>	<u>(219.9)</u>

Key financial ratios (as of 31 March 2013), including the principal financial covenants included in the Group's various lending agreements, are as follows:

	2013 Actual	2012 Actual	Lender covenants
Net debt:EBITDA	0.7	0.5	3.5
EBITDA:net interest	17.1	13.5	3.0
EBITA:net interest	13.3	10.4	3.0
Total equity (€'m)	1,055.3	1,014.0	500.0

The April 2013 debt fundraising together with available cash resources and committed bank term loan facilities ensures that the Group retains significant financial capacity to support its future plans. Pending the deployment of this cash on scheduled debt repayments and acquisition and development opportunities, the Group will incur an annual interest holding cost on this incremental debt. However, raising these funds at this time has taken advantage of relatively good market conditions well in advance of the Group's scheduled debt maturities of €285 million over the next two years.

Listing Arrangements

Following the completion of a review of the listing arrangements for DCC's shares, the Board determined, as announced on 27 February 2013, that it was appropriate for DCC to seek admission to the FTSE UK Index Series. This entailed cancelling the listing of the Company's shares on the Irish Stock Exchange ("ISE") while maintaining the Premium listing of DCC's shares on the Official List of the United Kingdom Listing Authority.

With effect from the close of business on 3 May 2013, DCC's listing on the Official List of the ISE was cancelled. DCC continues to anticipate that it should be included in the FTSE All-Share Index and the FTSE 250 Index from 24 June 2013.

These changes will not have any impact on the domicile or operations of DCC plc. The Company will remain incorporated, headquartered and tax resident in Ireland.

Reporting Currency

With effect from the start of the Group's financial year to 31 March 2014, DCC will present its results in sterling. The Board believes that this change will help to provide a clearer understanding of DCC's financial performance by more closely reflecting the geographic profile of its operations. Given the current composition of the Group's activities, this change is expected to reduce the impact of currency movements on reported results.

Accordingly, the results for the year ended 31 March 2013, as set out in this announcement, are the last set of results which DCC is presenting in euro. This preliminary results statement includes on pages 32 to 35 summary financial information presented in sterling for the year ended 31 March 2013, together with prior year comparatives. DCC's interim results for the six months to 30 September 2013 and subsequent results will be presented in sterling only.

Outlook

The outlook for the year to 31 March 2014 is set against a continuing weak economic environment in the Group's principal markets and the important assumption that there will be normal winter weather conditions. At this very early stage, the Group anticipates that its operating profit will be approximately 10% - 12% ahead of the prior year result which, in sterling, was £187 million. The incremental interest cost of the additional debt raised in April 2013 will temporarily hold back the growth in adjusted earnings per share to approximately 8% - 10% ahead of the prior year result, which in sterling, was 171 pence per share.

Operating review

DCC Energy

	2013	2012	<u>% Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€9,948.7m	€7,823.0m	+27.2%	+21.0%
Operating profit	€130.2m	€83.5m	+55.9%	+48.0%
Return on total capital employed	18.5%	14.0%		

DCC Energy had an excellent year with operating profit 48.0% ahead of the prior year on a constant currency basis. The business benefited from organic profit growth, primarily driven by a return to colder winter weather conditions, and also from good development activity.

DCC Energy sold 9.6 billion litres of product during the year, an increase of 21.8% over the prior year, driven predominantly by acquisitions. Volumes were 2.3% ahead of the prior year on a like for like basis. Heating volumes increased by approximately 8% as average temperatures during the key winter months in Britain were 1.4 degrees cooler than the 10 year average and materially colder than the prior year although, with the exception of March, the winter had few prolonged cold periods. Overall volumes were impacted somewhat by the weak economic environment and the sustained high price of product.

The oil business in Britain and Ireland rebounded strongly from the very difficult prior year, benefiting from the colder temperatures and strong growth in transport fuels, particularly through fuelcards. The commercial and industrial sectors of the market proved challenging given the difficult economic environment. The unconditional clearance by the Competition Commission of the acquisition of certain oil distribution assets in the UK previously owned by Total paves the way for DCC Energy to continue to pursue its objective of increasing its share of the oil distribution market in Britain. DCC Energy's oil businesses in continental Europe also performed strongly, driven by the benefit of acquisitions. In the second half of the year, the business established a start-up operation in Bavaria in Germany and since the year end it has also acquired a small oil distribution business in Bavaria. DCC Energy now has oil distribution operations in six countries.

The LPG business had an excellent year achieving strong organic volume growth, reflecting the colder weather conditions and good market share growth in the commercial and industrial sectors of the market. The business also benefited from a more favourable product pricing environment.

From a development perspective, it was an excellent year for the LPG business with DCC Energy committing circa €100 million to the expansion of its LPG activities through the acquisitions of BP's businesses in Britain, the Netherlands and Belgium and of Statoil Fuel & Retail's business in Scandinavia. The clearance by the Office of Fair Trading of the acquisition of the BP LPG business in Britain will enable DCC Energy to integrate this business with its existing operations in Britain during the first quarter of the current financial year. These acquisitions significantly increased the scale and geographic scope of DCC Energy's LPG business in Europe. DCC Energy now operates LPG businesses in six countries with market leading positions in the Netherlands, Norway and Sweden and strong number two positions in Britain and Ireland.

DCC SerCom *

	2013	2012	<u>% Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€2,269.1m	€1,841.8m	+23.2%	+17.9%
Operating profit	€50.9m	€47.9m	+6.1%	+1.3%
Operating margin	2.2%	2.6%		
Return on total capital employed	16.4%	15.9%		

* Excluding DCC SerCom's Enterprise distribution business which was disposed of in June 2012

DCC SerCom's operating profits increased by 1.3% on a constant currency basis. DCC SerCom achieved excellent organic growth in mobile devices in Britain and in its supply chain management activity, where it benefited from a significant finished goods fulfilment programme. This growth more than offset the effect of the decline in the market for home entertainment products in Britain and Ireland.

DCC SerCom achieved organic revenue growth of 16.8% on a constant currency basis, reflecting very strong growth in IT and communications products and the supply chain fulfilment contract noted above. The change in the product mix, with a lower proportion of home entertainment products in Britain and AV products in France along with a higher percentage of tablet and computing products, gave rise to a reduction in the overall operating margin of the business.

