

14 November 2016



DCC Reports Very Strong First Half Performance and New Acquisitions

DCC, the international sales, marketing, distribution and business support services group, today announced its results for the six months ended 30 September 2016.

Highlights	2016	2015	% change
DCC Energy volumes (billion litres)	6.595bn	5.818bn	+13.3%
Revenue (excl. DCC Energy)	£1.478bn	£1.407bn	+5.1%
Operating profit ¹	£117.8m	£88.4m	+33.3%
Adjusted earnings per share ¹	92.1p	70.3p	+31.1%
Interim dividend	37.17p	33.04p	+12.5%
Operating cash flow	£141.0m	£120.7m	

- Very strong first half performance with Group operating profit increasing by 33.3% (up 26.5% on a constant currency basis) to £117.8 million, with all divisions recording growth on the prior year.
- Adjusted earnings per share up 31.1% (24.7% ahead on a constant currency basis) to 92.1 pence.
- Interim dividend increased by 12.5% to 37.17 pence per share.
- Continued very strong cash flow performance.
- The Group continues to be very active from a development perspective and, including those acquisitions announced today, has committed £181 million in acquisition spend in the period.
- As separately announced today, DCC Energy has agreed to acquire Gaz Européen, a leading French natural gas retail and marketing business, for an initial enterprise value of €110 million (£96 million). In addition, DCC Healthcare has agreed to acquire Medisource, a pharmaceutical procurement, sales and marketing business in Ireland for an initial enterprise value of €32 million (£27 million). The acquisition of Dansk Fuels in Denmark by DCC Energy, announced on 23 March 2016, was completed ahead of schedule.
- The Group expects that both operating profit and adjusted earnings per share for the year ending 31 March 2017 will be significantly ahead of the prior year and ahead of current market consensus expectations.

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

"I am very pleased to report that the first half of the year has been another very active and successful period for DCC. The results reflect continued execution of our strategy to grow the business organically, deliver a very strong cash flow performance and redeploy capital at attractive rates of return. The Group continues to have the ambition and capacity for further development and importantly, as DCC increases in scale and

¹ Excluding net exceptionals and amortisation of intangible assets

geographic reach, also has the opportunity to build substantial market positions in its chosen sectors. The Group expects that both operating profit and adjusted earnings per share for the year ending 31 March 2017 will be significantly ahead of the prior year and ahead of current market consensus expectations."

Presentation of results and dial-in / webcast facility

There will be a presentation of these results to analysts and fund managers at 9.00 am today in the London Stock Exchange. The slides for this presentation can be downloaded from DCC's website, www.dcc.ie.

There will also be audio conference access to, and a live webcast of, the presentation. The access details for the presentation are:

Ireland: 1800 937 656
UK / International: +44 (0) 203 427 1916
Passcode: 7675960
Webcast Link: <http://edge.media-server.com/m/p/uoim6u9i>

This report, the webcast of the presentation and further information on DCC is available at www.dcc.ie.

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Group Results

A summary of the Group's results for the six months ended 30 September 2016 is as follows:

	2016 £'m	2015 £'m	% change
Revenue	<u>5,597</u>	<u>5,066</u>	+10.5%
Operating profit ¹			
DCC Energy	76.0	52.9	+43.8%
DCC Healthcare	19.8	18.4	+7.0%
DCC Technology	11.3	8.6	+31.9%
DCC Environmental	<u>10.7</u>	<u>8.5</u>	+26.7%
Group operating profit ¹	117.8	88.4	+33.3%
Finance costs (net) and other	<u>(16.4)</u>	<u>(14.4)</u>	
Profit before net exceptionals, amortisation of intangible assets and tax	101.4	74.0	+37.0%
Net exceptional charge before tax	(2.5)	(9.7)	
Amortisation of intangible assets	<u>(18.3)</u>	<u>(11.8)</u>	
Profit before tax	80.6	52.5	+53.7%
Taxation	<u>(13.0)</u>	<u>(10.3)</u>	
Profit after tax	67.6	42.2	
Non-controlling interests	<u>(2.0)</u>	<u>(0.9)</u>	
Attributable profit	<u>65.6</u>	<u>41.3</u>	
Adjusted earnings per share ¹	92.1 pence	70.3 pence	+31.1%
Dividend per share	37.17 pence	33.04 pence	+12.5%
Operating cash flow	141.0	120.7	
Net (debt) / cash at 30 September	(112.2)	153.4	

¹ Excluding net exceptionals and amortisation of intangible assets

Group revenue

Overall, Group revenue increased by 10.5% (5.8% ahead on a constant currency basis) to £5.6 billion.

Volumes in DCC Energy increased by 13.3% to 6.6 billion litres, driven principally by acquisitions completed during the prior year. On an organic basis volumes were modestly ahead of the prior year, with good growth in Retail & Fuelcard volumes and continuing organic growth in LPG volumes, particularly with industrial and commercial customers and oil to LPG conversions. Reflecting lower oil prices, DCC Energy's revenue increased by 12.5% (up 7.3% on a constant currency basis) with average selling prices per litre reducing by 5.4% on a constant currency basis.

Revenue excluding DCC Energy increased by 5.1% (up 1.8% on a constant currency basis) to £1.5 billion.

Group operating profit

Group operating profit increased by 33.3% to £117.8 million (26.5% ahead on a constant currency basis), in the seasonally less significant first half. The average sterling/euro translation rate for the six months ended 30 September 2016 of 1.2364 was 11.1% weaker than the average of 1.3902 in the comparative period. Approximately one third of the constant currency operating profit growth was organic.

Operating profit in DCC Energy, the Group's largest division, was 43.8% ahead of the prior year (33.1% ahead on a constant currency basis), driven principally by the two large acquisitions in France completed in the prior year, which continue to perform strongly. The division also recorded strong organic profit growth in its LPG and Retail & Fuelcard businesses.

Operating profit in DCC Healthcare was 7.0% ahead of the prior year (7.7% ahead on a constant currency basis). The division again benefited from another strong performance in DCC Health & Beauty Solutions.

Operating profit in DCC Technology increased by 31.9% (27.5% ahead on a constant currency basis) in the seasonally less significant first half. The UK business performed in line with expectations and recorded good organic profit growth, assisted by cost reductions implemented during the prior year.

DCC Environmental generated excellent organic growth, with operating profit increasing to £10.7 million, 26.7% ahead of the prior year.

Finance costs (net)

Net finance costs increased to £16.6 million (2015: £14.6 million) primarily due to the non-cash partial unwind of discounted acquisition related liabilities acquired in the Butagaz transaction. The underlying finance costs of the Group were broadly in line with the prior year as they are largely driven by the level of the Group's gross private placement debt, which remained largely unchanged. Average net debt during the period was £262 million compared to £60 million during the six months ended 30 September 2015.

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

Profit before net exceptional items, amortisation of intangible assets and tax increased by 37.0% (30.0% ahead on a constant currency basis) to £101.4 million.

Net exceptional charge and amortisation of intangible assets

The Group incurred a net exceptional charge before tax of £2.5 million in the first six months of the year. The net charge principally reflects acquisition and restructuring costs, offset somewhat by a gain in respect of the IAS 39 treatment of the Group's private placement debt and related hedging instruments.

Acquisition related costs amounted to £1.4 million and restructuring costs amounted to £2.3 million. Acquisition costs include the professional fees and tax costs (such as stamp duty) relating to the evaluation and completion of acquisition opportunities.

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 six months ended 30 September 2016, this amounted to an exceptional gain of £1.9 million. The exceptional gains and losses on the Group's private placement debt and related hedging instruments will net to zero on a cumulative basis over their term.

The remaining exceptional charge of £0.7 million principally represents the impairment in value of freehold properties which are no longer in use.

The charge for the amortisation of acquisition related intangible assets increased to £18.3 million from £11.8 million in the prior year, with the increase principally reflecting the substantial acquisitions completed in the prior year.

Profit before tax

Profit before tax increased by 53.7% to £80.6 million.

Taxation

The effective tax rate for the Group in the first half of the year of 17.5% is based on the anticipated mix of profits for the full year. This rate compares to a full year effective tax rate in the prior year of 16.0%. The increase is primarily due to an increase in the proportion of profits generated in Continental Europe.

Adjusted earnings per share

Adjusted earnings per share increased by 31.1% (24.7% ahead on a constant currency basis) to 92.1 pence.

Dividend

The Board has decided to pay an interim dividend of 37.17 pence per share, which represents a 12.5% increase on the prior year interim dividend of 33.04 pence per share. This dividend will be paid on 12 December 2016 to shareholders on the register at the close of business on 25 November 2016.

