

19 May 2015

Results for the year ended 31 March 2015

DCC, the international sales, marketing, distribution and business support services group, today announced its results for the year ended 31 March 2015.

RESULTS HIGHLIGHTS			
	2015 £'m	Restated ¹ 2014 £'m	% change
Revenue - continuing ²	10,606	11,045	-4.0%
Revenue - continuing ² (excl. DCC Energy)	2,982	2,801	+6.5%
Operating profit ³ - continuing ²	221.7	200.7	+10.5%
Total operating profit ³	228.2	207.3	+10.1%
Profit before net exceptional items, amortisation of intangible assets and tax	199.6	186.9	+6.8%
Adjusted earnings per share ³ - continuing ²	202.2 pence	184.1 pence	+9.8%
Total adjusted earnings per share ³	209.2 pence	191.2 pence	+9.4%
Dividend per share	84.54 pence	76.85 pence	+10.0%
Free cash flow ⁴	314.5	277.0	
Net cash/(debt) at 31 March	30.0	(87.3)	
Return on capital employed	18.9%	16.3%	

¹ All comparative numbers presented in this statement have been restated to reflect the impact of new accounting rules for joint ventures

² Excludes DCC Food & Beverage, the activities of which have now been disposed of

³ Excluding net exceptionals and amortisation of intangible assets

⁴ After net capital expenditure and before exceptional items, interest and tax payments

- Volumes in DCC Energy increased by 5.7% over the prior year and on an organic basis were 1.2% ahead of the prior year. Due to the impact of lower oil prices DCC Energy's revenue declined by 7.5% (5.6% on a constant currency basis).
- Revenue from continuing activities, excluding DCC Energy, increased by 6.5% (8.4% on a constant currency basis), approximately one quarter of which was organic. Due to the lower oil price, overall Group revenue from continuing activities decreased by 4.0% (2.1% on a constant currency basis).
- Operating profit from continuing activities increased by 10.5% (11.9% on a constant currency basis) to £222 million, with profit growth achieved in each of DCC's four divisions.
- Total adjusted earnings per share up 9.4% to 209.2 pence.

- Proposed 10% increase in the final dividend to give a total full year dividend of 84.54 pence per share, an increase of 10% over the prior year.
- Strong cash generation:
 - Operating cash flow of £378 million (£347 million in the prior year); and
 - Free cash flow of £315 million (£277 million in the prior year), a 138% conversion of operating profit into cash.
- Increase in return on capital employed to 18.9% reflecting improvements in all four divisions, driven by profit growth and excellent working capital management.
- Record development activity, with committed acquisition expenditure of £554 million, including the commitment to acquire Butagaz which was announced separately today.
- The profitable disposal of DCC's Food & Beverage division brings increased strategic focus to the Group.
- The strong cash flow performance during the year resulted in the Group moving to a modest net cash position of £30 million at year end. The modest net cash position is before development expenditure committed during the year and since the balance sheet date of £465 million, which it is anticipated will be paid in the year to 31 March 2016.
- DCC's capacity to continue the development of its business is expected to be enhanced by the intention to issue up to 4.2 million new Ordinary Shares by way of a share placing (representing up to 5% of the existing issued share capital of the Group, excluding Treasury Shares), which was announced separately today.
- DCC anticipates very significant profit growth in the year to 31 March 2016.

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

“The year to 31 March 2015 has been an outstanding year for the Group with:

- operating profit growth in each of DCC’s four divisions, resulting in Group operating profit from continuing activities 10.5% ahead of the prior year at £222 million;*
- excellent operating profit to free cash flow conversion of 138%;*
- improvements in return on capital employed in all divisions, resulting in a Group return on capital employed of 18.9%;*
- a proposed 10% increase in the dividend, the 21st consecutive year of dividend growth;*
- a record level of acquisition activity, resulting in expenditure now committed of £554 million; and*
- the profitable disposal of the Group’s Food & Beverage division.*

DCC remains ambitious to continue the growth and development of its business. The Group’s strategy has always included maintaining a strong and liquid balance sheet to leave it well placed to take advantage of opportunities as they arise. To that end and cognisant that the Group is already committed to development expenditure totalling £465 million, the Board has today separately announced a placing of new Ordinary Shares representing up to 5% of the existing issued share capital of the Group (excluding Treasury Shares). The funds raised from this placing will ensure the Group retains financial capacity for further development while preserving the balance sheet strength that has served it well over many years.

The outlook for the year to 31 March 2016 is based on the important assumptions that:

- the acquisitions of Esso Retail France and Butagaz will complete by the end of June 2015 and in the final calendar quarter of 2015 respectively; and*
- there will be normal winter weather conditions.*

At this very early stage, the Group anticipates that both operating profit and adjusted earnings per share from continuing activities will be very significantly ahead of the prior year.”

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Results

A summary of the Group's results for the year ended 31 March 2015 is as follows:

	2015 £'m	Restated ¹ 2014 £'m	% change
Revenue - continuing ²	<u>10,606</u>	<u>11,045</u>	-4.0%
Operating profit ³			
DCC Energy	119.4	110.5	+8.1%
DCC Technology	49.3	48.1	+2.6%
DCC Healthcare	39.7	30.4	+30.6%
DCC Environmental	<u>13.3</u>	<u>11.7</u>	+13.2%
Operating profit ³ - continuing ²	221.7	200.7	+10.5%
Operating profit ³ - discontinued operations	<u>6.5</u>	<u>6.6</u>	
Group operating profit ³	228.2	207.3	+10.1%
Share of equity accounted investments	0.5	1.0	
Finance costs (net)	<u>(29.1)</u>	<u>(21.4)</u>	
Profit before net exceptionals, amortisation of intangible assets and tax	199.6	186.9	+6.8%
Net exceptional charge	<u>(10.9)</u>	<u>(15.4)</u>	
Amortisation of intangible assets	<u>(25.4)</u>	<u>(20.5)</u>	
Profit before tax	163.3	151.0	+8.1%
Taxation	<u>(18.9)</u>	<u>(27.1)</u>	
Profit after tax	144.4	123.9	+16.5%
Non-controlling interests	-	<u>(2.7)</u>	
Attributable profit	<u>144.4</u>	<u>121.2</u>	+19.1%
Adjusted earnings per share ³ - continuing ²	202.2 pence	184.1 pence	+9.8%
Total adjusted earnings per share ³	209.2 pence	191.2 pence	+9.4%
Dividend per share	84.54 pence	76.85 pence	+10.0%
Operating cash flow	377.8	346.9	
Free cash flow ⁴	314.5	277.0	
Net cash/(debt) at 31 March	30.0	(87.3)	
Total equity at 31 March	987.0	946.3	
Return on capital employed	18.9%	16.3%	

¹ All comparative numbers presented in this statement have been restated to reflect the impact of new accounting rules for joint ventures

² Excludes DCC Food & Beverage, the activities of which have now been disposed of

³ Excluding net exceptionals and amortisation of intangible assets

⁴ After net capital expenditure and before exceptional items, interest and tax payments

Overview of results

Revenue

Volumes in DCC Energy increased by 5.7% over the prior year and on an organic basis were 1.2% ahead of the prior year. Average temperatures in Britain, DCC Energy's largest market, were in line with the prior year although warmer than the ten year average. Due to the impact of lower oil prices, DCC Energy's revenue declined by 7.5% (5.6% on a constant currency basis).

Revenue from continuing activities, excluding DCC Energy, was up 6.5% (8.4% on a constant currency basis). Approximately one quarter of this growth was organic and was driven by the growth in DCC Technology's Continental European and Supply Chain activities and good organic growth in DCC Healthcare.

Overall Group revenue from continuing activities decreased by 4.0% (2.1% on a constant currency basis) to £10.6 billion, reflecting the impact of lower oil prices.

Operating profit

Group operating profit from continuing activities increased by 10.5% to £221.7 million. This growth was impacted by the movement in the rate used for translating the Group's non-sterling denominated profits into sterling. The average euro/sterling translation rate for the year ended 31 March 2015 of 0.7890 was 6.5% weaker than the average of 0.8441 in the prior year. Operating profit growth on a constant currency basis was 11.9% and approximately one third of this growth was organic.

Operating profit in DCC Energy, the Group's largest division, was 8.1% ahead of the prior year (10.3% ahead on a constant currency basis). Approximately one third of this growth was organic and the balance from a first time contribution from Qstar, the Swedish unmanned retail business which was acquired in May 2014.

Operating profit in DCC Technology, the Group's second largest division, was modestly ahead of the prior year (3.7% ahead on a constant currency basis) with growth from the UK & Ireland reseller customer channel, the Supply Chain business and a strong performance from the Continental European business, including a first time contribution from CapTech (acquired in September 2014). This growth was largely offset by the impact of a weaker market in the UK for tablet and smartphone products, following a particularly strong performance in DCC Technology's UK business in the prior year.

Operating profit in DCC Healthcare was 30.6% ahead of the prior year (40.4% excluding Virtus Inc., which was disposed of in March 2014), benefitting from first time contributions from Williams Medical, acquired in May 2014, and UPL, acquired in January 2014, and also from a very strong organic performance in DCC Health & Beauty Solutions.

Operating profit in DCC Environmental was 13.2% ahead of the prior year as the recovery in the business continued in Britain and Ireland.