The business in Britain, which accounted for 72% of revenue, achieved very strong organic growth in its IT and communications product sectors, particularly in mobile devices such as smartphones and tablet computers. This reflects the rapid market acceptance of new computing and leisure form factors and the investment made in recent years to position the business as a significant participant in this market. DCC SerCom remains well placed to benefit from the ongoing demand from consumers and businesses to access content and data on a broad range of converged technology devices.

The home entertainment market in the UK declined by over 15% in the calendar year 2012, with the market for console gaming software and hardware declining by over 25% in the period due to a combination of factors, including a cyclical decline in anticipation of the next generation of consoles due to be launched in the current financial year. This decline had a negative impact on DCC SerCom's businesses in Britain and in Ireland. However, DCC SerCom has continued to develop its product and service portfolio in this market and is well placed to benefit from an upswing in the console gaming cycle.

The business in France achieved organic volume growth of 4.6% but profits declined due to a change in the product mix as the market for certain higher margin AV accessories declined.

DCC SerCom's supply chain management activity had a very strong year reflecting the contribution from a significant finished goods fulfilment contract, which is scheduled to wind down in the first half of the financial year to 31 March 2014.

DCC Healthcare

	2013	2012	<u>% Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€393.2m	€330.0m	+19.1%	+13.6%
Operating profit	€27.2m	€23.4m	+16.2%	+10.3%
Operating margin	6.9%	7.1%		
Return on total capital employed	13.1%	15.4%		

DCC Healthcare made good progress during the year, growing its operating profit by 10.3% on a constant currency basis and significantly enhancing its growth platform in the pharma sector through the acquisition of Kent Pharma.

DCC Vital (formerly DCC Hospital Supplies & Services), which is involved in the sales, marketing and distribution of pharmaceuticals and medical devices and the provision of value added logistics services, had a good year with the impact of a challenging market in Ireland offset by acquisitions in both the current and prior year.

DCC Vital's pharma business achieved excellent profit growth. It generated good organic growth in the British retail pharmacy channel, especially in respiratory and pain management products, and benefited from a number of NHS contract wins for antibiotic products for the hospital sector. The result included a modest first time contribution from Kent Pharma, acquired in February 2013. Kent Pharma has a strong portfolio of own licence antibiotics and other generic pharmaceuticals together with an excellent sales network into the British retail pharmacy channel. Its strengths are highly complementary to DCC Vital's pre-existing pharma activities which were more weighted to intravenous pharmaceuticals for the hospital sector with a geographical bias towards Ireland. The integration of Kent Pharma is progressing well.

DCC Vital's devices business achieved strong growth in Britain, boosted by a first full year contribution from Forth Medical Group, a specialist distributor of neurological, orthopaedic and niche surgical devices acquired in February 2012. This offset the impact on its Irish activities of the budgetary constraints within the public healthcare system which have resulted in continued price pressure, especially in more commoditised medical and surgical products. DCC Vital's British value added logistics business recorded good profit growth for the year and benefited from continued market interest in its range of customised stock management and just-in-time logistics solutions for hospitals and manufacturers.

DCC Health & Beauty Solutions, a leading provider of outsourced services to brand owners in the health and beauty sectors, achieved excellent organic profit growth and benefited from a modest first time contribution from Vitamex Manufacturing, acquired in June 2012. Growth was achieved across both the nutrition (vitamins and health supplements) and beauty categories. The business benefited from successful new product development for existing British and European customers and from a number of new business wins, including in healthcare creams and liquids.

DCC Environmental

	2013	2012	<u>% Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€142.4m	€132.7m	+7.3%	+1.6%
Operating profit	€13.4m	€14.2m	-6.0%	-11.7%
Operating margin	9.4%	10.7%		
Return on total capital employed	8.3%	10.2%		

DCC Environmental experienced a decline in operating profit with difficult market conditions in both Britain and Ireland.

In Britain, the non hazardous waste business was impacted by increased price competition driven by a reduction in the volume of waste nationally and also by a reduction in income from the sale of recyclates as commodity prices fell. Notwithstanding this difficult backdrop, the business in Scotland performed well with operating profit ahead of the prior year. Price competition was also intense in the hazardous sector, which suffered from a reduction in demand due to the challenging economic climate.

DCC Food & Beverage

	2013	2012	<u>% Change on prior year</u>	
			<i>Reported</i>	<i>Constant Currency</i>
Revenue	€212.9m	€223.4m	-4.7%	-6.1%
Operating profit	€7.5m	€10.7m	-29.6%	-29.6%
Operating margin	3.5%	4.8%		
Return on total capital employed	9.5%	13.7%		

As anticipated, operating profit in DCC Food & Beverage declined due to the full year effect of the loss of a major contract in the frozen and chilled logistics business in the second half of the prior year and a reduction in the profitability of the wine business in Britain.

The branded distribution activities in Ireland delivered growth in revenue and operating profit driven by a good performance in company owned brands. The Kelkin healthy foods brand continued to grow sales, particularly in the gluten free product category.

Annual Report and Annual General Meeting

DCC's 2013 Annual Report will be published in June 2013. The Company's Annual General Meeting will be held at 11.00 am on Friday 19 July 2013 in The Four Seasons Hotel, Simmonscourt 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 London at 11.00 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:

Ireland: +353 (0) 1 486 0914

UK / International: +44 (0) 20 7136 2055

Passcode: 6843800

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

Group Income Statement

for the year ended 31 March 2013

	Notes	2013			2012		
		Pre exceptionals €'000	Exceptionals (note 5) €'000	Total €'000	Pre exceptionals €'000	Exceptionals (note 5) €'000	Total €'000
Revenue	4	12,966,257	-	12,966,257	10,690,341	-	10,690,341
Cost of sales		(12,057,508)	-	(12,057,508)	(9,934,168)	-	(9,934,168)
Gross profit		908,749	-	908,749	756,173	-	756,173
Administration expenses		(303,370)	-	(303,370)	(266,950)	-	(266,950)
Selling and distribution expenses		(394,884)	-	(394,884)	(317,281)	-	(317,281)
Other operating income		23,460	6,869	30,329	16,583	17,676	34,259
Other operating expenses		(4,789)	(36,078)	(40,867)	(3,499)	(40,033)	(43,532)
Operating profit before amortisation of intangible assets		229,166	(29,209)	199,957	185,026	(22,357)	162,669
Amortisation of intangible assets		(17,684)	-	(17,684)	(11,379)	-	(11,379)
Operating profit	4	211,482	(29,209)	182,273	173,647	(22,357)	151,290
Finance costs		(52,334)	(1,682)	(54,016)	(50,447)	-	(50,447)
Finance income		35,075	-	35,075	32,578	670	33,248
Share of associates' profit/(loss) after tax		32	(350)	(318)	(40)	(1,068)	(1,108)
Profit before tax		194,255	(31,241)	163,014	155,738	(22,755)	132,983
Income tax expense		(32,239)	-	(32,239)	(27,703)	(2,234)	(29,937)
Profit after tax for the financial year		162,016	(31,241)	130,775	128,035	(24,989)	103,046
Profit attributable to:							
Owners of the Parent				130,359			102,428
Non-controlling interests				416			618
				130,775			103,046
Earnings per ordinary share							
Basic	6			155.96c			122.78c
Diluted	6			155.47c			122.46c
Adjusted earnings per ordinary share							
Basic	6			209.96c			163.51c
Diluted	6			209.30c			163.09c

Group Statement of Comprehensive Income

for the year ended 31 March 2013

	2013 €'000	2012 €'000
Group profit for the financial year	130,775	103,046
Other comprehensive income:		
Currency translation effects	(13,807)	46,711
Group defined benefit pension obligations:		
- actuarial loss	(11,747)	(8,791)
- movement in deferred tax asset	1,847	1,178
(Losses)/gains relating to cash flow hedges	(2,368)	189
Movement in deferred tax liability on cash flow hedges	248	11
Other comprehensive income for the financial year, net of tax	(25,827)	39,298
Total comprehensive income for the financial year	104,948	142,344
Attributable to:		
Owners of the Parent	104,532	141,726
Non-controlling interests	416	618
	104,948	142,344

Group Balance Sheet

as at 31 March 2013

	Note	2013 €'000	2012 €'000
ASSETS			
Non-current assets			
Property, plant and equipment		522,114	451,097
Intangible assets		886,136	785,205
Investments in associates		955	1,173
Deferred income tax assets		11,209	6,397
Derivative financial instruments		148,902	134,531
		<u>1,569,316</u>	<u>1,378,403</u>
Current assets			
Inventories		460,650	338,170
Trade and other receivables		1,347,287	1,291,698
Derivative financial instruments		13,948	4,294
Cash and cash equivalents		613,677	630,023
		<u>2,435,562</u>	<u>2,264,185</u>
Assets classified as held for sale	14	-	142,614
		<u>2,435,562</u>	<u>2,406,799</u>
Total assets		<u>4,004,878</u>	<u>3,785,202</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	8	12,408	11,086
Cash flow hedge reserve	8	(933)	1,187
Foreign currency translation reserve	8	(92,232)	(78,425)
Other reserves	8	1,400	1,400
Retained earnings		985,063	929,331
		<u>1,052,450</u>	<u>1,011,323</u>
Non-controlling interests		2,827	2,656
Total equity		<u>1,055,277</u>	<u>1,013,979</u>
LIABILITIES			
Non-current liabilities			
Borrowings		795,548	848,365
Derivative financial instruments		15,889	17,493
Deferred income tax liabilities		38,904	32,011
Post employment benefit obligations	10	22,885	14,745
Provisions for liabilities and charges		20,271	15,438
Deferred and contingent acquisition consideration		66,885	85,271
Government grants		1,861	2,458
		<u>962,243</u>	<u>1,015,781</u>
Current liabilities			
Trade and other payables		1,730,521	1,533,882
Current income tax liabilities		34,655	38,813
Borrowings		182,190	70,999
Derivative financial instruments		2,805	1,020
Provisions for liabilities and charges		14,243	9,966
Deferred and contingent acquisition consideration		22,944	13,428
		<u>1,987,358</u>	<u>1,668,108</u>
Liabilities associated with assets classified as held for sale	14	-	87,334
		<u>1,987,358</u>	<u>1,755,442</u>
Total liabilities		<u>2,949,601</u>	<u>2,771,223</u>
Total equity and liabilities		<u>4,004,878</u>	<u>3,785,202</u>
Net debt included above (including cash attributable to asset held for sale)			
	9	<u>(219,905)</u>	<u>(128,215)</u>

Group Statement of Changes in Equity

For the year ended 31 March 2013

For the year ended 31 March 2013	Attributable to owners of the Parent					Non-controlling interests €'000	Total equity €'000
	Equity share capital €'000	Share premium account €'000	Retained earnings €'000	Other reserves (note 8) €'000	Total €'000		
At 1 April 2012	22,057	124,687	929,331	(64,752)	1,011,323	2,656	1,013,979
Profit for the financial year	-	-	130,359	-	130,359	416	130,775
Other comprehensive income/(expense):							
Currency translation	-	-	-	(13,807)	(13,807)	-	(13,807)
Group defined benefit pension obligations:							
- actuarial loss	-	-	(11,747)	-	(11,747)	-	(11,747)
- movement in deferred tax asset	-	-	1,847	-	1,847	-	1,847
Losses relating to cash flow hedges	-	-	-	(2,368)	(2,368)	-	(2,368)
Movement in deferred tax liability on cash flow hedges	-	-	-	248	248	-	248
Total comprehensive income	-	-	120,459	(15,927)	104,532	416	104,948
Re-issue of treasury shares	-	-	2,087	-	2,087	-	2,087
Share based payment	-	-	-	1,322	1,322	-	1,322
Dividends	-	-	(66,814)	-	(66,814)	-	(66,814)
Other movements in non-controlling interests	-	-	-	-	-	(245)	(245)
At 31 March 2013	22,057	124,687	985,063	(79,357)	1,052,450	2,827	1,055,277