Cash flow

As with its operating profit, the Group's operating cash flow is significantly weighted towards the second half of the year. The cash flow of the Group for the six months ended 30 September 2016 can be summarised as follows:

Six months ended 30 September	2016 £'m	2015 £'m
Operating profit	117.8	88.4
Increase in working capital	(17.0)	(4.4)
Depreciation and other	<u>40.2</u>	<u>36.7</u>
Operating cash flow	141.0	120.7
Capital expenditure (net)	<u>(59.8)</u>	<u>(51.3)</u>
Free cash flow	81.2	69.4
Net interest and tax paid and other	<u>(42.1)</u>	<u>(29.8)</u>
Free cash flow after interest and tax	39.1	39.6
Acquisitions	(32.8)	(134.2)
Disposals	-	2.3
Dividends	(55.7)	(49.9)
Dividends paid to non-controlling interests	(5.1)	-
Exceptional items (net)	(8.8)	(10.4)
Share issues	<u>2.1</u>	<u>194.0</u>
Net (outflow) / inflow	(61.2)	41.4
Opening net (debt) / cash	(54.5)	30.0
Translation and other	3.5	(7.8)
Cash acquired - Butagaz	<u>-</u>	<u>89.8</u>
Closing net (debt) / cash	<u>(112.2)</u>	<u>153.4</u>

Operating cash flow in the six months ended 30 September 2016 of £141.0 million compares to £120.7 million in the prior year. Working capital increased by £17.0 million over the six month period from 31 March 2016, reflecting seasonal requirements, although on a like for like basis the value of working capital was £25.0 million lower than that at 30 September 2015. As a result, overall working capital days at 30 September 2016 improved on the prior year by 0.6 days to a negative 2.9 days sales.

Acquisition and capital expenditure committed

Committed acquisition and capital expenditure in the current period amounted to £240.3 million as follows:

	Acquisitions £'m	Capex £'m	Total £'m
DCC Energy	100.0	36.1	136.1
DCC Healthcare	27.4	4.3	31.7
DCC Technology	53.1	16.5	69.6
DCC Environmental	—	2.9	2.9
Total	180.5	59.8	240.3

Acquisition activity

Committed acquisition expenditure amounted to £180.5 million.

DCC Energy

Gaz Européen

As announced separately today, DCC Energy has agreed to acquire Gaz Européen Holdings SAS (“Gaz Européen”), a natural gas retail and marketing business which supplies business and public sector customers in France. DCC has agreed to acquire 97% of the share capital of Gaz Européen on completion, based on an initial enterprise value of €110 million (£96 million). The remaining shares, which are held by members of Gaz Européen’s management team, will be acquired based on Gaz Européen’s results for the three years ending 31 March 2021, 2022 and 2023. All of the consideration will be satisfied in cash. The acquisition is conditional, inter alia, on clearance from the French Competition Authority and is expected to complete in the first calendar quarter of 2017.

Gaz Européen was founded in 2005, when the French natural gas market was first deregulated and opened to competition. The company is a specialist retailer of natural gas and focuses on supplying energy management companies, apartment blocks (with collective heating systems), public authorities and the service sector in France. In its financial year ended 31 December 2015, the company supplied c. 5.1 TWh of natural gas (equivalent to approximately 390,000 tonnes of LPG) and currently supplies c. 10,000 sites. The company is headquartered in Paris and employs 31 staff; it has an experienced and ambitious management team with a track record of delivering strong growth. In its financial year ended 31 December 2015, Gaz Européen generated revenue of €205 million (£178 million) and normalised operating profit of €15.7 million (£13.7 million).

DCC Energy has, for some time, been developing its presence in natural gas organically in selected geographies as it believes that there is a significant opportunity to leverage its sales and marketing expertise, customer reach and brand recognition in the LPG and oil distribution markets into complementary adjacencies, including the natural gas sector. Gaz Européen will be DCC Energy’s first major acquisition in natural gas and will complement Butagaz’s leading position in LPG. One of the key strengths identified during the acquisition of Butagaz was its brand recognition amongst French gas consumers generally. The combination of Butagaz’s marketing and brand strength and Gaz Européen’s expertise in the natural gas market will provide an excellent platform for growth in the French natural gas market.

Dansk Fuels

In the prior financial year, DCC agreed to acquire Dansk Fuels, a commercial, aviation and retail fuels business in Denmark, formerly owned by Shell. Following receipt of competition clearance from the European Commission the acquisition was completed, ahead of schedule, on 31 October 2016.

Dansk Fuels comprises Shell’s previous commercial and aviation distribution business in Denmark and a retail petrol station network of 139 sites (comprising 95 manned and 44 unmanned sites)

together with contracts to supply 66 dealers. DCC has entered into a long-term brand partnership with Shell to operate the network under the Shell brand. The transaction will involve a total investment by DCC of approximately DKK300 million (£35 million). The business will be merged with DCC's existing oil distribution business in Denmark and will leverage DCC Energy's recently developed retail operating platform. The acquired business will have total incremental volumes of approximately 0.9 billion litres and is expected to generate an initial return on invested capital commensurate with DCC Energy's existing returns.

DCC Healthcare

Medisource

In November 2016 DCC Healthcare strengthened its position in the procurement, sales and marketing of pharmaceutical products in Ireland through its agreement to acquire Medisource Ireland Limited ("Medisource") for an initial enterprise valuation of €31.5 million (£27.4 million). The acquisition, which is subject to competition clearance, is expected to complete in the first calendar quarter of 2017.

Medisource is a specialist in the procurement and sale of Exempt Medicinal Products ("EMPs"). EMPs are pharmaceutical products which are imported into a market with the authorisation of the relevant regulatory authority (the Health Products Regulatory Authority in Ireland), in order to meet requirements of specific patients where no suitable licenced product is available in that market. The products are typically licenced in another jurisdiction. Medisource has a market leadership position in EMPs in Ireland based on excellent customer service and a strong network of international suppliers. The acquisition complements DCC Vital's current pharma product offering, strengthens DCC Vital's access to the hospital and retail pharmacy channel and will provide further insight into potential pharma product development opportunities. DCC Healthcare expects to generate a return on its investment in Medisource in line with the divisional return on capital employed in its first full year of ownership.

DCC Technology

Medium

In November 2016, DCC Technology acquired Medium (U.K.) Limited ("Medium"), a distributor of professional audio visual equipment to resellers in the UK. Medium, which partners with a number of leading brands in the market including CTouch, LG, NEC and Samsung, is complementary to DCC Technology's developing position in professional audio visual in the UK market. The consideration for the acquisition was based on an enterprise valuation of £8.3 million and was satisfied in cash at completion.

Hammer

As announced on 14 October 2016, DCC Technology has agreed to acquire Hammer Consolidated Holdings Limited ("Hammer"), a specialist distributor of server and storage solutions to resellers in the UK and Continental Europe. Employing 165 people and based in Basingstoke, Hampshire, Hammer distributes products for a range of leading suppliers and also provides product design and build solutions tailored to the requirements of customers in specific industries. The business is complementary to DCC Technology's existing server and storage business and will add almost 1,000 reseller customers. In its most recent financial year Hammer recorded sales of £155.0 million and operating profit of £6.3 million. The acquisition is based on an initial enterprise value of £38.3 million and is structured as an initial payment at completion, followed by earn out payments over three years based on Hammer's future trading results. The acquisition, which is subject to competition clearance from the European Commission, is expected to complete by the end of December 2016.

Total cash spend on acquisitions in the six months ended 30 September 2016

The total cash spend on acquisitions in the six months ended 30 September 2016 was £32.8 million. This included the payment of deferred and contingent acquisition consideration previously provided of £26.2 million and the completion of a number of small acquisitions for a total consideration of £6.6 million.

Capital expenditure

Net capital expenditure for the six months of £59.8 million (2015: £51.3 million) compares to a depreciation charge of £42.9 million (2015: £32.5 million).

The construction of DCC Technology's new, purpose built, 450,000 sq.ft. UK national distribution centre in the north of England is progressing well and the relocation to the new facility will take place on a staged basis, beginning towards the end of the current financial year.

Financial strength

An integral part of the Group's strategy is the maintenance of a strong and liquid balance sheet to enable it to take advantage of development opportunities as they arise. At 30 September 2016, the Group had net debt of £112 million, total equity of £1.4 billion, cash resources, net of overdrafts, of £1.0 billion and a further £400 million of undrawn committed debt facilities. The Group's outstanding term debt at 30 September 2016 had an average maturity of 5.8 years. Substantially all of the Group's debt has been raised in the US Private Placement market with an average credit margin of 1.69% over floating Euribor/Libor.

Outlook

The Group expects that both operating profit and adjusted earnings per share for the year ending 31 March 2017 will be significantly ahead of the prior year and ahead of current market consensus expectations.