An analysis of the divisional performance in each half of the year, for the Group's continuing activities, is set out below:

	2014/15**			2013/14**			% change		
Operating profit*	H1	H2	FY	H1	H2	FY	H1	H2	FY
	£'m	£'m	£'m	£'m	£'m	£'m			
DCC Energy	31.9	87.5	119.4	33.5	77.0	110.5	-4.7%	+13.6%	+8.1%
DCC Technology	15.2	34.1	49.3	14.1	34.0	48.1	+7.7%	+0.5%	+2.6%
DCC Healthcare	15.9	23.8	39.7	12.6	17.8	30.4	+26.7%	+33.3%	+30.6%
DCC Environmental	7.1	6.2	13.3	6.3	5.4	11.7	+11.7%	+14.8%	+13.2%
Group	<u>70.1</u>	<u>151.6</u>	<u>221.7</u>	<u>66.5</u>	<u>134.2</u>	<u>200.7</u>	<u>+5.4%</u>	<u>+13.0%</u>	<u>+10.5%</u>
Adjusted EPS* (pence)	<u>59.3</u>	<u>142.9</u>	<u>202.2</u>	<u>55.8</u>	<u>128.3</u>	<u>184.1</u>	<u>+6.2%</u>	<u>+11.4%</u>	<u>+9.8%</u>

* Excluding net exceptionals and amortisation of intangible assets

** Excludes DCC Food & Beverage, the activities of which have now been disposed of

Change in accounting policy and restatement

IFRS 11 *Joint Arrangements* has been adopted as required by IFRS for the year ended 31 March 2015. Whilst the impact on the comparatives is not material, they have been restated accordingly. Further details are set out in note 3.

Finance costs (net)

Net finance costs increased to £29.1 million (2014: £21.4 million) primarily as a result of the incremental interest cost of the additional US Private Placement debt drawn down in the first half of the year. Average net debt during the year of £309 million compared to £366 million in the prior year. Interest was covered 9.9 times by Group operating profit before depreciation and amortisation of intangible assets (12.3 times in 2014).

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

Profit before net exceptional items, amortisation of intangible assets and tax increased by 6.8% to £199.6 million.

Net exceptional charge and amortisation of intangible assets

The Group incurred a net exceptional charge before tax and non-controlling interests of £10.9 million as follows:

	£'m
Restructuring costs	23.9
Acquisition related costs	3.5
Mark to market loss	2.2
Net gain on disposals	(8.2)
Gain arising on pension curtailments	(8.7)
Other (net)	<u>(1.8)</u>
Net exceptional charge	<u>10.9</u>

The Group incurred an exceptional charge of £23.9 million mainly in relation to restructuring of existing businesses and is inclusive of a goodwill impairment charge of £5.6 million.

Acquisition costs include the professional and tax costs (such as stamp duty) relating to the evaluation and completion of acquisition opportunities. During the year, acquisition related costs amounted to £3.5 million.

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 interest rate derivatives, to both 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 hedges, offset by foreign exchange translation gains or losses on the related fixed rate debt, is charged or credited as an exceptional item. In the year ended 31 March 2015 this amounted to an exceptional charge of £2.2 million.

During the second half of the financial year the Group disposed of its Irish Food & Beverage subsidiaries. The aggregate consideration from these disposals was £55.1 million and the disposals generated an exceptional gain, net of disposal costs, of £8.2 million. The remaining small UK wine distribution subsidiary was classified as an asset held for sale at the balance sheet date. The sale of this subsidiary was completed on 28 April 2015.

The restructuring of certain of the Group's pension arrangements gave rise to an exceptional gain of £8.7 million.

The balance of the exceptional items relates to a gain arising from the write back of contingent acquisition consideration no longer payable (£1.1 million) and a gain in relation to the Pihsiang legal claim (£0.9 million), where there was further modest cash recovery.

The charge for the amortisation of acquisition related intangible assets increased to £25.4 million from £20.5 million, principally reflecting acquisitions completed in the current and prior year.

Profit before tax

Profit before tax increased by 8.1% to £163.3 million.

Taxation

The effective tax rate for the Group decreased to 12% compared to 14% in the prior year. The decrease is primarily due to the mix of taxable Group profits and a reduction in the UK corporation tax rate.

Adjusted earnings per share

Total adjusted earnings per share increased by 9.4% to 209.2 pence. On a continuing basis, adjusted earnings per share increased by 9.8% to 202.2 pence.

Dividend

The Board is recommending an increase of 10% in the final dividend to 55.81 pence per share, which, when added to the interim dividend of 28.73 pence per share, gives a total dividend for the year of 84.54 pence per share. This represents a 10% increase over the total prior year dividend of 76.85 pence per share. The dividend is covered 2.5 times by adjusted earnings per share (2.5 times in 2014). It is proposed to pay the final dividend on 23 July 2015 to shareholders on the register at the close of business on 29 May 2015.

Over its 21 years as a listed company, DCC has an unbroken record of dividend growth at a compound annual rate of 14.6%.

Cash flow

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

Year ended 31 March	2015 £'m	Restated 2014 £'m
Operating profit	228.2	207.3
Decrease in working capital	102.6	87.0
Depreciation and other	<u>47.0</u>	<u>52.6</u>
Operating cash flow	377.8	346.9
Capital expenditure (net)	<u>(63.3)</u>	<u>(69.9)</u>
Free cash flow	314.5	277.0
Dividend from equity accounted investments	0.8	0.6
Interest and tax paid	<u>(60.8)</u>	<u>(52.8)</u>
Free cash flow after interest and tax	254.5	224.8
Acquisitions	(123.5)	(50.1)
Disposals	55.1	11.1
Dividends	(66.1)	(62.1)
Exceptional items (net)	(16.5)	(21.1)
Share issues	<u>1.7</u>	<u>2.0</u>
Net inflow	105.2	104.6
Opening net debt	(87.3)	(186.6)
Translation and other	<u>12.1</u>	<u>(5.3)</u>
Closing net cash/(debt)	<u>30.0</u>	<u>(87.3)</u>

Operating cash flow in 2015 was £377.8 million compared to £346.9 million in the prior year. Working capital reduced by £102.6 million with overall working capital days improving by 4.3 days to a negative 4.9 days sales. Working capital improvements were achieved across each of the Group's divisions with overall Group inventory days reducing from 16.4 days to 11.7 days. DCC Technology selectively uses supply chain financing solutions to sell, on a non-recourse basis, a portion of its receivables relating to certain larger supply chain / sales and marketing activities. The level of supply chain financing at 31 March 2015 was £148.1 million (31 March 2014: £122.6 million) and this had a positive impact on Group working capital days of 5.4 days (31 March 2014: 4.0 days).

After capital expenditure of £63.3 million (2014: £69.9 million), free cash flow amounted to £314.5 million, an excellent 138% conversion of operating profit into cash.

Return on capital employed

The creation of shareholder value through the delivery of consistent, long-term returns well in excess of its cost of capital is one of DCC's core strategic aims. Return on capital employed increased from 16.3% to 18.9% driven by the increase in the Group's operating profit and strong working capital management. The return on capital employed by division was as follows:

	2015	2014
DCC Energy	19.8%	17.5%
DCC Technology	25.5%	21.1%
DCC Healthcare	16.6%	14.2%
DCC Environmental	9.7%	8.6%
Group	18.9%	16.3%

Acquisitions and capital expenditure

Including the commitment to acquire Butagaz, which was announced today, committed acquisition and capital expenditure amounted to £617.4 million as follows:

	Acquisitions £'m	Capex £'m	Total £'m
DCC Energy	457.7	40.7	498.4
DCC Technology	39.7	8.0	47.7
DCC Healthcare	54.3	5.8	60.1
DCC Environmental	-	8.2	8.2
DCC Food & Beverage	2.4	0.6	3.0
Total	554.1	63.3	617.4

Acquisition activity

Committed acquisition expenditure amounted to £554.1 million.

DCC Energy

Butagaz

DCC has separately announced today that DCC Energy has made a binding offer to acquire Butagaz S.A.S. ("Butagaz"), a leading liquefied petroleum gas ("LPG") business in France, from Shell for €464 million (£338 million). Shell has granted exclusivity while it consults with its French Works Councils as required under French law. The acquisition of Butagaz would represent the largest ever acquisition by DCC and a major step forward in the continuing expansion of its LPG business. The French LPG market is the second largest in Western Europe and approximately twice the size of the market in Britain. The acquisition of Butagaz would provide DCC Energy with a substantial presence in the French LPG market, an experienced management team and a high quality sales, marketing and operating infrastructure.

Key transaction features:

- Butagaz has a market share of 25% and the "Butagaz" brand is the leading LPG brand in France.
- Butagaz is market leader in the LPG cylinder and small bulk market segments and sells directly or indirectly to over four million customers.
- The acquisition would significantly increase the scale of DCC's LPG business from approximately 700,000 tonnes to 1.2 million tonnes.
- Agreed valuation, on a debt-free, cash-free basis of €464 million (£338 million).
- Underlying EBITDA of €123.6 million (£89.9 million) and EBIT of €74.2 million (£53.9 million) with excellent cash conversion.
- Underlying EBITDA and EBIT multiples of 3.8 and 6.2 respectively.

- Significantly EPS accretive, with return on capital employed expected to be substantially above DCC's cost of capital.

Esso Retail France

As previously announced on 28 August 2014, DCC reached agreement in principle with Esso Société Anonyme Française ("Esso SAF") to acquire the assets that comprise the Esso Express unmanned retail petrol station network and the Esso branded motorway concessions in France. The business to be acquired will have annual volumes of approximately 1.9 billion litres. All of the relevant competition and legal clearances have now been received and the transaction is expected to complete by the end of June 2015, once implementation of the IT and operational infrastructure required to affect the business transfer is completed.

The total consideration, inclusive of stock in tank at the date of acquisition, will be in the region of €130 million (£95 million), payable in cash on completion.

DLG Denmark

In March 2015 DCC Energy agreed in principle to combine its Danish oil distribution business with the oil and wood pellet distribution activities of DLG, a leading Danish agricultural business. The transaction is subject to competition clearance and will result in DCC Energy owning 60% of the enlarged entity which will distribute approximately 400 million litres of oil and 180,000 tonnes of wood pellets and will be managed by DCC Energy's existing management team. The cash impact of the transaction will be very modest.