For the year ended 31 March 2012

For the year ended 31 March 2012	Attributable to owners of the Parent					Non-controlling interests €'000	Total equity €'000
	Equity share capital €'000	Share premium account €'000	Retained earnings €'000	Other reserves (note 8) €'000	Total €'000		
At 1 April 2011	22,057	124,687	895,108	(112,212)	929,640	2,234	931,874
Profit for the financial year	-	-	102,428	-	102,428	618	103,046
Other comprehensive income/(expense):							
Currency translation	-	-	-	46,711	46,711	-	46,711
Group defined benefit pension obligations:							
- actuarial loss	-	-	(8,791)	-	(8,791)	-	(8,791)
- movement in deferred tax asset	-	-	1,178	-	1,178	-	1,178
Gains relating to cash flow hedges	-	-	-	189	189	-	189
Movement in deferred tax liability on cash flow hedges	-	-	-	11	11	-	11
Total comprehensive income	-	-	94,815	46,911	141,726	618	142,344
Re-issue of treasury shares	-	-	2,372	-	2,372	-	2,372
Share based payment	-	-	-	549	549	-	549
Dividends	-	-	(62,964)	-	(62,964)	-	(62,964)
Other movements in non-controlling interests	-	-	-	-	-	(196)	(196)
At 31 March 2012	22,057	124,687	929,331	(64,752)	1,011,323	2,656	1,013,979

Group Cash Flow Statement

for the year ended 31 March 2013

	Note	2013 €'000	2012 €'000
Cash flows from operating activities			
Profit for the financial year		130,775	103,046
Add back non-operating expenses			
- tax		32,239	29,937
- share of loss from associates		318	1,108
- net operating exceptionals		29,209	22,357
- net finance costs		18,941	17,199
Group operating profit before exceptionals		211,482	173,647
Share-based payments expense		1,322	549
Depreciation		66,512	55,435
Amortisation of intangible assets		17,684	11,379
Profit on disposal of property, plant and equipment		(1,271)	(838)
Amortisation of government grants		(584)	(604)
Other		(5,212)	(8,840)
Decrease in working capital		34,586	46,594
Cash generated from operations		324,519	277,322
Exceptionals		(30,879)	(2,774)
Interest paid		(49,019)	(43,056)
Income tax paid		(38,353)	(49,829)
Net cash flows from operating activities		206,268	181,663
Investing activities			
Inflows			
Proceeds from disposal of property, plant and equipment		6,184	4,614
Government grants received		-	13
Disposal of subsidiaries		14,376	(1,285)
Interest received		31,387	27,155
		51,947	30,497
Outflows			
Purchase of property, plant and equipment		(76,659)	(70,229)
Acquisition of subsidiaries	11	(191,534)	(160,076)
Deferred and contingent acquisition consideration paid		(14,680)	(8,063)
		(282,873)	(238,368)
Net cash flows from investing activities		(230,926)	(207,871)
Financing activities			
Inflows			
Re-issue of treasury shares		2,087	2,372
Increase in finance lease liabilities		1,748	-
		3,835	2,372
Outflows			
Repayment of interest-bearing loans and borrowings		-	(6,091)
Repayment of finance lease liabilities		(692)	(397)
Dividends paid to owners of the Parent	7	(66,814)	(62,964)
Dividends paid to non-controlling interests		(245)	(196)
		(67,751)	(69,648)
Net cash flows from financing activities		(63,916)	(67,276)
Change in cash and cash equivalents		(88,574)	(93,484)
Translation adjustment		(1,720)	27,435
Cash and cash equivalents at beginning of year		600,079	666,128
Cash and cash equivalents at end of year		509,785	600,079
Cash and cash equivalents consists of:			
Cash and short term bank deposits		613,677	630,023
Overdrafts		(103,892)	(70,758)
Cash and short term bank deposits attributable to asset held for sale		-	40,814
		509,785	600,079

Notes to the Preliminary Results

for the year ended 31 March 2013

1. Basis of Preparation

The financial information, from the Group Income Statement to Note 16, contained in this preliminary results statement has been derived from the Group financial statements for the year ended 31 March 2013 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 2013 and their report was unqualified. The financial information for the year ended 31 March 2012 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 Financial Services Authority and the accounting policies that the Group has adopted for 2013 and are consistent with those applied in the prior year except as otherwise set out below:

Adoption of new IFRS

The Group has adopted the following standards, interpretations and amendments to existing standards during the financial year:

- Amendment to IFRS 7 *Disclosures - Transfer of financial assets*; and
- Amendment to IAS 12 *Recovery of underlying assets*.

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 2013 which were approved by the Board of Directors on 13 May 2013.

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:

	2013 €1=Stg£	2012 €1=Stg£
Balance sheet (closing rate)	0.846	0.834
Income statement (average rate)	0.815	0.868

Notes to the Preliminary Results

for the year ended 31 March 2013

4. Segmental Reporting

DCC is a sales, marketing, distribution and business support services group headquartered in Dublin, Ireland. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as Mr. Tommy Breen, Chief Executive and his executive management team. The Group is organised into five operating segments: DCC Energy, DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage.

DCC Energy markets and sells oil products and services for transport, commercial/industrial, marine, aviation and home heating use in Britain, Ireland and Continental Europe. DCC Energy markets and sells liquefied petroleum gas for similar uses in Britain, Ireland and Continental Europe.

DCC SerCom sells, markets and distributes IT, communications and home entertainment products in Britain, Ireland and France primarily to retail and business customers. DCC SerCom also includes a supply chain management business.

DCC Healthcare sells, markets and distributes pharmaceutical and medical devices and provides related value added services to the Irish and British hospital and community markets. DCC Healthcare also provides outsourced product development, manufacturing, packaging and other services to health and beauty brand owners in Europe.

DCC Environmental provides a broad range of waste management and recycling services to the industrial, commercial, construction and public sectors in Britain and Ireland.

DCC Food & Beverage markets and sells food and beverages in Ireland and wine in Britain. DCC Food & Beverage is also a provider of frozen food distribution in Ireland.

Net finance costs and income tax are managed on a centralised basis and therefore these items are not allocated between operating segments for the purpose of presenting information to the chief operating decision maker and accordingly are not included in the detailed segmental analysis below.