Performance Review – Divisional Analysis

DCC Energy	2016	2015	% change
Volumes (litres)	6.595b	5.818b	+13.3%
Revenue	£4.119b	£3.660b	+12.5%
Operating profit	£76.0m	£52.9m	+43.8%

DCC Energy had an excellent first half of the financial year with operating profit increasing by 43.8% to £76.0 million, benefiting from acquisitions completed in the prior year and very strong performances from its LPG and Retail & Fuel Card businesses. DCC Energy sold 6.6 billion litres of product, an increase of 13.3% over the prior year. Volumes were 0.4% ahead on a like-for-like basis.

The **LPG** business had an excellent first half, with volumes 38.3% ahead of the prior year and 1.3% ahead on an organic basis. The business continued to drive sales growth in the commercial and industrial sector and also benefited from oil to LPG conversions.

Butagaz has continued to perform very strongly since acquisition in September 2015 and will be significantly enhanced by the acquisition of Gaz Européen, which was announced separately today. Gaz Européen is a specialist retailer of natural gas to business customers, principally co-ownership housing, in France. In its financial year ended 31 December 2015 the company supplied c. 5.1 TWh of natural gas (equivalent to approximately 390,000 tonnes of LPG) and currently supplies c. 10,000 sites. In recent years DCC Energy has developed modest natural gas businesses organically in a number of European markets. Gaz Européen will be DCC Energy's first major acquisition in natural gas and will complement Butagaz's leading position in LPG in France.

The **Retail & Fuel Card** business achieved an excellent result with good organic volume growth in existing markets, complemented by a strong performance in the Esso retail petrol station business in France acquired in June 2015. The business in Sweden also performed strongly and the scale of the Retail business was further increased through the acquisition of the Shell retail petrol station network in Denmark, which completed recently. DCC Energy now operates 838 retail sites across five countries and is well positioned to leverage its operating platform to drive further growth. The Fuel Card business again recorded strong organic growth and continued to grow its market share in Britain.

The **Oil** business experienced more challenging conditions in Britain; however the business in Denmark performed strongly, particularly in the agricultural sector, where it benefited from the acquisition of the DLG business in the prior year. The Danish business was further expanded through the recent completion of the acquisition of Shell's commercial and aviation fuels business. The Oil business continues to make good progress in expanding its activities into adjacent areas such as lubricants and aviation fuels.

DCC Energy now has leadership positions in 10 countries across Europe in its chosen sectors of LPG, Retail & Fuel Card and Oil. DCC Energy continues to be well positioned to grow its business in both existing and new geographies, particularly in light of the continuing divestment programmes of the major oil and gas companies.

DCC Healthcare	2016	2015	% change
Revenue	£244.3m	£239.1m	+2.2%
Operating profit	£19.8m	£18.4m	+7.0%
Operating margin	8.1%	7.7%	

DCC Healthcare recorded a good performance in the first half of the financial year, generating operating profit growth of 7.0%, approximately half of which was organic. DCC Vital performed satisfactorily, growing its profits despite the trading headwind of weaker sterling. DCC Health & Beauty Solutions continued its track record of very strong organic profit growth and benefited from the contribution from Design Plus, which has performed well since its acquisition in September 2015.

DCC Vital, which is focused on the sales, marketing and distribution of pharmaceuticals and medical devices across all channels of the healthcare market in Britain and Ireland, recorded a satisfactory performance. The first half results reflect the actions taken in the prior year to streamline its product portfolio and activities, as it continues to increase its focus on the sales and marketing of its own products. This streamlining included the reconfiguration and consolidation of its warehousing and distribution activities in Britain and the business incurred some additional cost as part of this process. Although margins were impacted somewhat due to sterling weakness, DCC Vital generated good sales growth in the GP and hospital sectors in Britain, especially in disposable products used by GPs, hospital injectable pharmaceuticals and in its *Skintact* medical products range, which holds a market leadership position in electrodes and diathermy consumables.

In Ireland, the business generated good sales and profit growth across its product portfolio, particularly in hospital pharmaceuticals. The proposed acquisition of Medisource, announced today, will further enhance DCC Vital's position in the procurement, sales and marketing of pharmaceuticals in Ireland.

DCC Health & Beauty Solutions, which provides outsourced solutions to international nutrition and beauty brand owners, again generated very strong organic operating profit growth. In the nutritional sector, the business benefited from its increasing focus on and its technical expertise in developing and producing more complex, higher margin products and from good cost control. The integration of Design Plus, the market leader in Britain in sachet filling for health and beauty brand owners, has extended DCC Health & Beauty Solutions' service offering to brand owners, provided access to new customers and opened up a range of additional growth opportunities, including in the US market. DCC Health & Beauty Solutions is continuing to invest in its high quality, GMP certified, manufacturing and packing facilities in Britain to expand capacity to meet increasing demand for its services and to enhance its operational capability and efficiency.

DCC Technology	2016	2015	% change
Revenue	£1.144b	£1.089b	+5.1%
Operating profit	£11.3m	£8.6m	+31.9%
Operating margin	1.0%	0.8%	

DCC Technology, which trades as Exertis, achieved strong growth in the first half of the financial year, reflecting good organic profit growth and the benefit of the CUC acquisition completed in December 2015.

The business in the UK delivered very strong growth, despite continued weak market conditions in the computing and smartphone market, as the business achieved growth in areas such as professional audio visual, supplies, and smart home technologies. The growth in these areas, together with the benefit of cost reductions implemented in the prior year, resulted in an improvement in operating margin.

The UK business has continued to invest in the infrastructure and technologies that will drive and support future growth. The business has signed new suppliers to take advantage of the burgeoning market for virtual and augmented reality, expanded its capability in wireless networking and, most significantly, recently announced the acquisition of Hammer, which will materially enhance DCC Technology's position in the server and storage market and provide an excellent platform to further develop its enterprise solutions business. The acquisition is expected to complete before the end of the calendar year. In addition, the new national distribution centre in Lancashire will be commissioned on schedule in early 2017.

The business in Continental Europe achieved strong growth. In France, the CUC business, acquired in December 2015, achieved good organic profit growth, although the retail business was impacted by weak demand and margin pressure. The business in the Nordics achieved excellent organic profit growth, reflecting continued development of its professional audio visual capability and of its retail offering in both Sweden and Norway.

In Ireland, DCC Technology achieved strong growth, reflecting good business development activity, particularly in services for large mobile operators and retailers, as well as growth in security and networking products.

Over the past year, DCC Technology has developed a presence in the United Arab Emirates, initially servicing airport retail stores and more recently broadening its footprint into general retail stores in the Gulf region. Although modest, the business has developed quickly and contributed to the organic profit growth achieved.

The Supply Chain Services business traded in line with expectations in the first half of the year.

DCC Technology is well positioned to benefit from new consumer and enterprise technologies and to expand its service portfolio, while driving operational efficiencies.

DCC Environmental	2016	2015	% change
Revenue	£89.3m	£78.3m	+13.9%
Operating profit	£10.7m	£8.5m	+26.7%
Operating margin	12.0%	10.8%	

DCC Environmental delivered an excellent performance in the first half of the financial year and increased its operating profit by 26.7% to £10.7 million, continuing the trend of improved profitability and returns on capital employed in recent years. The growth in operating profit, all of which was organic, was broadly based and reflects good business development activity and the continuing focus on operating efficiency.

In Britain, the business performed strongly and benefited from a very strong result in hazardous waste, where the business has continued to expand its service offering, particularly in waste oil recovery and services to the water industry. The non-hazardous business also increased its profits, whilst continuing to invest in process improvement and efficiency measures.

The Irish business delivered an excellent performance as it grew its market share in its core market and also further developed its capabilities in adjacent hazardous and organic waste services.

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.

Principal risks and uncertainties

The Board of DCC is responsible for the Group's risk management and internal control systems, which are designed to identify, manage and mitigate potential material risks to the achievement of the Group's strategic and business objectives. The Board has approved a Risk Management Policy which sets out delegated responsibilities and procedures for the management of risk across the Group.

The principal risks and uncertainties facing the Group in the short to medium term, as set out on pages 15 to 17 of the 2016 Annual Report (together with the principal mitigation measures), continue to be the principal risks and uncertainties facing the Group for the remaining six months of the financial year.

This is not an exhaustive statement of all relevant risks and uncertainties. Matters which are not currently known to the Board or events which the Board considers to be of low likelihood could emerge and give rise to material consequences. The mitigation measures that are maintained in relation to these risks are designed to provide a reasonable and not an absolute level of protection against the impact of the events in question.