DCC Technology

CapTech

In September 2014 DCC Technology expanded its European footprint with the acquisition of CapTech Distribution AB, Sweden's largest independent technology distribution business, for an initial enterprise value of £15.7 million. With annual revenue of approximately £140 million, CapTech has a particularly strong market position in IT hardware and AV systems. CapTech partners with many of the world's leading technology manufacturers and brand owners, including Acer, Asus, BenQ, Dell, Microsoft, NEC and Samsung, and sells to a very broad range of retail and reseller customers.

Computers Unlimited

In May 2015 DCC Technology acquired Computers Unlimited ("CU") for an initial enterprise value of £24.0 million. CU is a consumer technology distributor operating primarily in the UK but also with operations in France and Spain. The business has annual revenue of approximately £140 million and is focused on the 'Connected Home' and professional design market. The business distributes a range of products that are complementary to those distributed by Exertis, including design software, printers, accessories and premium audio systems.

DCC Healthcare

Williams Medical

As previously announced on 3 June 2014, DCC Healthcare acquired Williams Medical, the market leader in the supply of medical and pharmaceutical products and related services to general practitioners ("GPs") in Britain. The consideration (which was paid in cash at completion) was based on an enterprise value of £45 million. Williams Medical supplies a wide range of own and third party branded products - medical equipment, consumables and pharmaceuticals - to a very broad customer base of approximately 10,000 GP practices and healthcare providers in the community care and domiciliary care sectors. The acquisition of Williams Medical represents an excellent strategic fit and another material step forward for DCC Healthcare, following the acquisitions of Kent Pharma, Leonhard Lang UK and UPL over the last two years.

Beacon

In November 2014, DCC Healthcare acquired Beacon Pharmaceuticals Limited in a transaction based on an enterprise value of up to £10 million. Beacon is a niche pharma business which markets and sells its own licensed and third party pharma products primarily to the hospital sector in the UK.

Total cash spend on acquisitions for the year ended 31 March 2015

The acquisition of Qstar, a Swedish unmanned retail petrol station company, along with its related fuel distribution and fuel card businesses, previously announced on 17 February 2014, was completed on 12 May 2014 for a total consideration of £38.7 million. The consideration for the Esso Retail France, Butagaz, DLG Denmark and CU transactions will not be paid until these transactions complete in the year to 31 March 2016. Accordingly, the cash outflow on acquisitions in the year ended 31 March 2015, inclusive of a net movement in contingent acquisition consideration of £7.8 million, was £123.5 million.

Capital expenditure

Net capital expenditure in the year of £63.3 million (2014: £69.9 million) compares to a depreciation charge of £59.7 million (2014: £55.4 million).

In its interim results announcement, the Group outlined the progress made by DCC Technology in integrating its UK businesses under the Exertis brand as part of its strategy to offer an enhanced sales proposition to its entire customer base. It also announced the commencement of a program to upgrade its ERP and logistics infrastructure to support future growth in a cost effective manner. SAP has now been selected as the preferred ERP platform and the implementation of this system will take place on a phased basis over the next two years. In addition, DCC Technology is developing a new, purpose built, 450,000 sq.ft. UK national distribution centre close to the majority of its existing facilities, which will consolidate the activities of most of its seven existing warehouse facilities and provide capacity for further growth. The relocation to the new facility will be conducted on a staged basis and will begin in the year ending 31 March 2017. The capital expenditure relating to these developments is of the order of £55 million, most of which will fall in the year ending 31 March 2016. Following the completion of these projects, apart from the capacity increases and cost efficiencies that should be generated, a significant proportion of this expenditure is expected to be recouped from the disposal of the existing facilities owned by DCC Technology and from improvements in working capital.

Financial Strength

DCC's balance sheet remains highly liquid with the Group moving to a modest net cash position of £30 million at 31 March 2015 (average net debt during the year of £309 million). The modest net cash position is before development expenditure committed during the year and since the balance sheet date of £465 million which it is anticipated will be paid in the year ending 31 March 2016. The modest year end net cash position is net of term debt of £1.1 billion with an average maturity of seven years and an average credit spread over euribor/libor of 1.65%.

DCC remains ambitious to continue the growth and development of its business. The Group's strategy has always included maintaining a strong and liquid balance sheet to leave it well placed to take advantage of opportunities as they arise. To that end and cognisant that the Group is already committed to development expenditure totalling £465 million, the Board has today separately announced a placing of new Ordinary Shares representing up to 5% of the existing issued share capital of the Group (excluding Treasury Shares). The funds raised from this placing will ensure the Group retains financial capacity for further development while preserving the balance sheet strength that has served it well over many years.

Outlook

The outlook for the year to 31 March 2016 is based on the important assumptions that:

- the acquisitions of Esso Retail France and Butagaz will complete by the end of June 2015 and in the final calendar quarter of 2015 respectively; and
- there will be normal winter weather conditions.

At this very early stage the Group anticipates that both operating profit and adjusted earnings per share from continuing activities will be very significantly ahead of the prior year.

Operating review

DCC Energy

	2015	2014	% change
Revenue	£7,624.1m	£8,243.6m	-7.5%
Volumes (litres)	10.8bn	10.2bn	+5.7%
Operating profit	£119.4m	£110.5m	+8.1%
Return on capital employed	19.8%	17.5%	

It was an excellent year for growth and development in DCC Energy. DCC Energy delivered a strong trading performance with operating profit 8.1% ahead of the prior year (10.3% ahead on a constant currency basis). The trading performance benefitted from acquisitions and a continuing focus on operational efficiency, partly offset by the effect of mild winter weather conditions, relative to the 10 year average, which impacted all geographies in which DCC Energy operates. DCC Energy made excellent progress in its strategy to expand both its retail and LPG businesses by committing to acquire both the Esso Retail and Butagaz businesses in France.

DCC Energy sold 10.8 billion litres of product during the year, an increase of 5.7% over the prior year (1.2% organically).

The **Oil distribution** business performed robustly, notwithstanding the impact of the mild winter weather conditions. The business benefitted from good cost control, improved logistics efficiencies and continued growth in the commercial sectors of the market. The business continued its focus on growth in the transport fuels sector and made good progress in supplying retail petrol station, marine and aviation customers.

The **LPG** business performed well during the year. Good growth was achieved in sales to commercial and industrial customers in the UK and Ireland, while in Benelux the autogas sector performed strongly. Continuing its strategy to expand the LPG business into new markets, DCC today announced it has made a binding offer to acquire Butagaz, which would position DCC Energy as the strong number two in the LPG market in France.

DCC Energy made excellent progress in developing its business in **Retail and Fuel Cards**. DCC's fuel card business in Britain had an excellent year and recorded very strong organic volume growth. The acquisition of Qstar in May 2014 was DCC's first material acquisition in the retail petrol station market and positions DCC as the fifth largest retailer of petrol and diesel in Sweden through Qstar's nationwide network of 325 unmanned sites. Qstar has performed in line with expectations since acquisition. DCC Energy made further progress in the retail sector when it announced in August 2014 that it had reached agreement in principle to acquire Esso's retail petrol station business in France, comprising 274 unmanned Esso Express sites and concessions to operate 48 Esso branded motorway sites.

Following the completion of the Esso Retail acquisition in France, DCC Energy will operate across ten countries in Europe and remains well positioned to grow in those markets and to continue to expand into new geographies.

DCC Technology

	2015	2014	% change
Revenue	£2,350.3m	£2,264.0m	+3.8%
Operating profit	£49.3m	£48.1m	+2.6%
Operating margin	2.1%	2.1%	
Return on capital employed	25.5%	21.1%	

DCC Technology achieved a satisfactory result, with operating profit increasing by 3.7% on a constant currency basis. The business recorded strong growth in its Continental European and Supply Chain Services businesses and good growth in its UK & Ireland reseller customer channel. This strong performance was largely offset by the impact of a weaker market for tablets and mobile phones in the UK, following a very strong prior year.

Exertis UK & Ireland achieved strong growth across its UK reseller customer channel driven by sales of technical and specialist products, such as servers, storage, networking and security. This was offset by a decline in sales into the retail channel, primarily driven by lower sales of tablets and smartphones, particularly in the second half. The UK business was impacted by the fall in the overall tablet market, which declined by 17% in 2014, and reduced sales of mobile computing and communications products of one large supplier in the second half of the financial year. Good growth was achieved in gaming products as the business benefitted from the first full year of the latest generation of gaming consoles, which were launched in advance of Christmas 2013. The Irish business benefitted from growth in its reseller business and good cost control. Exertis UK & Ireland now accounts for 79% of revenue of the division. In May 2015, DCC Technology acquired Computers Unlimited ("CU"), a consumer technology distributor, operating primarily in the UK but also with operations in France and Spain. The business is focused on the 'Connected Home' and professional design market and distributes a range of products that are complementary to those distributed by Exertis, including design software, printers, accessories and premium audio systems.

Following the successful rebranding of all of the businesses within DCC Technology to Exertis in the prior year, the business is in the process of upgrading its logistics and IT infrastructure in the UK. This project will add significant warehouse capacity, improve efficiency and enable Exertis UK to continue to expand its product and service offering.

Exertis Continental Europe, which accounts for 14% of divisional revenue, achieved very strong growth. The business made further progress in expanding its geographic coverage, in line with its strategic objectives, by acquiring CapTech, the third largest IT distributor in Sweden. This acquisition will provide the foundation for the development of a more broadly based business in the Nordic region. In France the business generated strong organic growth, benefitting from the introduction of a number of new suppliers and good cost management.

Exertis Supply Chain Services, which accounts for 7% of divisional revenue, achieved excellent organic growth as it won new business, achieved growth with existing customers and made further progress in positioning its supply chain offering as an integral part of the full end-to-end service proposition provided by DCC Technology.

DCC Technology has strong market positions and industry-leading integrated service offerings. The investments being undertaken will drive efficiencies and enable further development of its service propositions, leaving the business well placed to continue to benefit from the product innovations of its suppliers and the expansion of sales channels for technology products.