(a) By operating segment

	Year ended 31 March 2013					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment revenue	9,948,666	2,269,127	393,173	142,393	212,898	12,966,257
Operating profit*	130,206	50,872	27,218	13,362	7,508	229,166
Amortisation of intangible assets	(12,435)	(1,660)	(1,043)	(1,646)	(900)	(17,684)
Net operating exceptionals (note 5)	(32,286)	3,026	(2,502)	442	2,111	(29,209)
Operating profit	85,485	52,238	23,673	12,158	8,719	182,273
	Year ended 31 March 2012					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment revenue	7,822,971	2,181,212	330,022	132,702	223,434	10,690,341
Operating profit*	83,493	53,235	23,428	14,211	10,659	185,026
Amortisation of intangible assets	(5,835)	(2,348)	(1,090)	(1,206)	(900)	(11,379)
Net operating exceptionals (note 5)	(14,960)	(11,083)	12,311	(252)	(8,373)	(22,357)
Operating profit	62,698	39,804	34,649	12,753	1,386	151,290

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

Notes to the Preliminary Results

for the year ended 31 March 2013

4. Segmental Reporting (continued)

(b) By geography

	Year ended 31 March 2013			
	Republic of Ireland €'000	UK €'000	Rest of the World €'000	Total €'000
Segment revenue	1,024,435	9,913,509	2,028,313	12,966,257
Operating profit*	24,592	168,869	35,705	229,166
Amortisation of intangible assets	(1,683)	(10,293)	(5,708)	(17,684)
Net operating exceptionals (note 5)	(1,615)	(23,798)	(3,796)	(29,209)
Operating profit	21,294	134,778	26,201	182,273

	Year ended 31 March 2012			
	Republic of Ireland €'000	UK €'000	Rest of the World €'000	Total €'000
Segment revenue	957,831	7,883,888	1,848,622	10,690,341
Operating profit*	26,526	125,349	33,151	185,026
Amortisation of intangible assets	(1,571)	(7,689)	(2,119)	(11,379)
Net operating exceptionals (note 5)	(13,102)	(29)	(9,226)	(22,357)
Operating profit	11,853	117,631	21,806	151,290

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

5. Exceptionals

	2013 €'000	2012 €'000
Restructuring costs	(20,704)	(13,715)
Acquisition and related costs	(14,896)	(6,568)
Adjustment to deferred and contingent acquisition consideration	6,869	-
Other operating exceptional items	(478)	(4,611)
Gain arising from Taiwanese legal claim	-	14,089
Net loss on disposal of subsidiaries	-	(1,770)
Restructuring of Group defined benefit pension schemes	-	3,587
Impairment of property, plant and equipment	-	(2,000)
Impairment of goodwill	-	(11,369)
Operating exceptional items	(29,209)	(22,357)
Mark to market of swaps and related debt (included in interest)	(1,682)	670
Impairment of associate company investment	(350)	(1,068)
Net exceptional items before taxation	(31,241)	(22,755)
Exceptional taxation charge	-	(2,234)
Net exceptional items after taxation	(31,241)	(24,989)

The Group incurred an exceptional charge of €20.704 million in relation to the restructuring of acquired and existing businesses. Most of this related to the planned integration into DCC Energy's existing operations of certain oil distribution assets previously owned by Total and of the BP UK LPG business, following the clearance of these acquisitions by the relevant competition authorities.

Acquisition and related costs of €14.896 million include the professional and tax costs (such as stamp duty) relating to the evaluation and completion of acquisitions. These costs also include the legal and other professional costs relating to the review and ultimate clearance by the relevant competition authorities of the Total and BP UK LPG acquisitions.

Notes to the Preliminary Results

for the year ended 31 March 2013

5. Exceptionals (continued)

In accordance with IFRS 3 (revised), deferred and contingent consideration is measured at fair value at the time of the business combination. If the amount of deferred and contingent consideration changes as a result of a post-acquisition event then the changed amount is recognised in the Income Statement. Net reductions in deferred and contingent consideration payable by the Group amounted to €6.869 million during the year.

Most of the Group's debt has been raised in the US Private Placement market and swapped, using long term interest, currency and cross currency derivatives, to fixed and floating rate sterling and euro. The level of ineffectiveness calculated under IAS 39 on the fair value and cash flow hedge relationships relating to fixed rate debt, together with gains or losses arising from marking to market swaps not designated as fair value hedges offset by foreign exchange translation gains or losses on that related fixed rate debt, is charged or credited as an exceptional item. In the year to 31 March 2013 this amounted to a total exceptional loss of €1.682 million.

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

	2013 €'000	2012 €'000
Profit attributable to owners of the Parent	130,359	102,428
Amortisation of intangible assets after tax	13,899	8,994
Exceptionals after tax (note 5)	31,241	24,989
Adjusted profit after taxation and non-controlling interests	175,499	136,411
Basic earnings per ordinary share	cent	cent
Basic earnings per ordinary share	155.96c	122.78c
Adjusted basic earnings per ordinary share*	209.96c	163.51c
Weighted average number of ordinary shares in issue ('000)	83,586	83,427
Diluted earnings per ordinary share	cent	cent
Diluted earnings per ordinary share	155.47c	122.46c
Adjusted diluted earnings per ordinary share*	209.30c	163.09c
Diluted weighted average number of ordinary shares in issue ('000)	83,850	83,639

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

Notes to the Preliminary Results

for the year ended 31 March 2013

7. Dividends

	2013 €'000	2012 €'000
Dividends per Ordinary Share are as follows:		
Final - paid 50.47 cent per share on 26 July 2012 (2012: paid 48.07 cent per share on 21 July 2011)	42,157	40,061
Interim - paid 29.48 cent per share on 30 November 2012 (2012: paid 27.42 cent per share on 2 December 2011)	24,657	22,903
	66,814	62,964

The Directors are proposing a final dividend in respect of the year ended 31 March 2013 of 56.20 cent per ordinary share (€47.036 million). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

8. Other Reserves

Group	Share options €'000	Cash flow hedge reserve €'000	Foreign currency translation reserve €'000	Other reserves €'000	Total €'000
At 31 March 2011	10,537	987	(125,136)	1,400	(112,212)
Currency translation	-	-	46,711	-	46,711
Cash flow hedges					
- fair value gains in year	-	820	-	-	820
- tax on fair value gains	-	(103)	-	-	(103)
- transfers to sales	-	494	-	-	494
- transfers to cost of sales	-	(1,125)	-	-	(1,125)
- tax on transfers	-	114	-	-	114
Share based payment	549	-	-	-	549
At 31 March 2012	11,086	1,187	(78,425)	1,400	(64,752)
Currency translation	-	-	(13,807)	-	(13,807)
- fair value loss in year - private placement debt	-	(995)	-	-	(995)
- fair value loss in year - other	-	(3,110)	-	-	(3,110)
- tax on fair value losses	-	543	-	-	543
- transfers to sales	-	740	-	-	740
- transfers to cost of sales	-	997	-	-	997
- tax on transfers	-	(295)	-	-	(295)
Share based payment	1,322	-	-	-	1,322
At 31 March 2013	12,408	(933)	(92,232)	1,400	(79,357)