Group Income Statement

		Unaudited 6 months ended 30 September 2016			Unaudited 6 months ended 30 September 2015			Audited year ended 31 March 2016		
	Notes	Pre exceptionals £'000	Exceptionals (note 6) £'000	Total £'000	Pre exceptionals £'000	Exceptionals £'000	Total £'000	Pre exceptionals £'000	Exceptionals £'000	Total £'000
Revenue	5	5,596,544	-	5,596,544	5,066,240	-	5,066,240	10,601,085	-	10,601,085
Cost of sales		(5,024,491)	-	(5,024,491)	(4,638,535)	-	(4,638,535)	(9,545,194)	-	(9,545,194)
Gross profit		572,053	-	572,053	427,705	-	427,705	1,055,891	-	1,055,891
Administration expenses		(175,496)	-	(175,496)	(147,726)	-	(147,726)	(304,029)	-	(304,029)
Selling and distribution expenses		(283,105)	-	(283,105)	(194,441)	-	(194,441)	(463,877)	-	(463,877)
Other operating income		8,697	408	9,105	5,916	5,291	11,207	26,416	13,829	40,245
Other operating expenses		(4,326)	(4,824)	(9,150)	(3,067)	(11,154)	(14,221)	(13,878)	(28,469)	(42,347)
Operating profit before amortisation of intangible assets		117,823	(4,416)	113,407	88,387	(5,863)	82,524	300,523	(14,640)	285,883
Amortisation of intangible assets		(18,266)	-	(18,266)	(11,884)	-	(11,884)	(31,622)	-	(31,622)
Operating profit	5	99,557	(4,416)	95,141	76,503	(5,863)	70,640	268,901	(14,640)	254,261
Finance costs		(35,751)	-	(35,751)	(32,161)	(3,819)	(35,980)	(64,970)	(9,419)	(74,389)
Finance income		19,165	1,901	21,066	17,532	-	17,532	35,981	-	35,981
Equity accounted investments' profit after tax		182	-	182	279	-	279	504	-	504
Profit before tax		83,153	(2,515)	80,638	62,153	(9,682)	52,471	240,416	(24,059)	216,357
Income tax expense	7	(12,685)	(386)	(13,071)	(9,232)	(1,037)	(10,269)	(36,024)	710	(35,314)
Profit after tax for the financial period		70,468	(2,901)	67,567	52,921	(10,719)	42,202	204,392	(23,349)	181,043
Profit attributable to:										
Owners of the Parent				65,588			41,270			178,031
Non-controlling interests				1,979			932			3,012
				<u>67,567</u>			<u>42,202</u>			<u>181,043</u>
Earnings per ordinary share										
Basic	8			<u>73.95p</u>			<u>47.32p</u>			<u>202.64p</u>
Diluted	8			<u>73.42p</u>			<u>46.91p</u>			<u>201.02p</u>
Adjusted earnings per ordinary share										
Basic	8			<u>92.14p</u>			<u>70.29p</u>			<u>257.14p</u>
Diluted	8			<u>91.48p</u>			<u>69.69p</u>			<u>255.07p</u>

Group Statement of Comprehensive Income

	Unaudited 6 months ended 30 Sept. 2016 £'000	Unaudited 6 months ended 30 Sept. 2015 £'000	Audited year ended 31 March 2016 £'000
Group profit for the period	67,567	42,202	181,043
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Currency translation	38,453	6,956	37,971
Movements relating to cash flow hedges	9,409	(3,881)	2,230
Movement in deferred tax liability on cash flow hedges	(1,504)	1,337	120
	<u>46,358</u>	<u>4,412</u>	<u>40,321</u>
Items that will not be reclassified to profit or loss			
Group defined benefit pension obligations:			
- remeasurements	(8,014)	8,041	4,894
- movement in deferred tax asset	1,227	(1,132)	(570)
	<u>(6,787)</u>	<u>6,909</u>	<u>4,324</u>
Other comprehensive income for the period, net of tax	39,571	11,321	44,645
Total comprehensive income for the period	107,138	53,523	225,688
Attributable to:			
Owners of the Parent	102,678	51,996	220,411
Non-controlling interests	4,460	1,527	5,277
	<u>107,138</u>	<u>53,523</u>	<u>225,688</u>

Group Balance Sheet

	Notes	Unaudited 30 Sept. 2016 £'000	Unaudited 30 Sept. 2015 £'000	Audited 31 March 2016 £'000
ASSETS				
Non-current assets				
Property, plant and equipment		778,618	723,360	739,503
Intangible assets		1,345,082	1,115,861	1,297,065
Equity accounted investments		26,019	5,329	22,139
Deferred income tax assets		22,802	12,338	21,285
Derivative financial instruments		271,609	194,133	209,518
		<u>2,444,130</u>	<u>2,051,021</u>	<u>2,289,510</u>
Current assets				
Inventories		435,716	402,658	393,948
Trade and other receivables		997,017	898,780	916,069
Derivative financial instruments		37,132	5,900	15,915
Cash and cash equivalents		1,138,953	1,458,748	1,182,034
		<u>2,608,818</u>	<u>2,766,086</u>	<u>2,507,966</u>
Total assets		<u>5,052,948</u>	<u>4,817,107</u>	<u>4,797,476</u>
EQUITY				
Capital and reserves attributable to owners of the Parent				
Share capital		15,455	15,443	15,455
Share premium		277,211	274,339	277,211
Share based payment reserve	10	16,369	13,623	14,954
Cash flow hedge reserve	10	(207)	(13,006)	(8,112)
Foreign currency translation reserve	10	106,859	39,044	70,887
Other reserves	10	932	932	932
Retained earnings		953,462	849,323	948,316
Equity attributable to owners of the Parent		<u>1,370,081</u>	<u>1,179,698</u>	<u>1,319,643</u>
Non-controlling interests		30,238	24,314	30,833
Total equity		<u>1,400,319</u>	<u>1,204,012</u>	<u>1,350,476</u>
LIABILITIES				
Non-current liabilities				
Borrowings		1,385,011	1,285,721	1,260,421
Derivative financial instruments		-	1,083	343
Deferred income tax liabilities		140,811	75,060	133,646
Post employment benefit obligations	12	7,045	(79)	347
Provisions for liabilities		233,079	220,531	213,115
Acquisition related liabilities		80,548	40,319	81,411
Government grants		752	1,098	904
		<u>1,847,246</u>	<u>1,623,733</u>	<u>1,690,187</u>
Current liabilities				
Trade and other payables		1,536,255	1,383,587	1,437,832
Current income tax liabilities		26,187	27,952	45,172
Borrowings		172,274	199,657	192,804
Derivative financial instruments		2,574	18,891	8,401
Provisions for liabilities		33,860	24,799	31,373
Acquisition related liabilities		34,233	334,476	41,231
		<u>1,805,383</u>	<u>1,989,362</u>	<u>1,756,813</u>
Total liabilities		<u>3,652,629</u>	<u>3,613,095</u>	<u>3,447,000</u>
Total equity and liabilities		<u>5,052,948</u>	<u>4,817,107</u>	<u>4,797,476</u>
Net (debt)/cash included above	11	<u>(112,165)</u>	<u>153,429</u>	<u>(54,502)</u>

Group Statement of Changes in Equity

For the six months ended 30 September 2016

	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 10) £'000	Total £'000		
At 1 April 2016	15,455	277,211	948,316	78,661	1,319,643	30,833	1,350,476
Profit for the period	-	-	65,588	-	65,588	1,979	67,567
Currency translation	-	-	-	35,972	35,972	2,481	38,453
Group defined benefit pension obligations:							
- remeasurements	-	-	(8,014)	-	(8,014)	-	(8,014)
- movement in deferred tax asset	-	-	1,227	-	1,227	-	1,227
Movements relating to cash flow hedges	-	-	-	9,409	9,409	-	9,409
Movement in deferred tax liability on cash flow hedges	-	-	-	(1,504)	(1,504)	-	(1,504)
Total comprehensive income	-	-	58,801	43,877	102,678	4,460	107,138
Re-issue of treasury shares	-	-	2,065	-	2,065	-	2,065
Share based payment	-	-	-	1,415	1,415	-	1,415
Dividends	-	-	(55,720)	-	(55,720)	(5,055)	(60,775)
At 30 September 2016	15,455	277,211	953,462	123,953	1,370,081	30,238	1,400,319

For the six months ended 30 September 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 10) £'000	Total £'000		
At 1 April 2015	14,688	83,032	849,119	35,909	982,748	4,245	986,993
Profit for the period	-	-	41,270	-	41,270	932	42,202
Currency translation	-	-	-	6,361	6,361	595	6,956
Group defined benefit pension obligations:							
- remeasurements	-	-	8,041	-	8,041	-	8,041
- movement in deferred tax asset	-	-	(1,132)	-	(1,132)	-	(1,132)
Movements relating to cash flow hedges	-	-	-	(3,881)	(3,881)	-	(3,881)
Movement in deferred tax liability on cash flow hedges	-	-	-	1,337	1,337	-	1,337
Total comprehensive income	-	-	48,179	3,817	51,996	1,527	53,523
Issue of share capital (net of expenses)	755	191,307	-	-	192,062	-	192,062
Re-issue of treasury shares	-	-	1,922	-	1,922	-	1,922
Share based payment	-	-	-	867	867	-	867
Dividends	-	-	(49,897)	-	(49,897)	-	(49,897)
Non-controlling interests arising on acquisition	-	-	-	-	-	18,542	18,542
At 30 September 2015	15,443	274,339	849,323	40,593	1,179,698	24,314	1,204,012