DCC Healthcare

	2015	2014	% change
Revenue	£488.1m	£406.5m	+20.1%
Operating profit	£39.7m	£30.4m	+30.6%
Operating margin	8.1%	7.5%	
Return on capital employed	16.6%	14.2%	

DCC Healthcare had another excellent year, growing its operating profit by 30.6% (40.4% excluding Virtus Inc. which was disposed of in March 2014), approximately one quarter of which was organic. The business also increased its return on capital employed and significantly enhanced its market position and scale through further bolt-on acquisition activity and the successful integration of recent acquisitions.

DCC Vital, which is focused on the sales, marketing and distribution of pharmaceuticals and medical devices in Britain and Ireland, recorded strong operating profit growth driven by acquisitions made in the current and prior year and good organic growth. Williams Medical, which was acquired in May 2014, grew its profits in line with expectations. This acquisition has given DCC Vital market leadership in the supply of medical devices, pharmaceuticals and related services to GP surgeries in Britain, as well as a growing business in supplying healthcare providers in the evolving community and domiciliary care sectors. DCC Vital now offers comprehensive coverage across all sales channels in Britain and is well positioned to benefit from government health and social care policies which are focused on shifting the point of care to the most cost effective location, typically away from acute care settings to primary and community care settings.

DCC Vital recorded particularly good organic growth in hospital injectable pharmaceuticals, an area that was further enhanced by the acquisition of Beacon Pharmaceuticals in November 2014. Good growth was also achieved in medical devices including electrodes, diathermy consumables, anaesthesia products and gloves.

DCC Health & Beauty Solutions, which provides outsourced solutions to nutrition and beauty brand owners in Europe, generated excellent organic operating profit growth, driven by integration synergies, margin improvement, good cost control and also benefitted from a full year contribution from UPL, acquired in January 2014. The business is leveraging its increased market presence in the beauty area and its enhanced capability in the manufacturing of creams and liquids. The Swedish tablet manufacturing operations have now been fully integrated into the larger tablet manufacturing facility in Britain with sales and regulatory personnel retained in Sweden to focus on business development in the Nordic region. DCC Health & Beauty Solutions seeks to focus its resources on developing and manufacturing more complex, higher added value products on behalf of its customers. The business made good progress in this regard during the year which enabled it to improve its sales mix, particularly in nutritional soft gel capsules, and achieve higher margins.

DCC Healthcare remains well placed to continue the strong record of growth and development across its business.

DCC Environmental

	2015	2014	% change
Revenue	£143.6m	£130.6m	+9.9%
Operating profit	£13.3m	£11.7m	+13.2%
Operating margin	9.3%	9.0%	
Return on capital employed	9.7%	8.6%	

DCC Environmental recorded a strong result, with operating profit increasing by 13.2% and an improvement in its return on capital employed.

Despite the impact in the year of sustained weakness in commodity prices, the British business performed strongly. Volumes grew by 18% primarily as a result of increased economic activity, particularly in the industrial and construction sectors, and good new business development initiatives. Underlying margins also improved aided by an increase in the proportion of waste diverted from landfill, the most expensive and least environmentally sustainable disposal outlet.

Operating profit also increased in Ireland. The business successfully expanded its range of services, particularly to the waste water treatment sector. In addition, the business benefitted from good cost management and its continuing focus on operational efficiency.

Annual Report and Annual General Meeting

DCC's 2015 Annual Report will be published in June 2015. The Company's Annual General Meeting will be held at 11.00 am on Friday 17 July 2015 in The InterContinental 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 risk and uncertainty. DCC believes that its expectations and assumptions with respect to these forward-looking statements are reasonable, however because they involve risk and uncertainty as to future circumstances, which are in many cases beyond DCC's control, actual results or performance may differ materially from those expressed in 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 8.45 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 3427 1903

Passcode: 7191600

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

Group Income Statement

for the year ended 31 March 2015

		2015			Restated 2014		
Notes		Pre exceptionals £'000	Exceptionals (note 8) £'000	Total £'000	Pre exceptionals £'000	Exceptionals (note 8) £'000	Total £'000
Continuing operations							
Revenue	7	10,606,080	-	10,606,080	11,044,763	-	11,044,763
Cost of sales		(9,781,910)	-	(9,781,910)	(10,283,389)	-	(10,283,389)
Gross profit		824,170	-	824,170	761,374	-	761,374
Administration expenses		(262,923)	-	(262,923)	(246,515)	-	(246,515)
Selling and distribution expenses		(350,978)	-	(350,978)	(330,582)	-	(330,582)
Other operating income		19,657	3,798	23,455	19,253	30,491	49,744
Other operating expenses		(8,210)	(23,602)	(31,812)	(2,833)	(39,053)	(41,886)
Operating profit before amortisation of intangible assets		221,716	(19,804)	201,912	200,697	(8,562)	192,135
Amortisation of intangible assets		(24,057)	-	(24,057)	(19,656)	-	(19,656)
Operating profit	7	197,659	(19,804)	177,855	181,041	(8,562)	172,479
Finance costs		(60,216)	(2,191)	(62,407)	(50,540)	(2,128)	(52,668)
Finance income		31,288	-	31,288	29,409	-	29,409
Equity accounted investments' profit after tax		402	-	402	520	-	520
Profit before tax from continuing operations		169,133	(21,995)	147,138	160,430	(10,690)	149,740
Profit for the financial year from discontinued operations	6	5,088	11,079	16,167	6,006	(4,721)	1,285
Profit before tax		174,221	(10,916)	163,305	166,436	(15,411)	151,025
Income tax expense		(18,881)	-	(18,881)	(21,827)	(5,255)	(27,082)
Profit after tax for the financial year		155,340	(10,916)	144,424	144,609	(20,666)	123,943
Profit attributable to:							
Owners of the Parent				144,427			121,234
Non-controlling interests				(3)			2,709
				<u>144,424</u>			<u>123,943</u>
Profit after tax for the financial year comprises:							
Profit after tax from continuing operations				128,661			123,369
Profit after tax from discontinued operations				15,763			574
				<u>144,424</u>			<u>123,943</u>
Earnings per ordinary share							
Basic - continuing operations	9			153.20p			144.02p
Basic - discontinued operations	9			18.77p			0.68p
Basic	9			<u>171.97p</u>			<u>144.70p</u>
Diluted - continuing operations	9			152.10p			143.22p
Diluted - discontinued operations	9			18.63p			0.68p
Diluted	9			<u>170.73p</u>			<u>143.90p</u>

Group Statement of Comprehensive Income

for the year ended 31 March 2015

	2015 £'000	2014 £'000
Group profit for the financial year	144,424	123,943
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
Currency translation:		
- arising in the year	(15,007)	(7,575)
- recycled to the Income Statement on disposal	(2,721)	324
Movements relating to cash flow hedges	(6,942)	(3,455)
Movement in deferred tax liability on cash flow hedges	324	288
	<u>(24,346)</u>	<u>(10,418)</u>
Items that will not be reclassified to profit or loss		
Group defined benefit pension obligations:		
- remeasurements	(19,302)	(835)
- movement in deferred tax asset	2,187	152
	<u>(17,115)</u>	<u>(683)</u>
Other comprehensive income for the financial year, net of tax	<u>(41,461)</u>	<u>(11,101)</u>
Total comprehensive income for the financial year	<u>102,963</u>	<u>112,842</u>
Attributable to:		
Owners of the Parent	103,555	110,189
Non-controlling interests	(592)	2,653
	<u>102,963</u>	<u>112,842</u>
Attributable to:		
Continuing operations	103,378	114,479
Discontinued operations	(415)	(1,637)
	<u>102,963</u>	<u>112,842</u>

Group Balance Sheet

as at 31 March 2015

	Note	2015 £'000	Restated 2014 £'000
ASSETS			
Non-current assets			
Property, plant and equipment		464,689	464,864
Intangible assets		759,179	742,516
Equity accounted investments		4,963	6,124
Deferred income tax assets		9,380	11,251
Derivative financial instruments		233,150	56,240
		<u>1,471,361</u>	<u>1,280,995</u>
Current assets			
Inventories		320,655	501,408
Trade and other receivables		847,274	957,821
Derivative financial instruments		5,395	1,221
Cash and cash equivalents		1,260,942	962,139
		<u>2,434,266</u>	<u>2,422,589</u>
Assets classified as held for sale		12,196	-
		<u>2,446,462</u>	<u>2,422,589</u>
Total assets		<u>3,917,823</u>	<u>3,703,584</u>
EQUITY			
Capital and reserves attributable to owners of the Parent			
Share capital		14,688	14,688
Share premium		83,032	83,032
Share based payment reserve	11	12,756	10,630
Cash flow hedge reserve	11	(10,462)	(3,844)
Foreign currency translation reserve	11	32,683	49,822
Other reserves	11	932	932
Retained earnings		849,119	786,158
Equity attributable to owners of the Parent		<u>982,748</u>	<u>941,418</u>
Non-controlling interests		4,245	4,837
Total equity		<u>986,993</u>	<u>946,255</u>
LIABILITIES			
Non-current liabilities			
Borrowings		1,314,386	725,831
Derivative financial instruments		92	45,636
Deferred income tax liabilities		30,533	27,518
Post employment benefit obligations	13	10,230	16,033
Provisions for liabilities and charges		29,016	24,157
Contingent acquisition consideration		40,149	36,949
Government grants		1,272	1,323
		<u>1,425,678</u>	<u>877,447</u>
Current liabilities			
Trade and other payables		1,312,136	1,489,054
Current income tax liabilities		16,095	32,244
Borrowings		149,472	316,726
Derivative financial instruments		7,902	18,699
Provisions for liabilities and charges		8,096	6,785
Contingent acquisition consideration		3,235	16,374
		<u>1,496,936</u>	<u>1,879,882</u>
Liabilities associated with assets classified as held for sale		8,216	-
		<u>1,505,152</u>	<u>1,879,882</u>
Total liabilities		<u>2,930,830</u>	<u>2,757,329</u>
Total equity and liabilities		<u>3,917,823</u>	<u>3,703,584</u>
Net cash/(debt) included above (including cash attributable to assets held for sale)			
	12	<u>29,987</u>	<u>(87,292)</u>

