

17 February 2014

DCC plc

Interim Management Statement

DCC plc, the international sales, marketing, distribution and business support services group, is issuing this Interim Management Statement in accordance with the reporting requirements of the Transparency Regulations 2007.

Key Features

- DCC now expects growth in both operating profit and adjusted earnings per share for the year to 31 March 2014 to be in the range of 7% - 10%
- Trading in DCC Energy has been impacted by mild weather, although the effect has, to some extent, been mitigated by the implementation earlier in the year of a range of operational efficiencies
- There has been strong growth in DCC SerCom and DCC Healthcare
- Acquisition expenditure of £85 million has been committed in the financial year to date, including the recent agreement to acquire Qstar, a leading network of unmanned petrol stations in Sweden

Third Quarter ended 31 December 2013

Overall Group operating profit in the third quarter ended 31 December 2013 was ahead of the prior year, driven primarily by strong growth in DCC SerCom and DCC Healthcare, partially offset by a decline in DCC Energy.

Operating profit in DCC Energy, the Group's largest division, was behind the prior year and more significantly behind budget. Both volumes and margins were adversely impacted by the milder weather conditions across Northern Europe, particularly in December when average temperatures were well above the 10 year average.

Operating profit in DCC SerCom, the Group's second largest division, was strongly ahead of the prior year, in what is the most important trading quarter for the division. The division generated strong revenue growth, driven by mobile computing and communications products in Britain.

Operating profit in DCC Healthcare was substantially ahead of the prior year, as it continued to benefit from a strong performance in DCC Health & Beauty Solutions and from the acquisition of Kent Pharmaceuticals, which was completed in February 2013.

Overall, DCC Environmental and DCC Food & Beverage, DCC's two smaller divisions, traded modestly ahead of the prior year.

The performance in the quarter, coupled with the strong performance in the first half to 30 September 2013, resulted in the Group's operating profit and adjusted earnings per share for the nine months ended 31 December 2013 being well ahead of the prior year.

Year to 31 March 2014

The quarter to 31 March is the Group's most significant trading quarter and is heavily influenced by trading in DCC Energy. The particularly mild weather in December 2013 continued into calendar 2014 with temperatures in January again well above the 10 year average. This has continued to affect trading negatively in DCC Energy, although the implementation earlier in the year of a range of operational efficiencies in the division has to some extent mitigated the impact of the particularly mild winter weather. Trading in the rest of the Group in January was strongly ahead of the prior year.

The Group's full year guidance is set against the assumption that there will be normal weather conditions for the balance of the quarter. Reflecting the impact of the mild weather in the important trading months of December and January, the Group now anticipates that both operating profit and adjusted earnings per share for the year to 31 March 2014 will be in the range of 7% - 10% ahead of the prior year (previously approximately 15% and 13% ahead respectively).

Development Activity

Since 30 September 2013 the Group has committed £66 million in acquisition expenditure.

DCC Energy

DCC Energy has recently agreed to acquire Qstar Försäljning AB, a Swedish unmanned retail petrol station company, along with its related fuel distribution and fuel card businesses ("Qstar") for a combined consideration based on an enterprise value of £40 million. Completion of the acquisition is conditional on the approval of the competition authorities.

Qstar's retail fuel distribution business operates 305 Qstar branded unmanned retail petrol stations throughout Sweden and supplies 73 independent dealer owned retail petrol stations operating under the "Pump" and "Bilisten" brands. Qstar is the fifth largest retail petrol station operator in Sweden, selling approximately 300 million litres of product per annum. The smaller Qstar fuel distribution business sells diesel and heating oil (c. 70 million litres in 2013) while its fuel card services business provides branded fuel card software as well as processing fuel card transactions for Qstar's retail business and third parties. Qstar has 71 employees.

DCC Energy has also acquired 13 retail petrol stations in Scotland from Shell and three small independent oil distribution businesses for an aggregate consideration of £8 million.

DCC Energy's strategy is to build a larger presence in the transport fuels market in the UK and continental Europe with a particular emphasis on growth in the retail forecourt sector. Over recent years, DCC Energy has become the largest supplier to independent dealer owned retail petrol stations in Britain and also operates a leading fuel card marketing business in that market. The acquisition of Qstar represents a further development of DCC Energy's transport fuels business in Europe and the first material step in building a presence in the unmanned retail petrol station market.

Following the completion of the Qstar acquisition, DCC Energy will have a network of 310 unmanned retail petrol stations in Sweden and Ireland and 36 manned retail petrol stations in Britain. DCC Energy already supplies approximately 2,350 independent dealer owned retail petrol stations in Britain, Ireland, Sweden, Austria and Denmark.

DCC SerCom

DCC SerCom has acquired Cohort Technology, a UK distributor of security and networking products based in Basingstoke, for an enterprise value of £5 million. Although a modest business, it will strengthen significantly DCC SerCom's unified communications and security offering.

DCC Healthcare

DCC Healthcare has strengthened its Health & Beauty Solutions business through the acquisition of Universal Products Manufacturing (Lytham) Limited ("UPL"), a British contract manufacturer of creams and liquids, based on an enterprise valuation of £13 million. UPL develops, manufactures and packs a wide range of skincare, haircare and pharmaceutical products for its customer base of British and international beauty and healthcare brand owners. The business employs 248 staff at its MHRA licensed facility in Kirkham, Lancashire. Combining UPL with its existing business will enable DCC Health & Beauty Solutions to offer customers enhanced manufacturing and packing capability across its high quality, licensed facilities, in addition to product development, formulation, regulatory and technical services. DCC is now one of the two leading British creams and liquids contract manufacturers for brand owners.

Total Committed Acquisition Expenditure

Together with acquisition expenditure of £19 million committed in the Group's first half ended 30 September 2013, total committed acquisition expenditure for the year to date is £85 million.

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

Preliminary Results

DCC expects to announce its preliminary results for the year to 31 March 2014 on Wednesday 21 May 2014.

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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 an international sales, marketing, distribution and business support services group headquartered in Dublin with operations in Britain, Continental Europe and Ireland. DCC has five divisions - DCC Energy, DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage. In its last financial year ended 31 March 2013, DCC generated revenues of £10.6 billion and operating profits of £187 million and currently employs approximately 10,000 people. DCC's shares are listed on the London Stock Exchange and are included in the FTSE All-Share Index and the FTSE 250 Index under Support Services.