For the year ended 31 March 2016

	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 10) £'000	Total £'000		
At 1 April 2015	14,688	83,032	849,119	35,909	982,748	4,245	986,993
Profit for the financial year	-	-	178,031	-	178,031	3,012	181,043
Currency translation	-	-	-	35,706	35,706	2,265	37,971
Group defined benefit pension obligations:							
- remeasurements	-	-	4,894	-	4,894	-	4,894
- movement in deferred tax asset	-	-	(570)	-	(570)	-	(570)
Movements relating to cash flow hedges	-	-	-	2,230	2,230	-	2,230
Movement in deferred tax liability on cash flow hedges	-	-	-	120	120	-	120
Total comprehensive income	-	-	182,355	38,056	220,411	5,277	225,688
Issue of share capital (net of expenses)	767	194,179	-	-	194,946	-	194,946
Re-issue of treasury shares	-	-	2,781	-	2,781	-	2,781
Share based payment	-	-	-	2,198	2,198	-	2,198
Dividends	-	-	(80,938)	-	(80,938)	-	(80,938)
Non-controlling interests arising on acquisition	-	-	(5,001)	2,498	(2,503)	21,311	18,808
At 31 March 2016	15,455	277,211	948,316	78,661	1,319,643	30,833	1,350,476

Group Cash Flow Statement

	Unaudited 6 months ended 30 Sept. 2016 £'000	Unaudited 6 months ended 30 Sept. 2015 £'000	Audited year ended 31 March 2016 £'000
Cash flows from operating activities			
Profit for the period	67,567	42,202	181,043
Add back non-operating expenses/(income)			
- tax	13,071	10,269	35,314
- share of equity accounted investments' profit	(182)	(279)	(504)
- net operating exceptionals	4,416	5,863	14,640
- net finance costs	14,685	18,448	38,408
Group operating profit before exceptionals	99,557	76,503	268,901
Share-based payments expense	1,415	867	2,198
Depreciation	42,913	32,534	74,822
Amortisation of intangible assets	18,266	11,884	31,622
Loss on disposal of property, plant and equipment	369	208	415
Amortisation of government grants	(101)	(176)	(419)
Other	(4,334)	3,346	(3,412)
(Increase)/decrease in working capital	(17,046)	(4,427)	37,585
Cash generated from operations before exceptionals	141,039	120,739	411,712
Exceptionals	(8,752)	(10,386)	(19,567)
Cash generated from operations	132,287	110,353	392,145
Interest paid	(33,313)	(31,348)	(64,432)
Income tax paid	(28,122)	(15,927)	(35,346)
Net cash flows from operating activities	70,852	63,078	292,367
Investing activities			
Inflows:			
Proceeds from disposal of property, plant and equipment	6,076	3,439	13,523
Dividends received from equity accounted investments	121	-	365
Disposal of subsidiaries and equity accounted investments	-	2,296	4,173
Interest received	19,191	17,479	36,004
	25,388	23,214	54,065
Outflows:			
Purchase of property, plant and equipment	(65,878)	(54,695)	(134,172)
Acquisition of subsidiaries	(6,609)	(43,315)	(390,042)
Payment of accrued acquisition related liabilities	(26,200)	(1,059)	(3,913)
	(98,687)	(99,069)	(528,127)
Net cash flows from investing activities	(73,299)	(75,855)	(474,062)
Financing activities			
Inflows:			
Proceeds from issue of shares	2,065	193,984	197,727
Net cash inflow on derivative financial instruments	1,002	-	1,953
Increase in finance lease liabilities	-	68	59
	3,067	194,052	199,739
Outflows:			
Repayment of interest-bearing loans and borrowings	(29,895)	-	(14,832)
Repayment of finance lease liabilities	(79)	(83)	(151)
Dividends paid to owners of the Parent	(55,720)	(49,897)	(80,938)
Dividends paid to non-controlling interests	(5,055)	-	-
	(90,749)	(49,980)	(95,921)
Net cash flows from financing activities	(87,682)	144,072	103,818
Change in cash and cash equivalents	(90,129)	131,295	(77,877)
Translation adjustment	43,894	13,322	38,249
Cash and cash equivalents at beginning of period	1,090,037	1,129,665	1,129,665
Cash and cash equivalents at end of period	1,043,802	1,274,282	1,090,037
Cash and cash equivalents consists of:			
Cash and short term bank deposits	1,138,953	1,458,748	1,182,034
Overdrafts	(95,151)	(184,466)	(91,997)
	1,043,802	1,274,282	1,090,037

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

1. Basis of Preparation

The Group condensed interim financial statements which should be read in conjunction with the annual financial statements for the year ended 31 March 2016 have been prepared in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007, the related Transparency rules of the Irish Financial Services Regulatory Authority and in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34) as adopted by the European Union.

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses together with disclosure of contingent assets and liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis.

These condensed interim financial statements for the six months ended 30 September 2016 and the comparative figures for the six months ended 30 September 2015 are unaudited and have not been reviewed by the Auditors. The summary financial statements for the year ended 31 March 2016 represent an abbreviated version of the Group's full accounts for that year, on which the Auditors issued an unqualified audit report and which have been filed with the Registrar of Companies.

2. Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the Group condensed interim financial statements are consistent with those applied in the Annual Report for the financial year ended 31 March 2016 and are described in those financial statements on pages 185 to 192.

The Group has adopted the following amendments to existing standards during the period which did not result in a material change to the Group's consolidated financial statements:

- Annual Improvements 2012-2014 Cycle;
- Amendments to IAS 1 *Disclosure Initiative*;
- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*; and
- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*.

There were a number of other amendments to existing standards which became effective for the Group for the first time from 1 April 2016. None of these had a material impact on the Group.

3. Going Concern

Having reassessed the principal risks facing the Group (as detailed on pages 15 to 17 of the Annual Report for the year ended 31 March 2016), the Directors believe that the Group is well placed to manage these risks successfully.

The Directors have a reasonable expectation that DCC plc, and the Group as a whole, has adequate resources to continue in operational existence for the foreseeable future, a period of not less than twelve months from the date of this report. For this reason, the Directors continue to adopt the going concern basis of accounting in preparing the condensed interim financial statements.

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

4. Reporting Currency

The Group's financial statements are presented in sterling, denoted by the symbol '£'. Results and cash flows of operations based in non-sterling countries have been translated into sterling at average rates for the period, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date. The principal exchange rates used for translation of results and balance sheets into sterling were as follows:

	Average rate			Closing rate		
	6 months ended	6 months ended	Year ended	6 months ended	6 months ended	Year ended
	30 Sept. 2016	30 Sept. 2015	31 March 2016	30 Sept. 2016	30 Sept. 2015	31 March 2016
	Stg£1=	Stg£1=	Stg£1=	Stg£1=	Stg£1=	Stg£1=
Euro	1.2364	1.3902	1.3697	1.1614	1.3541	1.2633
Swedish Krona	11.5928	13.0057	12.7937	11.1742	12.7397	11.6547
Danish Krone	9.2173	10.3763	10.2297	8.6542	10.1013	9.4134
Norwegian Krone	11.5655	12.2304	12.4995	10.4373	12.8971	11.8938

5. 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 Healthcare, DCC Technology and DCC Environmental.

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

DCC Healthcare sells, markets and distributes own and third party pharmaceuticals and medical products to healthcare providers across all sectors of the British and Irish healthcare markets. DCC Healthcare also provides outsourced product development, manufacturing, packaging and other services to health and beauty brand owners in Europe.

DCC Technology sells, markets and distributes a broad range of consumer and business technology products and services 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.

The consolidated total assets of the Group as at 30 September 2016 of £5.053 billion were not materially different from the equivalent figure at 31 March 2016 and therefore the related segmental disclosure note has been omitted in accordance with IAS 34 *Interim Financial Reporting*.

Intersegment revenue is not material and thus not subject to separate disclosure.