Group Statement of Changes in Equity

For the year ended 31 March 2015

For the year ended 31 March 2015	Attributable to owners of the Parent					Non-controlling interests £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Retained earnings £'000	Other reserves (note 11) £'000	Total £'000		
At 1 April 2014	14,688	83,032	786,158	57,540	941,418	4,837	946,255
Profit for the financial year	-	-	144,427	-	144,427	(3)	144,424
Currency translation:							
- arising in the year	-	-	-	(14,418)	(14,418)	(589)	(15,007)
- recycled to the Income Statement on disposal	-	-	-	(2,721)	(2,721)	-	(2,721)
Group defined benefit pension obligations:							
- remeasurements	-	-	(19,302)	-	(19,302)	-	(19,302)
- movement in deferred tax asset	-	-	2,187	-	2,187	-	2,187
Movements relating to cash flow hedges	-	-	-	(6,942)	(6,942)	-	(6,942)
Movement in deferred tax liability on cash flow hedges	-	-	-	324	324	-	324
Total comprehensive income	-	-	127,312	(23,757)	103,555	(592)	102,963
Re-issue of treasury shares	-	-	1,699	-	1,699	-	1,699
Share based payment	-	-	-	2,126	2,126	-	2,126
Dividends	-	-	(66,050)	-	(66,050)	-	(66,050)
At 31 March 2015	14,688	83,032	849,119	35,909	982,748	4,245	986,993

For the year ended 31 March 2014

For the year ended 31 March 2014	Attributable to owners of the Parent					Non-controlling interests £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Retained earnings £'000	Other reserves (note 11) £'000	Total £'000		
At 1 April 2013	14,688	83,032	725,514	66,717	889,951	2,391	892,342
Profit for the financial year	-	-	121,234	-	121,234	2,709	123,943
Currency translation:							
- arising in the year	-	-	-	(7,519)	(7,519)	(56)	(7,575)
- recycled to the Income Statement on disposal	-	-	-	324	324	-	324
Group defined benefit pension obligations:							
- remeasurements	-	-	(835)	-	(835)	-	(835)
- movement in deferred tax asset	-	-	152	-	152	-	152
Movements relating to cash flow hedges	-	-	-	(3,455)	(3,455)	-	(3,455)
Movement in deferred tax liability on cash flow hedges	-	-	-	288	288	-	288
Total comprehensive income	-	-	120,551	(10,362)	110,189	2,653	112,842
Re-issue of treasury shares	-	-	1,981	-	1,981	-	1,981
Share based payment	-	-	-	1,185	1,185	-	1,185
Dividends	-	-	(61,888)	-	(61,888)	(207)	(62,095)
At 31 March 2014	14,688	83,032	786,158	57,540	941,418	4,837	946,255

Group Cash Flow Statement

for the year ended 31 March 2015

	Note	2015 £'000	Restated 2014 £'000
Cash flows from operating activities			
Profit for the financial year		144,424	123,943
Add back non-operating expenses			
- tax		18,881	27,082
- share of equity accounted investments' profit		(489)	(997)
- net operating exceptionals		8,725	13,283
- net finance costs		31,313	23,539
Operating profit before exceptionals		202,854	186,850
Share-based payments expense		2,126	1,185
Depreciation		59,710	55,402
Amortisation of intangible assets		25,345	20,416
Profit on disposal of property, plant and equipment		(3,256)	(1,783)
Amortisation of government grants		(358)	(383)
Other (primarily pension payments)		(11,159)	(1,779)
Decrease in working capital		102,556	86,955
Cash generated from operations before exceptionals		377,818	346,863
Exceptionals		(16,454)	(21,097)
Cash generated from operations		361,364	325,766
Interest paid		(59,678)	(50,011)
Income tax paid		(32,361)	(33,033)
Net cash flows from operating activities		269,325	242,722
Investing activities			
Inflows:			
Proceeds from disposal of property, plant and equipment		16,054	8,579
Government grants received		52	100
Dividends received from equity accounted investments		828	633
Disposal of subsidiaries and equity accounted investments	6	55,090	11,073
Interest received		31,222	30,210
		103,246	50,595
Outflows:			
Purchase of property, plant and equipment		(79,401)	(78,557)
Acquisition of subsidiaries	14	(107,223)	(39,876)
Contingent acquisition consideration paid		(16,326)	(10,196)
		(202,950)	(128,629)
Net cash flows from investing activities		(99,704)	(78,034)
Financing activities			
Inflows:			
Re-issue of treasury shares		1,699	1,981
Increase in interest-bearing loans and borrowings		448,989	342,950
Net cash inflow on derivative financial instruments		-	4,554
Increase in finance lease liabilities		-	324
		450,688	349,809
Outflows:			
Repayment of interest-bearing loans and borrowings		(169,631)	(60,364)
Repayment of finance lease liabilities		(486)	(499)
Net cash outflow on derivative financial instruments		(9,832)	-
Dividends paid to owners of the Parent	10	(66,050)	(61,888)
Dividends paid to non-controlling interests		-	(207)
		(245,999)	(122,958)
Net cash flows from financing activities		204,689	226,851
Change in cash and cash equivalents		374,310	391,539
Translation adjustment		(58,206)	(8,355)
Cash and cash equivalents at beginning of year		813,561	430,377
Cash and cash equivalents at end of year		1,129,665	813,561
Cash and cash equivalents consists of:			
Cash and short term bank deposits		1,260,942	962,139
Overdrafts		(133,629)	(148,578)
Cash and short term deposits attributable to assets held for sale		2,352	-
		1,129,665	813,561

Notes to the Financial Statements

for the year ended 31 March 2015

1. Basis of Preparation

The financial information, from the Group Income Statement to note 18, contained in this preliminary results statement has been derived from the Group financial statements for the year ended 31 March 2015 and is presented in sterling, 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 2015 and their report was unqualified. The financial information for the year ended 31 March 2014 represents an abbreviated, restated 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 2015 which are consistent with those applied in the prior year except as otherwise set out below.

2. Accounting Policies

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

- **IFRS 10 Consolidated Financial Statements.** This standard replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single entity remains unchanged, as do the mechanics of consolidation. IAS 27 is renamed '*Separate Financial Statements*' and is now a standard dealing solely with separate financial statements. This standard and the amendment to IAS 27 did not have a significant impact on the Group's financial statements;
- **IFRS 11 Joint Arrangements.** Under IAS 31 *Interests in Joint Ventures*, the Group's net interests in its joint arrangements were classified as joint ventures and the Group's share of assets, liabilities, revenue, income and expense were proportionately consolidated. IFRS 11 makes equity accounting mandatory for participants in joint ventures. The change to equity accounting had no impact on the Group's profit after tax but impacted each line item in the Consolidated Income Statement. Similarly, the Consolidated Balance Sheet was impacted on a line by line basis but net assets remained unchanged. As required by IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the nature and effect of changes arising as a result of the adoption of IFRS 11 on the Consolidated Income Statement, Consolidated Statement of Cash Flows and Consolidated Balance Sheet are disclosed in note 3. Under the transitional provisions of IFRS 11 the Group is not required to disclose the impact that the adoption of IFRS 11 has had on the current period;
- **IFRS 12 Disclosure of Interests in Other Entities.** This standard sets out the required disclosures for entities reporting under IFRS 10 and IFRS 11. IFRS 12 requires entities to disclose information about the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. This standard did not have a significant impact on the Group's financial statements; and
- **Amendment to IAS 32 Financial Instruments: Presentation.** This amendment clarifies that the right of set-off within financial assets and financial liabilities must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. This amendment did not have a significant impact on the Group's financial statements.

There are a number of other amendments to existing standards which became effective for the Group during the financial year but did not result in material changes to the Group's consolidated financial statements.

Notes to the Financial Statements

for the year ended 31 March 2015

3. Adoption of New Accounting Standards

As noted under Accounting Policies above, the Group adopted IFRS 11 *Joint Arrangements* on 1 April 2014. As required by IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the financial impact of the adoption of this standard is outlined below.

Impact on Group Income Statement

	Year ended 31 March 2014				
	As Reported £'000	Change in Accounting Policy £'000	Restated £'000	Analysed as:	
				Restated Discontinued Operations £'000	Restated Continuing Operations £'000
Revenue	11,231,666	(20,834)	11,210,832	166,069	11,044,763
Operating profit before exceptional items and amortisation of intangible assets	208,403	(1,137)	207,266	6,569	200,697
Net operating exceptional items	(13,283)	-	(13,283)	(4,721)	(8,562)
Amortisation of intangible assets	(20,416)	-	(20,416)	(760)	(19,656)
Operating profit	174,704	(1,137)	173,567	1,088	172,479
Finance costs (net)	(23,539)	-	(23,539)	(280)	(23,259)
Share of equity accounted investments	33	964	997	477	520
Profit before tax	151,198	(173)	151,025	1,285	149,740
Income tax expense	(27,255)	173	(27,082)	(711)	(26,371)
Profit after tax for the financial year	123,943	-	123,943	574	123,369
Earnings per ordinary share					
Basic	144.70p	-	144.70p	0.68p	144.02p
Diluted	143.90p	-	143.90p	0.68p	143.22p
Adjusted earnings per ordinary share					
Basic	191.20p	-	191.20p	7.11p	184.09p
Diluted	190.14p	-	190.14p	7.08p	183.06p

Impact on Group Balance Sheet

	As at 31 March 2014		
	As reported £'000	Change in accounting policy £'000	Restated £'000
ASSETS			
Non-current assets excluding equity accounted investments	1,280,990	(6,119)	1,274,871
Equity accounted investments	824	5,300	6,124
Current assets	2,425,785	(3,196)	2,422,589
Total assets	3,707,599	(4,015)	3,703,584
EQUITY			
Total equity	946,255	-	946,255
LIABILITIES			
Non-current liabilities	877,455	(8)	877,447
Current liabilities	1,883,889	(4,007)	1,879,882
Total liabilities	2,761,344	(4,015)	2,757,329
Total equity and liabilities	3,707,599	(4,015)	3,703,584
Net debt included above	(86,287)	(1,005)	(87,292)

Notes to the Financial Statements

for the year ended 31 March 2015

3. Adoption of New Accounting Standards (continued)

Impact on Group Cash Flow Statement

	Year ended 31 March 2014		
	As reported £'000	Change in accounting policy £'000	Restated £'000
Net cash flows from operating activities	244,363	(1,641)	242,722
Net cash flows from investing activities	(79,346)	1,312	(78,034)
Net cash flows from financing activities	226,851	-	226,851
Change in cash and cash equivalents	391,868	(329)	391,539
Translation adjustment	(8,376)	21	(8,355)
Opening cash and cash equivalents	431,074	(697)	430,377
Closing cash and cash equivalents	814,566	(1,005)	813,561

4. 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 2015 which were approved by the Board of Directors on 18 May 2015.