Notes to the Preliminary Results

for the year ended 31 March 2013

9. Analysis of Net Debt

	2013 €'000	2012 €'000
Non-current assets:		
Derivative financial instruments	<u>148,902</u>	<u>134,531</u>
Current assets:		
Derivative financial instruments	13,948	4,294
Cash and cash equivalents	<u>613,677</u>	<u>630,023</u>
	<u>627,625</u>	<u>634,317</u>
Non-current liabilities:		
Borrowings	(733)	(287)
Derivative financial instruments	(15,889)	(17,493)
Unsecured Notes due 2014 to 2025	<u>(794,815)</u>	<u>(848,078)</u>
	<u>(811,437)</u>	<u>(865,858)</u>
Current liabilities:		
Borrowings	(104,746)	(70,999)
Derivative financial instruments	(2,805)	(1,020)
Unsecured Notes due 2013	<u>(77,444)</u>	<u>-</u>
	<u>(184,995)</u>	<u>(72,019)</u>
Net debt excluding cash attributable to asset held for sale	(219,905)	(169,029)
Add: cash and short term deposits attributable to asset held for sale	<u>-</u>	<u>40,814</u>
Net debt including cash attributable to asset held for sale	<u>(219,905)</u>	<u>(128,215)</u>
Group share of joint ventures' net cash included above	<u>824</u>	<u>1,737</u>

10. Post Employment Benefit Obligations

The Group's defined benefit pension schemes' assets were measured at fair value at 31 March 2013. The defined benefit pension schemes' liabilities at 31 March 2013 were updated to reflect material movements in underlying assumptions.

The deficit on the Group's post employment benefit obligations increased to €22.885 million at 31 March 2013 from €14.745 million at 31 March 2012. The increase in the deficit was primarily driven by an actuarial loss on liabilities which arose from a reduction in the discount rate used to value liabilities.

Notes to the Preliminary Results

for the year ended 31 March 2013

11. Business Combinations

A key strategy of the Group is to create and sustain market leadership positions through bolt-on acquisitions in markets it currently operates in together with extending the Group's footprint into new geographic markets. In line with this strategy, the principal acquisitions completed by the Group during the year, together with percentages acquired were as follows:

- the acquisition of 100% of Midsona Manufacturing AB, a Swedish based business providing product development, registration, manufacturing and packing services, completed in June 2012;
- the acquisition of BP's LPG distribution business ('BP LPG') in Britain, completed in September 2012;
- the acquisition of the trade, fixed assets, inventory and goodwill of Statoil Fuel & Retail ASA's industrial LPG business in Sweden and Norway, completed in December 2012;
- the acquisition of Benegas, BP's LPG distribution business in the Netherlands and north Belgium, completed in October 2012; and
- the acquisition of 100% of Kent Pharmaceuticals (Holdings) Limited ('Kent'), a British generic pharmaceuticals company, completed in February 2013.

There have been no acquisitions completed subsequent to the balance sheet date which would be individually material to the Group, thereby requiring disclosure under either IFRS 3 or IAS 10. The carrying amounts of the assets and liabilities acquired (excluding net cash/debt 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:

	2013 €'000 Kent	2013 €'000 BP LPG	2013 €'000 Others	2013 €'000 Total	2012 €'000 Total
Assets					
Non-current assets					
Property, plant and equipment	10,920	35,577	31,304	77,801	26,224
Intangible assets - other intangible assets	7,668	4,680	19,036	31,384	34,136
Deferred income tax assets	779	-	38	817	81
Total non-current assets	<u>19,367</u>	<u>40,257</u>	<u>50,378</u>	<u>110,002</u>	<u>60,441</u>
Current assets					
Inventories	11,180	527	9,376	21,083	27,205
Trade and other receivables	12,142	9,355	22,353	43,850	111,106
Total current assets	<u>23,322</u>	<u>9,882</u>	<u>31,729</u>	<u>64,933</u>	<u>138,311</u>
Liabilities					
Non-current liabilities					
Deferred income tax liabilities	(1,764)	(1,076)	(5,247)	(8,087)	(7,791)
Post employment benefit obligations	-	-	-	-	(145)
Provisions for liabilities and charges	-	-	(3,436)	(3,436)	(3,207)
Deferred acquisition consideration	-	-	-	-	(940)
Total non-current liabilities	<u>(1,764)</u>	<u>(1,076)</u>	<u>(8,683)</u>	<u>(11,523)</u>	<u>(12,083)</u>
Current liabilities					
Trade and other payables	(16,148)	(20,622)	(17,467)	(54,237)	(131,960)
Current income tax liabilities	183	-	230	413	(1,636)
Provisions for liabilities and charges	-	-	(318)	(318)	-
Total current liabilities	<u>(15,965)</u>	<u>(20,622)</u>	<u>(17,555)</u>	<u>(54,142)</u>	<u>(133,596)</u>
Identifiable net assets acquired	24,960	28,441	55,869	109,270	53,073
Intangible assets - goodwill	37,390	19,793	40,814	97,997	143,658
Total consideration (enterprise value)	<u>62,350</u>	<u>48,234</u>	<u>96,683</u>	<u>207,267</u>	<u>196,731</u>
Satisfied by:					
Cash	56,722	51,296	95,961	203,979	199,512
Net cash acquired	(4,895)	(3,062)	(4,488)	(12,445)	(39,436)
Net cash outflow	51,827	48,234	91,473	191,534	160,076
Deferred and contingent consideration	10,523	-	5,210	15,733	36,655
Total consideration	<u>62,350</u>	<u>48,234</u>	<u>96,683</u>	<u>207,267</u>	<u>196,731</u>