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

5. Segmental Reporting (continued)

An analysis of the Group's performance by segment and geographic location is as follows:

(a) By operating segment

Unaudited six months ended 30 September 2016					
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	DCC Environmental £'000	Total £'000
Segment revenue	<u>4,118,774</u>	<u>244,283</u>	<u>1,144,229</u>	<u>89,258</u>	<u>5,596,544</u>
Operating profit*	76,033	19,760	11,302	10,728	117,823
Amortisation of intangible assets	(13,390)	(3,307)	(1,481)	(88)	(18,266)
Net operating exceptionals (note 6)	<u>(1,819)</u>	<u>(1,361)</u>	<u>(1,236)</u>	<u>-</u>	<u>(4,416)</u>
Operating profit	<u>60,824</u>	<u>15,092</u>	<u>8,585</u>	<u>10,640</u>	<u>95,141</u>

Unaudited six months ended 30 September 2015					
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	DCC Environmental £'000	Total £'000
Segment revenue	<u>3,659,729</u>	<u>239,120</u>	<u>1,089,055</u>	<u>78,336</u>	<u>5,066,240</u>
Operating profit*	52,885	18,465	8,570	8,467	88,387
Amortisation of intangible assets	(7,246)	(3,307)	(1,092)	(239)	(11,884)
Net operating exceptionals (note 6)	<u>(6,221)</u>	<u>3,586</u>	<u>(2,503)</u>	<u>(725)</u>	<u>(5,863)</u>
Operating profit	<u>39,418</u>	<u>18,744</u>	<u>4,975</u>	<u>7,503</u>	<u>70,640</u>

Audited year ended 31 March 2016					
	DCC Energy £'000	DCC Healthcare £'000	DCC Technology £'000	DCC Environmental £'000	Total £'000
Segment revenue	<u>7,515,308</u>	<u>490,617</u>	<u>2,441,705</u>	<u>153,455</u>	<u>10,601,085</u>
Operating profit*	205,181	45,039	35,125	15,178	300,523
Amortisation of intangible assets	(21,381)	(7,138)	(2,627)	(476)	(31,622)
Net operating exceptionals (note 6)	<u>(9,057)</u>	<u>5,859</u>	<u>(10,454)</u>	<u>(988)</u>	<u>(14,640)</u>
Operating profit	<u>174,743</u>	<u>43,760</u>	<u>22,044</u>	<u>13,714</u>	<u>254,261</u>

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

(b) By geography

The Group has a presence in 15 countries worldwide. The following represents a geographical analysis about the country of domicile (Republic of Ireland) and countries with material revenue.

	Unaudited 6 months ended 30 Sept. 2016 £'000	Unaudited 6 months ended 30 Sept. 2015 £'000	Audited year ended 31 March 2016 £'000
Republic of Ireland	339,219	318,768	659,723
United Kingdom	3,421,914	3,537,671	6,985,521
France	1,038,271	485,229	1,487,875
Other	<u>797,140</u>	<u>724,572</u>	<u>1,467,966</u>
	<u>5,596,544</u>	<u>5,066,240</u>	<u>10,601,085</u>

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

6. Exceptionals

	Unaudited 6 months ended 30 Sept. 2016 £'000	Unaudited 6 months ended 30 Sept. 2015 £'000	Audited year ended 31 March 2016 £'000
Restructuring costs	(2,280)	(6,458)	(16,517)
Acquisition and related costs	(1,374)	(4,633)	(7,478)
Impairment of property, plant and equipment	(684)	-	(947)
Adjustments to contingent acquisition consideration	73	-	6,290
Gain arising from legal case settlements	-	5,201	4,291
Legal and other operating exceptional items	(151)	27	(279)
Net operating exceptional items	<u>(4,416)</u>	<u>(5,863)</u>	<u>(14,640)</u>
Mark to market of swaps and related debt	1,901	(3,819)	(9,419)
Net exceptional items before taxation	<u>(2,515)</u>	<u>(9,682)</u>	<u>(24,059)</u>
Tax attributable to net exceptional items	(386)	(1,037)	710
Net exceptional items after taxation	<u>(2,901)</u>	<u>(10,719)</u>	<u>(23,349)</u>
Non-controlling interest share of net exceptional items after taxation	-	-	(323)
Net exceptional items	<u>(2,901)</u>	<u>(10,719)</u>	<u>(23,672)</u>

The analysis of the net operating exceptional items is as follows:

	Unaudited 6 months ended 30 Sept. 2016 £'000	Unaudited 6 months ended 30 Sept. 2015 £'000	Audited year ended 31 March 2016 £'000
Exceptional operating income	408	5,291	13,829
Exceptional operating expense	<u>(4,824)</u>	<u>(11,154)</u>	<u>(28,469)</u>
	<u>(4,416)</u>	<u>(5,863)</u>	<u>(14,640)</u>

Acquisition related costs amounted to £1.374 million and restructuring costs amounted to £2.280 million. Acquisition costs include the professional fees and tax costs (such as stamp duty) relating to the evaluation and completion of acquisition opportunities.

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 six months ended 30 September 2016 this amounted to an exceptional gain of £1.901 million. The exceptional gains and losses on the Group's private placement debt and related hedging instruments will net to zero on a cumulative basis over their lives.

There was a net tax charge of £0.386 million in relation to the above net exceptional items.

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

7. Taxation

The taxation expense for the interim period is based on management's best estimate of the weighted average tax rate that is expected to be applicable for the full year. The Group's effective tax rate for the period was 17.5% (six months ended 30 September 2015: 16.0% and year ended 31 March 2016: 16.0%).

8. Earnings per Ordinary Share

	Unaudited 6 months ended 30 Sept. 2016 £'000	Unaudited 6 months ended 30 Sept. 2015 £'000	Audited year ended 31 March 2016 £'000
Profit attributable to owners of the Parent	65,588	41,270	178,031
Amortisation of intangible assets after tax	13,235	9,315	24,201
Exceptionals after tax (note 6)	2,901	10,719	23,672
Adjusted profit after taxation and non-controlling interests	<u>81,724</u>	<u>61,304</u>	<u>225,904</u>

Basic earnings per ordinary share

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 period, excluding ordinary shares purchased by the Company and held as treasury shares.

The adjusted figures for basic earnings per ordinary share (a non-IFRS financial measure) are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

	Unaudited 6 months ended 30 Sept. 2016 pence	Unaudited 6 months ended 30 Sept. 2015 pence	Audited year ended 31 March 2016 pence
Basic earnings per ordinary share	73.95p	47.32p	202.64p
Amortisation of intangible assets after tax	14.92p	10.68p	27.55p
Exceptionals after tax (note 6)	3.27p	12.29p	26.95p
Adjusted basic earnings per ordinary share	<u>92.14p</u>	<u>70.29p</u>	<u>257.14p</u>
Weighted average number of ordinary shares in issue (thousands)	<u>88,691</u>	<u>87,216</u>	<u>87,854</u>

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

8. Earnings per Ordinary Share (continued)

Diluted earnings per ordinary share

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 would not have been satisfied as at the end of the reporting period if that were the end of the vesting 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.

	Unaudited 6 months ended 30 Sept. 2016 pence	Unaudited 6 months ended 30 Sept. 2015 pence	Audited year ended 31 March 2016 pence
Diluted earnings per ordinary share	73.42p	46.91p	201.02p
Amortisation of intangible assets after tax	14.81p	10.59p	27.32p
Exceptionals after tax (note 6)	3.25p	12.19p	26.73p
Adjusted diluted earnings per ordinary share	<u>91.48p</u>	<u>69.69p</u>	<u>255.07p</u>
Weighted average number of ordinary shares in issue (thousands)	<u>89,332</u>	<u>87,968</u>	<u>88,564</u>

The weighted average number of ordinary shares used in calculating the diluted earnings per share for the six months ended 30 September 2016 was 89.332 million (six months ended 30 September 2015: 87.968 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:

	Unaudited 6 months ended 30 Sept. 2016 '000	Unaudited 6 months ended 30 Sept. 2015 '000	Audited year ended 31 March 2016 '000
Weighted average number of ordinary shares in issue	88,691	87,216	87,854
Dilutive effect of options and awards	<u>641</u>	<u>752</u>	<u>710</u>
Weighted average number of ordinary shares in issue (thousands)	<u>89,332</u>	<u>87,968</u>	<u>88,564</u>

9. Dividends

	Unaudited 6 months ended 30 Sept. 2016 £'000	Unaudited 6 months ended 30 Sept. 2015 £'000	Audited year ended 31 March 2016 £'000
Interim - paid 33.04 pence per share on 7 December 2015	-	-	30,292
Final - paid 64.18 pence per share on 21 July 2016 (paid 55.81 pence per share on 23 July 2015)	<u>55,720</u>	<u>49,897</u>	<u>50,646</u>
	<u>55,720</u>	<u>49,897</u>	<u>80,938</u>

On 11 November 2016, the Board approved an interim dividend of 37.17 pence per share (£32.995 million). These condensed interim financial statements do not reflect this dividend payable.