5. Reporting Currency

The Group's financial statements are prepared in sterling denoted by the symbol £. The exchange rates used in translating non-sterling Income Statement and Balance Sheet amounts into sterling were as follows:

	Average rate		Closing rate	
	2015 Stg£1=	2014 Stg£1=	2015 Stg£1=	2014 Stg£1=
Euro	1.2674	1.1847	1.3749	1.2074
Danish Krone	9.4577	8.8386	10.2705	9.0146
Swedish Krona	11.6866	10.3362	12.7734	10.8045
Norwegian Krone	10.7266	9.5103	11.9669	9.9674

Notes to the Financial Statements

for the year ended 31 March 2015

6. Net Result from Discontinued Operations and Assets Classified as Held for Sale

Net Result from Discontinued Operations

As announced on 23 February 2015 the Group completed the disposal of the Roberts Roberts (including Findlater Wine & Spirits) and Kelkin businesses. In addition, the Group disposed of the trade and assets of Allied Foods as announced on 4 November 2014 and the disposal of Bottle Green Limited was completed on 28 April 2015. These businesses represented the Group's Food & Beverage division.

The following table summarises the consideration received, the profit on disposal of discontinued operations and the net cash flow arising on the disposal of these businesses:

	£'000
Net consideration:	
Proceeds received	55,090
Costs of disposal	(4,326)
Total net consideration	50,764
Assets and liabilities disposed of:	
Non-current assets	35,597
Current assets	37,631
Non-current liabilities	(9,138)
Current liabilities	(19,569)
Net identifiable assets and liabilities disposed of	44,521
Recycling of foreign exchange gain previously recognised in foreign currency translation reserve	(2,721)
Non-cash impairment loss arising on assets held for sale	750
	42,550
Profit on disposal of discontinued operations after tax	8,214
Net cash flow from disposal of discontinued operations:	
Total proceeds received	55,176
Cash and cash equivalents disposed of	(86)
Net cash inflow from disposal of discontinued operations	55,090
Disposal costs paid	(2,431)
	52,659

Notes to the Financial Statements

for the year ended 31 March 2015

6. Net Result from Discontinued Operations and Assets Classified as Held for Sale (continued)

The conditions for the businesses disposed of during the year (Robert Roberts, Kelkin and the trade and assets of Allied Foods) and after year end (Bottle Green Limited) to be classified as discontinued operations were fulfilled in the second half of the current financial year and, consequently, the results of these businesses which represented the Group's Food & Beverage division are presented separately as discontinued operations in the Group Income Statement and Group Cash Flow Statement.

The following table details the results of discontinued operations included in the Group Income Statement:

	2015 £'000	2014 £'000
Revenue	143,360	166,069
Cost of sales	(111,314)	(128,849)
Gross profit	32,046	37,220
Expenses	(25,563)	(30,651)
Operating profit before amortisation of intangible assets and exceptional items	6,483	6,569
Amortisation of intangible assets	(1,288)	(760)
Operating profit	5,195	5,809
Net finance costs	(194)	(280)
Share of equity accounted investments' profit after tax	87	477
Profit before exceptional items and tax	5,088	6,006
Exceptional items	2,865	(4,721)
Profit on disposal of discontinued operations	8,214	-
Profit before tax	16,167	1,285
Income tax expense	(404)	(711)
Profit from discontinued operations after tax	15,763	574

The profit for the year from discontinued operations is fully attributable to the equity holders of the Company.

The following table details the cash flows from discontinued operations included in the Group Cash Flow Statement:

	2015 £'000	2014 £'000
Net cash flows from operating activities	(1,756)	4,897
Net cash flows from investing activities	4,674	1,692
Net cash flows from financing activities	-	-
Net cash flows from discontinued operations	2,918	6,589

Notes to the Financial Statements

for the year ended 31 March 2015

6. Net Result from Discontinued Operations and Assets Classified as Held for Sale (continued)

Assets Classified as Held for Sale

Following the disposal of a number of subsidiaries from the Food & Beverage division during the year, the Board committed to selling the division's remaining small UK wine distribution subsidiary, Bottle Green Limited and, accordingly, the assets and liabilities of this business are classified as an asset held for sale at the balance sheet date and the trading result is treated as a discontinued operation. The sale of this remaining subsidiary was completed on 28 April 2015. The fair value less costs to sell of the major classes of assets and liabilities held for sale as at 31 March 2015 are as follows:

	2015 £'000
Assets	
Property, plant and equipment	647
Deferred income tax assets	48
Inventories	2,537
Trade and other receivables	6,612
Cash and cash equivalents	2,352
Assets classified as held for sale	<u>12,196</u>
Liabilities	
Trade and other payables	(7,863)
Current income tax liabilities	(103)
Provisions for liabilities and charges	(250)
Liabilities associated with assets classified as held for sale	<u>(8,216)</u>
Net assets	<u>3,980</u>

7. 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 four operating segments: DCC Energy, DCC Technology, DCC Healthcare and DCC Environmental.

DCC Energy markets and sells oil products and services for transport, commercial/industrial, marine, aviation and home heating use in Europe. DCC Energy markets and sells liquefied petroleum gas for similar uses in Europe. DCC Energy also owns, operates and supplies unmanned and manned retail service stations in Europe.

DCC Technology sells, markets and distributes a broad range of consumer and SME focused technology products in Europe.

DCC Healthcare sells, markets and distributes pharmaceutical and medical devices in British and Irish 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.

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.

Notes to the Financial Statements

for the year ended 31 March 2015

7. Segmental Reporting (continued)

During the year ended 31 March 2015, the Group disposed of the DCC Food & Beverage division. This resulted in a change in the composition of operating segments. Following this change, we have revised our segmental reporting and restated the prior year segmental disclosures as required under IFRS 8.

(a) By operating segment

	Year ended 31 March 2015				
	DCC Energy £'000	DCC Technology £'000	DCC Healthcare £'000	DCC Environmental £'000	Total £'000
Segment revenue	<u>7,624,082</u>	<u>2,350,284</u>	<u>488,114</u>	<u>143,600</u>	<u>10,606,080</u>
Operating profit*	119,392	49,341	39,689	13,294	221,716
Amortisation of intangible assets	(14,334)	(2,794)	(6,143)	(786)	(24,057)
Net operating exceptionals (note 8)	<u>(7,137)</u>	<u>(11,101)</u>	<u>(1,161)</u>	<u>(405)</u>	<u>(19,804)</u>
Operating profit	<u>97,921</u>	<u>35,446</u>	<u>32,385</u>	<u>12,103</u>	<u>177,855</u>

	Year ended 31 March 2014 (restated)				
	DCC Energy £'000	DCC Technology £'000	DCC Healthcare £'000	DCC Environmental £'000	Total £'000
Segment revenue	<u>8,243,645</u>	<u>2,263,973</u>	<u>406,510</u>	<u>130,635</u>	<u>11,044,763</u>
Operating profit*	110,467	48,092	30,392	11,746	200,697
Amortisation of intangible assets	(13,686)	(1,974)	(2,711)	(1,285)	(19,656)
Net operating exceptionals (note 8)	<u>(4,219)</u>	<u>(11,371)</u>	<u>3,285</u>	<u>3,743</u>	<u>(8,562)</u>
Operating profit	<u>92,562</u>	<u>34,747</u>	<u>30,966</u>	<u>14,204</u>	<u>172,479</u>

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

(b) By geography

	Year ended 31 March 2015			
	UK £'000	Republic of Ireland £'000	Rest of the World £'000	Total £'000
Segment revenue	<u>8,023,403</u>	<u>717,077</u>	<u>1,865,600</u>	<u>10,606,080</u>
Operating profit*	170,014	17,671	34,031	221,716
Amortisation of intangible assets	(15,200)	(1,164)	(7,693)	(24,057)
Net operating exceptionals (note 8)	<u>(12,822)</u>	<u>(5,222)</u>	<u>(1,760)</u>	<u>(19,804)</u>
Operating profit	<u>141,992</u>	<u>11,285</u>	<u>24,578</u>	<u>177,855</u>

	Year ended 31 March 2014 (restated)			
	UK £'000	Republic of Ireland £'000	Rest of the World £'000	Total £'000
Segment revenue	<u>8,342,727</u>	<u>767,573</u>	<u>1,934,463</u>	<u>11,044,763</u>
Operating profit*	158,710	15,518	26,469	200,697
Amortisation of intangible assets	(11,721)	(1,315)	(6,620)	(19,656)
Net operating exceptionals (note 8)	<u>8,107</u>	<u>(14,537)</u>	<u>(2,132)</u>	<u>(8,562)</u>
Operating profit	<u>155,096</u>	<u>(334)</u>	<u>17,717</u>	<u>172,479</u>