Notes to the Preliminary Results

for the year ended 31 March 2013

11. Business Combinations (continued)

The acquisitions of Kent and BP LPG have been deemed to be substantial transactions 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
Kent			
Non-current assets (excluding goodwill)	12,205	7,162	19,367
Current assets	23,582	(260)	23,322
Non-current liabilities	-	(1,764)	(1,764)
Current liabilities	(15,503)	(462)	(15,965)
Identifiable net assets acquired	20,284	4,676	24,960
Goodwill arising on acquisition	42,066	(4,676)	37,390
Total consideration (enterprise value)	62,350	-	62,350
	Book value €'000	Fair value adjustments €'000	Fair value €'000
BP LPG			
Non-current assets (excluding goodwill)	35,577	4,680	40,257
Current assets	10,825	(943)	9,882
Non-current liabilities	-	(1,076)	(1,076)
Current liabilities	(19,365)	(1,257)	(20,622)
Identifiable net assets acquired	27,037	1,404	28,441
Goodwill arising on acquisition	21,197	(1,404)	19,793
Total consideration (enterprise value)	48,234	-	48,234
	Book value €'000	Fair value adjustments €'000	Fair value €'000
Other acquisitions			
Non-current assets (excluding goodwill)	31,342	19,036	50,378
Current assets	32,044	(315)	31,729
Non-current liabilities	(3,777)	(4,906)	(8,683)
Current liabilities	(17,459)	(96)	(17,555)
Identifiable net assets acquired	42,150	13,719	55,869
Goodwill arising on acquisition	54,533	(13,719)	40,814
Total consideration (enterprise value)	96,683	-	96,683
	Book value €'000	Fair value adjustments €'000	Fair value €'000
Total			
Non-current assets (excluding goodwill)	79,124	30,878	110,002
Current assets	66,451	(1,518)	64,933
Non-current liabilities	(3,777)	(7,746)	(11,523)
Current liabilities	(52,327)	(1,815)	(54,142)
Identifiable net assets acquired	89,471	19,799	109,270
Goodwill arising on acquisition	117,796	(19,799)	97,997
Total consideration (enterprise value)	207,267	-	207,267

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 2014 Annual Report as stipulated by IFRS 3.

Notes to the Preliminary Results

for the year ended 31 March 2013

11. Business Combinations (continued)

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.

€18.134 million of the goodwill recognised in respect of acquisitions completed during the financial year is expected to be deductible for tax purposes.

Acquisition related costs included in the Group Income Statement amounted to €14.896 million.

No contingent liabilities were recognised on the acquisitions completed during the financial year or the prior financial years.

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to €45.368 million. The fair value of these receivables is €43.850 million (all of which is expected to be recoverable) and is inclusive of an aggregate allowance for impairment of €1.494 million.

The fair value of contingent consideration recognised at the date of acquisition is calculated by discounting the expected future payment to present value at the acquisition date. In general, for contingent consideration to become payable, pre-defined profit thresholds must be exceeded. On an undiscounted basis, the future payments for which the Group may be liable for acquisitions in the current year range from nil to €29.310 million.

There were no adjustments processed during the year to the fair value of business combinations completed during the year ended 31 March 2012 where those fair values were not readily determinable as at 31 March 2012.

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

	2013 €'000	2012 €'000
Revenue	260,784	1,238,936
Cost of sales	(213,100)	(1,175,091)
Gross profit	47,684	63,845
Operating costs	(35,106)	(49,827)
Operating profit	12,578	14,018
Finance income/costs (net)	(765)	341
Profit before tax	11,813	14,359
Income tax expense	(2,679)	(3,322)
Profit for the financial year	9,134	11,037

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:

	2013 €'000	2012 €'000
Revenue	13,273,957	12,112,182
Group profit for the financial year	138,682	105,158

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 2013

13. Related Party Transactions

There have been no related party transactions or changes in related party transactions that could have a material impact on the financial position or performance of the Group during the 2013 financial year.

14. Assets Classified as Held for Sale

As at 31 March 2012, DCC SerCom's Enterprise distribution business Altime Group SA ('Altime') was classified as a disposal group held for sale. On 2 July 2012 the Group announced the completion of the disposal of Altime following competition clearance from the European Commission. Details of the disposal were set out in a DCC Stock Exchange announcement on 3 April 2012.

15. Events after the Balance Sheet Date

In April 2013, the Group completed a debt fundraising in the US Private Placement market raising \$525 million (€404.1 million) with maturity terms of seven, ten and twelve years (average maturity of ten years).

16. Board Approval

This announcement was approved by the Board of Directors of DCC plc on 13 May 2013.

Change in Presentation Currency

Change in Presentation Currency

On 26 February 2013 the Group announced that from the financial year beginning 1 April 2013 it will be changing the currency in which it presents its financial results from euro to UK pounds sterling ('sterling'). To assist shareholders during this change, comparative financial information for the financial years ending 31 March 2012 and 2013 is re-presented in sterling below.

Basis of preparation

DCC plc will present its results in sterling with effect from 1 April 2013. For the financial years ending 31 March 2012 and 2013, the Company has presented a Condensed Group Income Statement, Group Balance Sheet and Consolidated Cash Flow Statement as at 31 March for each of these years. This financial information will form the basis of the comparative financial information expected to be included in the first complete set of financial statements of the Group presented in sterling for the year ended 31 March 2014.

In order to satisfy the requirements of IAS 21 with respect to a change in presentation currency, the statutory financial information as reported in the Group's Annual Reports for the years ended 31 March 2012 and 2013 has been restated from euro into sterling using the procedures outlined below:

- assets and liabilities of foreign operations where the functional currency is other than sterling were translated into sterling at the relevant closing rates of exchange. Non-sterling trading results were translated into sterling at the relevant average rates of exchange. Differences arising from the retranslation of the opening net assets and the results for the year have been taken to the foreign currency translation reserve;
- the cumulative foreign currency translation reserve was set to nil at 1 April 2004, the date of transition to IFRS. All subsequent movements comprising differences on the retranslation of the opening net assets of non-sterling subsidiaries have been taken to the foreign currency translation reserve. Share capital, share premium and other reserves were translated at the historic rates prevailing at the dates of transactions; and
- all exchange rates used were extracted from the Group's underlying financial records.