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

10. Other Reserves

For the six months ended 30 September 2016

	Share based payment reserve £'000	Cash flow hedge reserve £'000	Foreign currency translation reserve £'000	Other reserves £'000	Total £'000
At 1 April 2016	14,954	(8,112)	70,887	932	78,661
Currency translation	-	-	35,972	-	35,972
Movements relating to cash flow hedges	-	9,409	-	-	9,409
Movement in deferred tax liability on cash flow hedges	-	(1,504)	-	-	(1,504)
Share based payment	1,415	-	-	-	1,415
At 30 September 2016	16,369	(207)	106,859	932	123,953

For the six months ended 30 September 2015

	Share based payment reserve £'000	Cash flow hedge reserve £'000	Foreign currency translation reserve £'000	Other reserves £'000	Total £'000
At 1 April 2015	12,756	(10,462)	32,683	932	35,909
Currency translation	-	-	6,361	-	6,361
Movements relating to cash flow hedges	-	(3,881)	-	-	(3,881)
Movement in deferred tax liability on cash flow hedges	-	1,337	-	-	1,337
Share based payment	867	-	-	-	867
At 30 September 2015	13,623	(13,006)	39,044	932	40,593

For the year ended 31 March 2016

	Share based payment reserve £'000	Cash flow hedge reserve £'000	Foreign currency translation reserve £'000	Other reserves £'000	Total £'000
At 1 April 2015	12,756	(10,462)	32,683	932	35,909
Currency translation	-	-	35,706	-	35,706
Movements relating to cash flow hedges	-	2,230	-	-	2,230
Movement in deferred tax liability on cash flow hedges	-	120	-	-	120
Transfer to non-controlling interests arising on acquisition	-	-	2,498	-	2,498
Share based payment	2,198	-	-	-	2,198
At 31 March 2016	14,954	(8,112)	70,887	932	78,661

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

11. Analysis of Net (Debt)/Cash

	Unaudited 30 Sept. 2016 £'000	Unaudited 30 Sept. 2015 £'000	Audited 31 March 2016 £'000
Non-current assets:			
Derivative financial instruments	271,609	194,133	209,518
Current assets:			
Derivative financial instruments	37,132	5,900	15,915
Cash and cash equivalents	1,138,953	1,458,748	1,182,034
	<u>1,176,085</u>	<u>1,464,648</u>	<u>1,197,949</u>
Non-current liabilities:			
Finance leases	(131)	(199)	(127)
Derivative financial instruments	-	(1,083)	(343)
Unsecured Notes	(1,384,880)	(1,285,522)	(1,260,294)
	<u>(1,385,011)</u>	<u>(1,286,804)</u>	<u>(1,260,764)</u>
Current liabilities:			
Bank borrowings	(95,151)	(184,466)	(91,997)
Finance leases	(322)	(358)	(379)
Derivative financial instruments	(2,574)	(18,891)	(8,401)
Unsecured Notes	(76,801)	(14,833)	(100,428)
	<u>(174,848)</u>	<u>(218,548)</u>	<u>(201,205)</u>
Net (debt)/cash	<u>(112,165)</u>	<u>153,429</u>	<u>(54,502)</u>

12. Post Employment Benefit Obligations

The Group's defined benefit pension schemes' assets were measured at fair value at 30 September 2016. The defined benefit pension schemes' liabilities at 30 September 2016 were updated to reflect material movements in underlying assumptions.

The net deficit on the Group's post employment benefit obligations increased from £0.347 million at 31 March 2016 to £7.045 million at 30 September 2016. The increase in the deficit was primarily driven by an actuarial loss on liabilities arising from a reduction in the discount rate used to value these liabilities. This actuarial loss was somewhat offset by contributions in excess of the current service cost.

The following actuarial assumptions have been made in determining the Group's retirement benefit obligation for the six months ended 30 September 2016:

	Unaudited 6 months ended 30 Sept. 2016	Unaudited 6 months ended 30 Sept. 2015	Audited year ended 31 March 2016
Discount rate			
- Republic of Ireland	1.50%	2.50%	2.00%
- UK	<u>2.45%</u>	<u>4.00%</u>	<u>3.60%</u>

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

13. Business Combinations

A key strategy of the Group is to create and sustain market leadership positions through acquisitions in markets it currently operates in, together with extending the Group's footprint into new geographic markets. In line with this strategy, there were a number of relatively small acquisitions completed by the Group during the period.

The acquisition data presented below reflects the fair value of the identifiable net assets acquired (excluding net cash/debt acquired) in respect of acquisitions completed during the six months ended 30 September 2016, together with measurement period adjustments made to the provisional fair values in respect of the acquisition of Butagaz S.A.S. ('Butagaz') which was completed during the year ended 31 March 2016. These measurement period adjustments primarily comprised reclassifications between categories of assets and liabilities.

	Acquisitions 6 months ended 30 Sept. 2016 £'000	Butagaz measurement period adjustments 6 months ended 30 Sept. 2016 £'000	Total 6 months ended 30 Sept. 2016 £'000	Total 6 months ended 30 Sept. 2015 £'000
Assets				
Non-current assets				
Property, plant and equipment	68	(2,168)	(2,100)	235,743
Intangible assets - other intangible assets	-	-	-	120,453
Equity accounted investments	-	1,762	1,762	42
Total non-current assets	68	(406)	(338)	356,238
Current assets				
Inventories	1,324	-	1,324	44,420
Trade and other receivables	3,252	472	3,724	88,896
Total current assets	4,576	472	5,048	133,316
Liabilities				
Non-current liabilities				
Deferred income tax liabilities	(13)	-	(13)	(44,441)
Provisions for liabilities and charges	-	-	-	(189,639)
Total non-current liabilities	(13)	-	(13)	(234,080)
Current liabilities				
Trade and other payables	(2,517)	4,962	2,445	(75,365)
Provisions for liabilities and charges	-	(5,043)	(5,043)	(18,328)
Current income tax liability	(193)	8,672	8,479	(13,332)
Acquisition related liabilities	-	(9,717)	(9,717)	-
Total current liabilities	(2,710)	(1,126)	(3,836)	(107,025)
Identifiable net assets acquired	1,921	(1,060)	861	148,449
Non-controlling interest arising on acquisition	-	-	-	(18,542)
Intangible assets - goodwill	5,738	1,060	6,798	237,374
Total consideration	7,659	-	7,659	367,281
Satisfied by:				
Cash	8,813	-	8,813	134,744
Cash and cash equivalents acquired	(2,204)	-	(2,204)	(91,429)
Net cash outflow	6,609	-	6,609	43,315
Acquisition related liabilities	1,050	-	1,050	323,966
Total consideration	7,659	-	7,659	367,281

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

13. Business Combinations (continued)

None of the business combinations completed during the period were considered sufficiently material to warrant separate disclosure of the fair values attributable to those combinations.

There were no adjustments made to the carrying amounts of assets and liabilities acquired in arriving at their fair values. 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 Group's condensed interim financial statements for the six months ending 30 September 2017 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.

Acquisition related costs included in other operating expenses in the Group Income Statement amounted to £1.374 million (six months ended 30 September 2015: £4.633 million).

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

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to £3.318 million. The fair value of these receivables is £3.252 million (all of which is expected to be recoverable) and is inclusive of an aggregate allowance for impairment of £0.066 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 completed during the period range from nil to £4.7 million.

The acquisitions during the period contributed £8.3 million to revenues and £0.7 million to profit after tax. The revenue and profit of the Group determined in accordance with IFRS for the period ended 30 September 2016 would not have been materially different than reported in the Income Statement if the acquisition date for all business combinations completed during the period had been as of the beginning of the period.

14. 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 DCC Technology.

15. Related Party Transactions

There have been no related party transactions or changes in the nature and scale of the related party transactions described in the Annual Report in respect of the year ended 31 March 2016 that could have had a material impact on the financial position or performance of the Group in the six months ended 30 September 2016.

16. Events after the Balance Sheet Date

Dansk Fuels

On 23 March 2016 DCC announced it had reached agreement to acquire Dansk Fuels, a commercial, aviation and retail fuels business in Denmark, formerly owned by Shell. Following receipt of competition clearance from the European Commission the acquisition was completed on 31 October 2016. The transaction requires a total investment by DCC of approximately DKK300 million (£35 million). An initial assignment of fair values to identifiable net assets acquired has not been completed given the timing of the closure of the transaction.

Notes to the Condensed Financial Statements

for the six months ended 30 September 2016

16. Events after the Balance Sheet Date (continued)

Hammer

As announced on 14 October 2016, DCC Technology has agreed to acquire 100% of the issued share capital of Hammer Consolidated Holdings Limited ('Hammer'), a specialist distributor of server and storage solutions to resellers in the UK and Continental Europe. The acquisition is based on an initial enterprise value of £38.3 million. The consideration will be paid entirely in cash and is structured as an initial payment at completion, followed by earn out payments over three years based on Hammer's future trading results.

The acquisition, which is subject to competition clearance from the European Commission, is expected to complete by the end of December 2016. As such, an initial assignment of fair values to identifiable net assets acquired has not yet been performed.

Medium

In November 2016 DCC Technology acquired Medium (U.K.) Limited, a distributor of professional audio visual equipment to resellers in the UK. The consideration for the acquisition was based on an enterprise valuation of £8.3 million and was satisfied in cash at completion. An initial assignment of fair values to identifiable net assets acquired has not been completed given the timing of the closure of the transaction.