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

Notes to the Financial Statements

for the year ended 31 March 2015

8. Exceptionals

	2015 £'000	2014 £'000
Restructuring costs	(15,027)	(19,720)
Impairment of goodwill	(5,637)	(8,892)
Acquisition and related costs	(3,396)	(5,602)
Impairment of property, plant and equipment	(1,508)	(550)
Adjustments to contingent acquisition consideration	415	16,165
Gain arising from Taiwanese legal claim	894	6,962
Net profit on disposal of Virtus Inc.	-	4,684
Restructuring of Group defined benefit pension schemes	6,381	1,435
Legal and other operating exceptional items	(1,926)	(3,044)
Net operating exceptional items	(19,804)	(8,562)
Mark to market of swaps and related debt	(2,191)	(2,128)
Net exceptional items before taxation	(21,995)	(10,690)
Tax on Taiwanese legal claim	-	(5,255)
Net exceptional items after taxation (continuing operations)	(21,995)	(15,945)
Net profit on disposal of Food & Beverage division (note 6)	8,214	-
Other net exceptional items relating to discontinued operations	2,865	(4,721)
	(10,916)	(20,666)
Non-controlling interest share of profit on disposal of subsidiary	-	(2,055)
Net exceptional items attributable to owners of the Parent	(10,916)	(22,721)

The analysis of the net operating exceptional items of £19.804 million (2014: £8.562 million) is as follows:

	2015 £'000	2014 £'000
Exceptional operating income	3,798	30,491
Exceptional operating expense	(23,602)	(39,053)
	(19,804)	(8,562)

The Group incurred an exceptional charge of £15.027 million in relation to restructuring of acquired and existing businesses, including restructuring and integration costs within DCC Technology's UK operations.

There was a non-cash exceptional charge of £5.637 million relating to the impairment of subsidiary goodwill. This charge reflects an impairment charge in relation to the carrying value of a cash generating unit within DCC Healthcare. There was also a non-cash impairment of property assets of £1.508 million which principally arose in DCC Healthcare.

Acquisition and related costs include the professional and tax costs (such as stamp duty) relating to the evaluation and completion of acquisition opportunities. During the year, acquisition and related costs amounted to £3.396 million.

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 both 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 hedges, offset by foreign exchange translation gains or losses on the related fixed rate debt, is charged or credited as an exceptional item. In the year to 31 March 2015 this amounted to a total exceptional loss of £2.191 million.

There was a non-cash credit of £0.415 million for contingent acquisition consideration overprovided in previous years. In accordance with IFRS 3 (revised), contingent consideration is measured at fair value at the time of the business combination. If the amount of contingent consideration changes as a result of a post-acquisition event then the changed amount is recognised in the Income Statement.

Notes to the Financial Statements

for the year ended 31 March 2015

8. Exceptionals (continued)

The Group continues to pursue collection of outstanding amounts relating to a Taiwanese legal claim. There was a further modest recovery of £0.894 million during the year.

The restructuring of certain of the Group's pension arrangements during the year gave rise to an exceptional gain of £6.381 million.

As detailed in note 6 the Group disposed of its Irish Food & Beverage subsidiaries during the second half of the financial year. The aggregate consideration from these disposals was £55.090 million and the disposals generated an exceptional gain, net of disposal costs, of £8.214 million. Other net exceptional items relating to discontinued operations of £2.865 million principally comprise a gain on the restructuring of certain of DCC Food & Beverage's pension arrangements.

9. Earnings per Ordinary Share

	Continuing operations 2015 £'000	Discontinued operations (note 6) 2015 £'000	Total 2015 £'000	Continuing operations 2014 £'000	Discontinued operations (note 6) 2014 £'000	Total 2014 £'000
Profit attributable to owners of the Parent	128,664	15,763	144,427	120,660	574	121,234
Amortisation of intangible assets after tax	19,171	1,166	20,337	15,572	665	16,237
Exceptionals after tax (note 8)	21,995	(11,079)	10,916	18,000	4,721	22,721
Adjusted profit after taxation and non-controlling interests	169,830	5,850	175,680	154,232	5,960	160,192
	Continuing operations 2015 pence	Discontinued operations 2015 pence	Total 2015 pence	Continuing operations 2014 pence	Discontinued operations 2014 pence	Total 2014 pence
Basic earnings per ordinary share						
Basic earnings per ordinary share	153.20p	18.77p	171.97p	144.02p	0.68p	144.70p
Amortisation of intangible assets after tax	22.83p	1.39p	24.22p	18.59p	0.79p	19.38p
Exceptionals after tax	26.19p	(13.19p)	13.00p	21.48p	5.64p	27.12p
Adjusted basic earnings per ordinary share	202.22p	6.97p	209.19p	184.09p	7.11p	191.20p
Weighted average number of ordinary shares in issue (thousands)			83,983			83,781

Basic earnings per share is calculated by dividing the profit attributable to owners of the Parent by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares. The adjusted figures for basic earnings per ordinary share are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

	Continuing operations 2015 pence	Discontinued operations 2015 pence	Total 2015 pence	Continuing operations 2014 pence	Discontinued operations 2014 pence	Total 2014 pence
Diluted earnings per ordinary share						
Basic earnings per ordinary share	152.10p	18.63p	170.73p	143.22p	0.68p	143.90p
Amortisation of intangible assets after tax	22.66p	1.38p	24.04p	18.48p	0.79p	19.27p
Exceptionals after tax	26.00p	(13.10p)	12.90p	21.36p	5.61p	26.97p
Adjusted basic earnings per ordinary share	200.76p	6.91p	207.67p	183.06p	7.08p	190.14p
Weighted average number of ordinary shares in issue (thousands)			84,594			84,250

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for the year ended 31 March 2015

9. Earnings per Ordinary Share (continued)

The earnings used for the purposes of the continuing diluted earnings per share calculations were £128.664 million (2014: £120.660 million) and £169.830 million (2014: £154.232 million) for the purposes of the continuing adjusted diluted earnings per share calculations.

The earnings used for the purposes of the discontinued diluted earnings per share calculations were £15.763 million (2014: £0.574 million) and £5.850 million (2014: £5.960 million) for the purposes of the discontinued adjusted diluted earnings per share calculations.

The weighted average number of ordinary shares used in calculating the diluted earnings per share for the year ended 31 March 2015 was 84.594 million (2014: 84.250 million). A reconciliation of the weighted average number of ordinary shares used for the purposes of calculating the diluted earnings per share amounts is as follows:

	2015 '000	2014 '000
Weighted average number of ordinary shares in issue	83,983	83,781
Dilutive effect of options and awards	611	469
Weighted average number of ordinary shares for diluted earnings per share	<u>84,594</u>	<u>84,250</u>

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Share options and awards are the Company's only category of dilutive potential ordinary shares.

Employee share options and awards, which are performance-based, are treated as contingently issuable shares because their issue is contingent upon satisfaction of specified performance conditions in addition to the passage of time. These contingently issuable shares are excluded from the computation of diluted earnings per ordinary share where the conditions governing exercisability have not been satisfied as at the end of the reporting period.

The adjusted figures for diluted earnings per ordinary share are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

10. Dividends

	2015 £'000	2014 £'000
Dividends per Ordinary Share are as follows:		
Final - paid 50.73 cent per share on 24 July 2014 (2014: paid 56.20 cent per share on 25 July 2013)	41,927	39,721
Interim - paid 28.73 pence per share on 28 November 2014 (2014: paid 26.12 pence per share on 29 November 2013)	24,123	22,167
	<u>66,050</u>	<u>61,888</u>

The Directors are proposing a final dividend in respect of the year ended 31 March 2015 of 55.81 pence per ordinary share (£46.891 million, based on the number of Ordinary Shares in issue at 18 May 2015). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

Interim and final dividends declared previously in euro have been translated to sterling using the relevant average sterling/euro exchange rate for the period.

Notes to the Financial Statements

for the year ended 31 March 2015

11. Other Reserves

Group	Share based payment reserve £'000	Cash flow hedge reserve £'000	Foreign currency translation reserve £'000	Other reserves £'000	Total £'000
At 1 April 2013	9,445	(677)	57,017	932	66,717
Currency translation					
- arising in the year	-	-	(7,519)	-	(7,519)
- recycled to the Income Statement on disposal	-	-	324	-	324
Cash flow hedges					
- fair value loss in year - private placement debt	-	(8,300)	-	-	(8,300)
- fair value loss in year - other	-	(3,828)	-	-	(3,828)
- tax on fair value net losses	-	536	-	-	536
- transfers to sales	-	(676)	-	-	(676)
- transfers to cost of sales	-	2,546	-	-	2,546
- transfers to operating expenses	-	6,803	-	-	6,803
- tax on transfers	-	(248)	-	-	(248)
Share based payment	1,185	-	-	-	1,185
At 31 March 2014	10,630	(3,844)	49,822	932	57,540
Currency translation					
- arising in the year	-	-	(14,418)	-	(14,418)
- recycled to the Income Statement on disposal	-	-	(2,721)	-	(2,721)
Cash flow hedges					
- fair value gain in year - private placement debt	-	37,131	-	-	37,131
- fair value loss in year - other	-	(15,901)	-	-	(15,901)
- tax on fair value net gains	-	(2,633)	-	-	(2,633)
- transfers to sales	-	4,893	-	-	4,893
- transfers to cost of sales	-	7,889	-	-	7,889
- transfers to operating expenses	-	(40,954)	-	-	(40,954)
- tax on transfers	-	2,957	-	-	2,957
Share based payment	2,126	-	-	-	2,126
At 31 March 2015	12,756	(10,462)	32,683	932	35,909

Notes to the Financial Statements

for the year ended 31 March 2015

12. Analysis of Net Cash/(Debt)

	2015 £'000	Restated 2014 £'000
Non-current assets:		
Derivative financial instruments	<u>233,150</u>	<u>56,240</u>
Current assets:		
Derivative financial instruments	5,395	1,221
Cash and cash equivalents	<u>1,260,942</u>	<u>962,139</u>
	<u>1,266,337</u>	<u>963,360</u>
Non-current liabilities:		
Finance leases	(213)	(619)
Derivative financial instruments	(92)	(45,636)
Unsecured Notes	<u>(1,314,173)</u>	<u>(725,212)</u>
	<u>(1,314,478)</u>	<u>(771,467)</u>
Current liabilities:		
Bank borrowings	(133,629)	(148,578)
Finance leases	(357)	(501)
Derivative financial instruments	(7,902)	(18,699)
Unsecured Notes	<u>(15,486)</u>	<u>(167,647)</u>
	<u>(157,374)</u>	<u>(335,425)</u>
Net cash/(debt) excluding cash attributable to assets held for sale	27,635	(87,292)
Add: cash and short term deposits attributable to assets held for sale	<u>2,352</u>	<u>-</u>
Net cash/(debt) including cash attributable to assets held for sale	<u>29,987</u>	<u>(87,292)</u>

13. Post Employment Benefit Obligations

The Group's defined benefit pension schemes' assets were measured at fair value at 31 March 2015. The defined benefit pension schemes' liabilities at 31 March 2015 were updated to reflect material movements in underlying assumptions.