The exchange rates used were as follows:

	2013	2012
Euro/sterling exchange rate	€1=Stg£	€1=Stg£
Closing rate	0.846	0.834
Average rate	0.815	0.868

Change in Presentation Currency (continued)

Condensed Group Income Statement

For the year ended 31 March

	2013 £'000	2012 £'000
Revenue	<u>10,572,686</u>	<u>9,283,492</u>
Operating profit before exceptional items and amortisation of intangible assets	186,862	160,677
Net operating exceptionals	(23,817)	(19,415)
Amortisation of intangible assets	<u>(14,420)</u>	<u>(9,882)</u>
Operating profit	148,625	131,380
Finance costs (net)	(15,444)	(14,936)
Share of associates' loss after tax	<u>(259)</u>	<u>(962)</u>
Profit before tax	132,922	115,482
Income tax expense	<u>(26,288)</u>	<u>(25,997)</u>
Profit after tax for the financial year	<u>106,634</u>	<u>89,485</u>
Profit attributable to:		
Owners of the Parent	106,295	88,948
Non-controlling interests	<u>339</u>	<u>537</u>
	<u>106,634</u>	<u>89,485</u>
Earnings per ordinary share		
Basic	<u>127.17p</u>	<u>106.62p</u>
Diluted	<u>126.77p</u>	<u>106.34p</u>
Adjusted earnings per ordinary share		
Basic	<u>171.20p</u>	<u>141.99p</u>
Diluted	<u>170.66p</u>	<u>141.63p</u>

Change in Presentation Currency (continued)

Group Balance Sheet

as at 31 March

	2013 £'000	2012 £'000
ASSETS		
Non-current assets		
Property, plant and equipment	441,500	376,170
Intangible assets	749,317	654,782
Investments in associates	808	978
Deferred income tax assets	9,478	5,334
Derivative financial instruments	125,912	112,185
	<u>1,327,015</u>	<u>1,149,449</u>
Current assets		
Inventories	389,526	282,000
Trade and other receivables	1,139,266	1,077,147
Derivative financial instruments	11,794	3,581
Cash and cash equivalents	518,925	525,376
	<u>2,059,511</u>	<u>1,888,104</u>
Assets classified as held for sale	-	118,926
	<u>2,059,511</u>	<u>2,007,030</u>
Total assets	<u>3,386,526</u>	<u>3,156,479</u>
EQUITY		
Capital and reserves attributable to owners of the Parent		
Share capital	14,688	14,688
Share premium	83,032	83,032
Other reserves - share options	9,445	8,367
Cash flow hedge reserve	(677)	1,052
Foreign currency translation reserve	57,755	55,902
Other reserves	932	932
Retained earnings	725,514	680,070
	<u>890,689</u>	<u>844,043</u>
Non-controlling interests	1,653	1,514
Total equity	<u>892,342</u>	<u>845,557</u>
LIABILITIES		
Non-current liabilities		
Borrowings	672,715	707,452
Derivative financial instruments	13,436	14,587
Deferred income tax liabilities	32,897	26,694
Post employment benefit obligations	19,352	12,296
Provisions for liabilities and charges	17,141	12,874
Deferred and contingent acquisition consideration	56,558	71,107
Government grants	1,574	2,050
	<u>813,673</u>	<u>847,060</u>
Current liabilities		
Trade and other payables	1,463,330	1,279,102
Current income tax liabilities	29,304	32,366
Borrowings	154,060	59,206
Derivative financial instruments	2,372	851
Provisions for liabilities and charges	12,044	8,311
Deferred and contingent acquisition consideration	19,401	11,198
	<u>1,680,511</u>	<u>1,391,034</u>
Liabilities associated with assets classified as held for sale	-	72,828
	<u>1,680,511</u>	<u>1,463,862</u>
Total liabilities	<u>2,494,184</u>	<u>2,310,922</u>
Total equity and liabilities	<u>3,386,526</u>	<u>3,156,479</u>
Net debt included above (including cash attributable to asset held for sale)	<u>(185,952)</u>	<u>(106,918)</u>

Change in Presentation Currency (continued)

Consolidated Cash Flow Statement

For the year ended 31 March

	2013 £'000	2012 £'000
Cash flows from operating activities		
Profit for the financial year	106,634	89,485
Add back non-operating expenses		
- tax	26,288	25,997
- share of loss from associates	259	962
- net operating exceptionals	23,817	19,415
- net finance costs	15,444	14,936
Group operating profit before exceptionals	172,442	150,795
Share-based payments expense	1,078	477
Depreciation	54,234	48,140
Amortisation of intangible assets	14,420	9,882
Profit on disposal of property, plant and equipment	(1,036)	(728)
Amortisation of government grants	(476)	(525)
Other	(4,250)	(7,677)
Decrease in working capital	28,202	40,463
Cash generated from operations	264,614	240,827
Exceptionals	(25,179)	(2,409)
Interest paid	(39,970)	(37,390)
Income tax paid	(31,273)	(43,272)
Net cash flows from operating activities	168,192	157,756
Investing activities		
Inflows		
Proceeds from disposal of property, plant and equipment	5,042	4,007
Government grants received	-	11
Disposal of subsidiaries	11,722	(1,116)
Interest received	25,593	23,581
	42,357	26,483
Outflows		
Purchase of property, plant and equipment	(62,508)	(60,987)
Acquisition of subsidiaries	(156,177)	(139,010)
Deferred and contingent acquisition consideration paid	(11,970)	(7,002)
	(230,655)	(206,999)
Net cash flows from investing activities	(188,298)	(180,516)
Financing activities		
Inflows		
Re-issue of treasury shares	1,702	2,060
Increase in finance lease liabilities	1,425	-
	3,127	2,060
Outflows		
Repayment of interest-bearing loans and borrowings	-	(5,289)
Repayment of finance lease liabilities	(564)	(345)
Dividends paid to owners of the Parent	(54,480)	(54,678)
Dividends paid to non-controlling interests	(200)	(170)
	(55,244)	(60,482)
Net cash flows from financing activities	(52,117)	(58,422)
Change in cash and cash equivalents	(72,223)	(81,182)
Translation adjustment	2,891	(7,069)
Cash and cash equivalents at beginning of year	500,406	588,657
Cash and cash equivalents at end of year	431,074	500,406
Cash and cash equivalents consists of:		
Cash and short term bank deposits	518,925	525,376
Overdrafts	(87,851)	(59,005)
Cash and short term bank deposits attributable to asset held for sale	-	34,035
	431,074	500,406