Gaz Européen

DCC Energy has agreed to acquire Gaz Européen Holdings SAS ('Gaz Européen'), a natural gas retail and marketing business which supplies business and public sector customers in France. DCC has agreed to acquire 97% of the share capital of Gaz Européen on completion, based on an initial enterprise value of €110 million (£95.7 million). The remaining shares will be acquired based on Gaz Européen's results for the three years ending 31 March 2021, 2022 and 2023. All of the consideration will be satisfied in cash.

The acquisition is conditional, inter alia, on clearance from the French Competition Authority and is expected to complete in the first calendar quarter of 2017. As such, an initial assignment of fair values to identifiable net assets acquired has not yet been performed.

Medisource

In November 2016, DCC Healthcare agreed to acquire Medisource Ireland Limited, a specialist in the procurement and sale of Exempt Medicinal Products, for an initial enterprise valuation of €31.5 million (£27.4 million). The acquisition, which is subject to competition clearance, is expected to complete in the first calendar quarter of 2017. As such, an initial assignment of fair values to identifiable net assets acquired has not yet been performed.

17. Board Approval

This report was approved by the Board of Directors of DCC plc on 11 November 2016.

18. Distribution of Interim Report

This report and further information on DCC is available at the Company's website www.dcc.ie. A printed copy is available to the public at the Company's registered office at DCC House, Leopardstown Road, Foxrock, Dublin 18, Ireland.

Statement of Directors' Responsibilities

We confirm that to the best of our knowledge:

1. the condensed set of interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU;
2. the interim management report includes a fair review of the information required by:

Regulation 8(2) of the Transparency (Directive 2004/109/EC) Regulations 2007, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

Regulation 8(3) of the Transparency (Directive 2004/109/EC) Regulations 2007, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board

John Moloney
Chairman

Tommy Breen
Chief Executive

11 November 2016

Supplementary Financial Information

Alternative Performance Measures

The Group reports certain financial measures that are not required under International Financial Reporting Standards ('IFRS') which represent the accounting principles under which the Group reports. The Group believes that the presentation of these non-IFRS measures provides useful supplemental information which, when viewed in conjunction with our IFRS financial information, provides investors with a more meaningful understanding of the underlying financial and operating performance of the Group and its divisions.

These non-IFRS financial measures are primarily used for the following purposes:

- to evaluate the historical and planned underlying results of our operations;
- to set director and management remuneration; and
- to discuss and explain the Group's performance with the investment analyst community.

None of the non-IFRS measures should be considered as an alternative to financial measures derived in accordance with IFRS. The non-IFRS measures can have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results as reported under IFRS.

The principal non-IFRS measures used by the Group, together with reconciliations where the non-IFRS measures are not readily identifiable from the financial statements, are as follows:

Operating profit before net exceptionals and amortisation of intangible assets ('EBITA')

Definition

This comprises operating profit as reported in the Group Income Statement before net operating exceptional items and amortisation of intangible assets.

	6 months ended 30 Sept. 2016 £'000	6 months ended 30 Sept. 2015 £'000	Year ended 31 March 2016 £'000
Operating profit	95,141	70,640	254,261
Net operating exceptional items	4,416	5,863	14,640
Amortisation of intangible assets	18,266	11,884	31,622
Operating profit before net exceptionals and amortisation of intangible assets ('EBITA')	117,823	88,387	300,523

Net interest

Definition

The Group defines net interest as the net total of finance costs and finance income before interest related exceptional items as presented in the Group Income Statement.

	6 months ended 30 Sept. 2016 £'000	6 months ended 30 Sept. 2015 £'000	Year ended 31 March 2016 £'000
Finance costs before exceptional items	(35,751)	(32,161)	(64,970)
Finance income before exceptional items	19,165	17,532	35,981
Net interest	(16,586)	(14,629)	(28,989)

Supplementary Financial Information

Alternative Performance Measures (continued)

Effective tax rate

Definition

The Group's effective tax rate expresses the income tax expense before exceptionals and deferred tax attaching to the amortisation of intangible assets as a percentage of EBITA less net interest.

	6 months ended 30 Sept. 2016 £'000	6 months ended 30 Sept. 2015 £'000	Year ended 31 March 2016 £'000
EBITA	117,823	88,387	300,523
Net interest	(16,586)	(14,629)	(28,989)
Earnings before taxation	101,237	73,758	271,534
Income tax expense	13,071	10,269	35,314
Income tax relating to exceptional items	(386)	(1,037)	710
Deferred tax attaching to amortisation of intangible assets	5,031	2,569	7,421
Income tax expense before exceptionals and deferred tax attaching to amortisation of intangible assets	17,716	11,801	43,445
Effective tax rate (%)	17.5%	16.0%	16.0%

Net capital expenditure

Definition

Net capital expenditure comprises purchases of property, plant and equipment, proceeds from the disposal of property, plant and equipment and government grants received in relation to property, plant and equipment.

	6 months ended 30 Sept. 2016 £'000	6 months ended 30 Sept. 2015 £'000	Year ended 31 March 2016 £'000
Purchase of property, plant and equipment	65,878	54,695	134,172
Proceeds from disposal of property, plant and equipment	(6,076)	(3,439)	(13,523)
Net capital expenditure	59,802	51,256	120,649

Free cash flow

Definition

Free cash flow is defined by the Group as cash generated from operations before exceptional items as reported in the Group Cash Flow Statement after interest paid, income tax paid, net capital expenditure, dividends received from equity accounted investments and interest received.

	6 months ended 30 Sept. 2016 £'000	6 months ended 30 Sept. 2015 £'000	Year ended 31 March 2016 £'000
Cash generated from operations before exceptionals	141,039	120,739	411,712
Interest paid	(33,313)	(31,348)	(64,432)
Income tax paid	(28,122)	(15,927)	(35,346)
Net capital expenditure	(59,802)	(51,256)	(120,649)
Dividends received from equity accounted investments	121	-	365
Interest received	19,191	17,479	36,004
Free cash flow	39,114	39,687	227,654

Supplementary Financial Information

Alternative Performance Measures (continued)

Free cash flow (before interest and tax payments)

Definition

Free cash flow (before interest and tax payments) is defined by the Group as cash generated from operations before exceptional items as reported in the Group Cash Flow Statement after net capital expenditure.

	6 months ended 30 Sept. 2016 £'000	6 months ended 30 Sept. 2015 £'000	Year ended 31 March 2016 £'000
Cash generated from operations before exceptionals	141,039	120,739	411,712
Net capital expenditure	(59,802)	(51,256)	(120,649)
Free cash flow (before interest and tax payments)	81,237	69,483	291,063

Committed acquisition expenditure

Definition

The Group defines committed acquisition expenditure as the total acquisition cost of subsidiaries as presented in the Group Cash Flow Statement (excluding amounts related to acquisitions which were committed to in previous years) and future acquisition related liabilities for acquisitions committed to during the year.

	6 months ended 30 Sept. 2016 £'000	6 months ended 30 Sept. 2015 £'000	Year ended 31 March 2016 £'000
Net cash outflow on acquisitions during the year	6,609	43,315	390,042
Acquisition related liabilities arising on acquisitions during the year	1,050	323,966	81,519
Net cash outflow on acquisitions committed to in the previous year	(6,609)	(24,425)	(351,045)
Acquisition related liabilities committed to in the previous year	(1,050)	(322,866)	(79,288)
Amounts committed in the current year	180,515	20,425	39,000
Committed acquisition expenditure	180,515	40,415	80,228

Net working capital

Definition

Net working capital represents the net total of inventories, trade and other receivables (excluding interest receivable), and trade and other payables (excluding interest payable, amounts due in respect of property, plant and equipment and current government grants).

	As at 30 Sept. 2016 £'000	As at 30 Sept. 2015 £'000	As at 31 March 2016 £'000
Inventories	435,716	402,658	393,948
Trade and other receivables	997,017	898,780	916,069
Interest receivable included in trade and other receivables	(151)	(280)	(230)
Trade and other payables	(1,536,255)	(1,383,587)	(1,437,832)
Interest payable included in trade and other payables	5,342	5,252	3,967
Amounts due in respect of property, plant and equipment included in trade and other payables	228	752	2,967
Government grants included in trade and other payables	83	25	26
Net working capital	(98,020)	(76,400)	(121,085)

Supplementary Financial Information

Alternative Performance Measures (continued)

Working capital (days)

Definition

Working capital days measures how long it takes in days for the Group to convert working capital into revenue.

	As at 30 Sept. 2016 £'000	As at 30 Sept. 2015 £'000	As at 31 March 2016 £'000
Net working capital	(98,020)	(76,400)	(121,085)
September/March revenue	1,014,498	988,134	967,014
Working capital (days)	(2.9 days)	(2.3 days)	(3.9 days)