The deficit on the Group's post employment benefit obligations decreased from £16.033 million at 31 March 2014 to £10.230 million at 31 March 2015. The decrease in the deficit was primarily driven by the disposal of DCC Food & Beverage during the year and contributions in excess of the current service cost, offset by an actuarial loss on liabilities which arose from a decrease in the discount rate used to value these liabilities.

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14. 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 Qstar Försäljning AB, a Swedish unmanned petrol station company, along with its related fuel distribution and fuel card businesses ('Qstar'), completed in May 2014;
- the acquisition in May 2014 of 100% of Williams Medical Holdings ('Williams'), a UK based business which supplies medical and pharmaceutical products and related services to general practitioners in Britain;
- the acquisition in September 2014 of 100% of CapTech Distribution AB, Sweden's largest independent technology distribution business; and
- the acquisition in November 2014 of 100% of Beacon Pharmaceuticals Limited, a niche pharma business which markets and sells its own licensed and third party pharma products primarily to the hospital sector in the UK.

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:

	2015 £'000 Williams	2015 £'000 Qstar	2015 £'000 Others	2015 £'000 Total
Assets				
Non-current assets				
Property, plant and equipment	2,598	26,152	1,518	30,268
Intangible assets - other intangible assets	11,827	6,983	5,103	23,913
Deferred income tax assets	2	-	-	2
Total non-current assets	14,427	33,135	6,621	54,183
Current assets				
Inventories	2,536	5,603	12,739	20,878
Trade and other receivables	6,816	27,815	14,507	49,138
Total current assets	9,352	33,418	27,246	70,016
Liabilities				
Non-current liabilities				
Deferred income tax liabilities	(2,365)	(4,879)	(784)	(8,028)
Provisions for liabilities and charges	-	(10,829)	-	(10,829)
Government grants	(281)	-	-	(281)
Total non-current liabilities	(2,646)	(15,708)	(784)	(19,138)
Current liabilities				
Trade and other payables	(8,686)	(35,520)	(12,628)	(56,834)
Current income tax asset/(liability)	183	-	(413)	(230)
Total current liabilities	(8,503)	(35,520)	(13,041)	(57,064)
Identifiable net assets acquired	12,630	15,325	20,042	47,997
Intangible assets - goodwill	31,819	23,370	12,526	67,715
Total consideration (enterprise value)	44,449	38,695	32,568	115,712
Satisfied by:				
Cash	47,926	36,402	17,410	101,738
Debt acquired	-	-	9,246	9,246
Cash and cash equivalents acquired	(3,477)	-	(284)	(3,761)
Net cash outflow	44,449	36,402	26,372	107,223
Contingent acquisition consideration	-	2,293	6,196	8,489
Total consideration	44,449	38,695	32,568	115,712

Notes to the Financial Statements

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14. Business Combinations (continued)

The acquisitions of Williams and Qstar 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 period 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
Williams			
Non-current assets (excluding goodwill)	2,600	11,827	14,427
Current assets	9,352	-	9,352
Non-current liabilities	(281)	(2,365)	(2,646)
Current liabilities	(8,503)	-	(8,503)
Identifiable net assets acquired	3,168	9,462	12,630
Goodwill arising on acquisition	41,281	(9,462)	31,819
Total consideration (enterprise value)	44,449	-	44,449
	Book value £'000	Fair value adjustments £'000	Fair value £'000
Qstar			
Non-current assets (excluding goodwill)	26,152	6,983	33,135
Current assets	33,418	-	33,418
Non-current liabilities	(14,172)	(1,536)	(15,708)
Current liabilities	(35,520)	-	(35,520)
Identifiable net assets acquired	9,878	5,447	15,325
Goodwill arising on acquisition	28,817	(5,447)	23,370
Total consideration (enterprise value)	38,695	-	38,695
	Book value £'000	Fair value adjustments £'000	Fair value £'000
Others			
Non-current assets (excluding goodwill)	1,518	5,103	6,621
Current assets	27,246	-	27,246
Non-current liabilities	(303)	(481)	(784)
Current liabilities	(13,041)	-	(13,041)
Identifiable net assets acquired	15,420	4,622	20,042
Goodwill arising on acquisition	17,148	(4,622)	12,526
Total consideration (enterprise value)	32,568	-	32,568
	Book value £'000	Fair value adjustments £'000	Fair value £'000
Total			
Non-current assets (excluding goodwill)	30,270	23,913	54,183
Current assets	70,016	-	70,016
Non-current liabilities	(14,756)	(4,382)	(19,138)
Current liabilities	(57,064)	-	(57,064)
Identifiable net assets acquired	28,466	19,531	47,997
Goodwill arising on acquisition	87,246	(19,531)	67,715
Total consideration (enterprise value)	115,712	-	115,712

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for the year ended 31 March 2015

14. Business Combinations (continued)

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 2016 Annual Report as stipulated by IFRS 3.

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

£3.647 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 other operating expenses in the Group Income Statement (inclusive of acquisition costs related to discontinued operations) amounted to £3.463 million (2014: £5.638 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 £49.276 million. The fair value of these receivables is £49.138 million (all of which is expected to be recoverable) and is inclusive of an aggregate allowance for impairment of £0.138 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 £2.7 million to £18.0 million.

There were no adjustments processed during the year to the fair value of business combinations completed during the year ended 31 March 2014 where those fair values were not readily determinable as at 31 March 2014.

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

	2015 £'000
Revenue	397,257
Cost of sales	(343,176)
Gross profit	<u>54,081</u>
Operating costs	(38,741)
Operating profit	<u>15,340</u>
Finance costs (net)	8
Profit before tax	<u>15,348</u>
Income tax expense	(2,684)
Profit for the financial year	<u>12,664</u>

The revenue and profit of the Group for the financial year, on a continuing basis, 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:

	2015 £'000
Revenue	<u>10,658,071</u>
Profit for the financial year	<u>129,561</u>

Notes to the Financial Statements

for the year ended 31 March 2015

15. 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 Technology Distribution.

16. 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 2015 financial year.

17. Events after the Balance Sheet Date

Butagaz S.A.S.

On 18 May 2015 DCC Energy made a binding offer to acquire 100% of Butagaz S.A.S. ("Butagaz"), a French LPG business. DCC has entered into a binding commitment which obligates DCC to enter into an acquisition agreement following completion of Shell's consultation process with its French Works Councils as required under French law. During the period of consultation with its Works Councils, Shell has granted DCC exclusivity in respect of the acquisition of Butagaz. The acquisition will require EU competition and French Ministry of Economy clearance. The transaction would be expected to complete in the final calendar quarter of 2015, after the Works Councils' consultations have taken place and the relevant clearances have been received.

The consideration for the share capital of Butagaz would ultimately be determined on the basis of a completion balance sheet. For illustrative purposes, based on Butagaz's audited balance sheet at 31 December 2014, the consideration, after adjusting for net debt like items, would be €404 million (£294 million), payable in cash at completion. Based on the 31 December 2014 balance sheet, the estimated carrying amounts of the assets and liabilities of Butagaz, determined in accordance with IFRS, before completion of the combination are as follows:

	Book value £'000
Non-current assets (excluding goodwill)	306,087
Current assets	186,633
Non-current liabilities	(237,018)
Current liabilities	(115,581)
Identifiable net assets acquired	140,121
Goodwill arising on acquisition	153,709
Total consideration (enterprise value)	293,830

An initial assignment of fair values to identifiable net assets acquired has not been performed given that Butagaz has not yet been acquired.

Notes to the Financial Statements

for the year ended 31 March 2015

17. Events after the Balance Sheet Date (continued)

Computers Unlimited

In May 2015, DCC Technology acquired Computers Unlimited ("CU") for an initial enterprise value of £24.0 million. CU is a consumer technology distributor operating primarily in the UK but also with operations in France and Spain. The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis given the timing of closure of the transaction. 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 were as follows:

	Book value £'000	Fair value adjustments £'000	Fair value £'000
Non-current assets (excluding goodwill)	869	2,153	3,022
Current assets	29,628	-	29,628
Non-current liabilities	-	(431)	(431)
Current liabilities	(14,481)	-	(14,481)
Identifiable net assets acquired	16,016	1,722	17,738
Goodwill arising on acquisition	7,984	(1,722)	6,262
Total consideration (enterprise value)	24,000	-	24,000

Bottle Green Limited

On 28 April 2015 the Group completed the sale of Bottle Green Limited which was classified as an asset held for sale at 31 March 2015. The net proceeds after costs of disposal equated to the carrying value as disclosed in note 6.

18. Board Approval

This announcement was approved by the Board of Directors of DCC plc on 18 May 2015.