Results Presentation

For the year ended 31 March 2018
15 May 2018

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Agenda

- Introduction and highlights
- Business review
- Financial summary
- Development review
- Summary and Q&A

Results highlights

For the year ended 31 March 2018

- **Strong profit growth and record development spend, with c. £670 million deployed on acquisitions**
- **Group operating profit on continuing basis up 11.1% (8.6% ccy) to £383.4 million - all divisions recording good growth**
- **Adj. EPS on continuing basis up 10.8% (8.3% ccy) to 317.5p**
- **Proposed 10% increase in dividend – 24th consecutive year of dividend growth since DCC listed in 1994**
- **Good cash flow performance with free cash flow conversion of c.85% and a return on capital employed of 17.5%**

DCC

Trading highlights

Another year of progress for DCC

LPG

- Strong organic growth continued in Oil2LPG conversions
- Launched B2C natural gas and electricity business in France

Retail & Oil

- Excellent performance across the business
- Good progress in developing areas - aviation, lubricants, premium fuels
- Retail stations > 1,000

Healthcare

- Strong profit growth around half of which was organic
- Continued strong growth in medical devices and nutritional market sectors

Technology

- Very strong organic growth in UK & Ireland
- Market share gains in key product areas
- Good progress on infrastructure projects

Business review

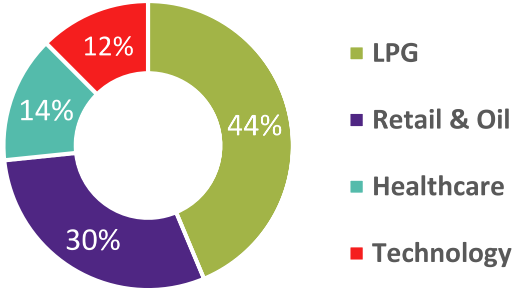
Donal Murphy
Chief Executive

Divisional results

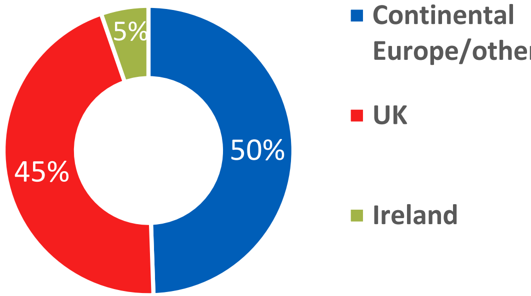
For the year ending 31 March 2018

£'m	2018	2017	% change	*% ccy change*
Operating profit[1]				
DCC LPG	167.5	160.4	+4.4%	*+1.0%*
DCC Retail & Oil	113.8	94.5	+20.4%	*+18.0%*
DCC Healthcare	54.3	49.0	+11.0%	*+10.6%*
DCC Technology	47.8	41.1	+16.3%	*+15.5%*
Operating profit - continuing operations[2]	**383.4**	**345.0**	**+11.1%**	***+8.6%***

By Division[2]



By Geography[2]



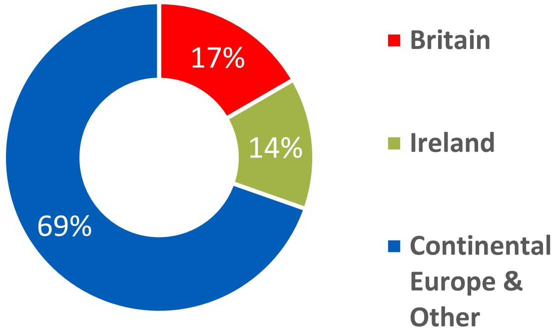
[1] Excluding net exceptionals and amortisation of intangible assets
[2] Excluding DCC Environmental which was disposed of in May 2017

DCC

DCC LPG

	2018	2017	% change
Volume ('000 tonnes)	1,876.2	1,565.6	+19.8%
Operating profit (£'m)	167.5	160.4	+4.4%
Operating profit / tonne	£89.27	£102.49	
ROCE	17.4%	22.9%	

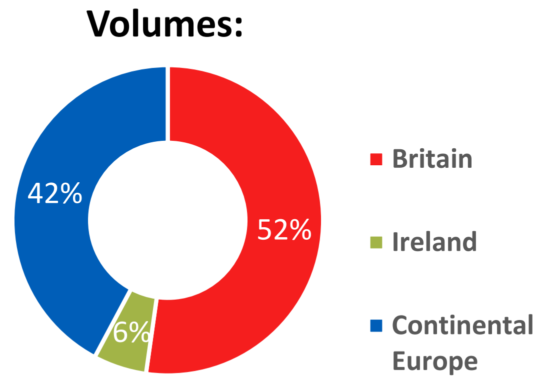
Volumes:



- **Good performance with operating profits up 4.4% (1.0% ccy)**
  - Volume growth of 19.8%, driven by prior year acquisition of Gaz Européen and Shell Hong Kong & Macau in January 2018
  - Good profit growth, despite the headwind of a rising cost of product and organic investment in B2C natural gas and electricity in France
  - France performed in line with expectations and delivered a good margin and cost performance
  - Strong organic growth in Britain, despite impact of supply constraints across the industry, again benefiting from oil to LPG conversions
  - Shell Hong Kong & Macau successfully integrated and performing in line with expectations
  - Excellent progress in expansion of geographic and market presence

DCC Retail & Oil

	2018	2017	% change
Volume (bn litres)	12.308	11.572	+6.4%
Operating profit (£'m)	113.8	94.5	+20.4%
Operating profit / litre	0.92ppl	0.82ppl	
ROCE	18.7%	19.8%	

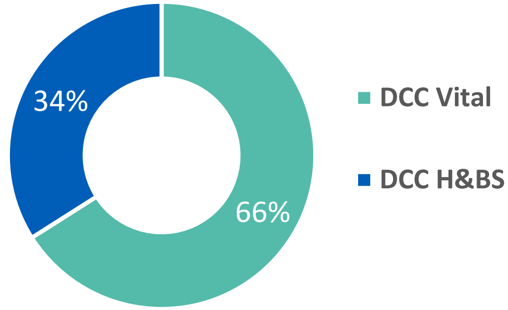


- **Retail & Oil had an excellent year, with operating profits up 20.4% (18.0% ccy)**
  - Volume growth of 6.4% driven by acquisitions of Dansk Fuels and Esso Retail Norway
  - Strong organic profit growth in Britain & Ireland, benefiting modestly from a marginally colder winter. Continue to make good progress in developing lubricants, aviation and unmanned retail
  - Fuel Card business performed well and delivered organic profit growth, whilst investing in organic development in France & Germany
  - In Nordics, Danish business performed very well. Esso Norway now integrated into existing infrastructure, market remains challenging
  - Good profit growth in France and continued investment in customer proposition
  - Now over 1,000 stations and substantial presence in eight countries

DCC Healthcare

	2018	2017	% change
Revenue (£'m)	514.6	506.5	+1.6%
Operating profit (£'m)	54.3	49.0	+11.0%
Operating margin	10.6%	9.7%	
ROCE	16.7%	17.5%	

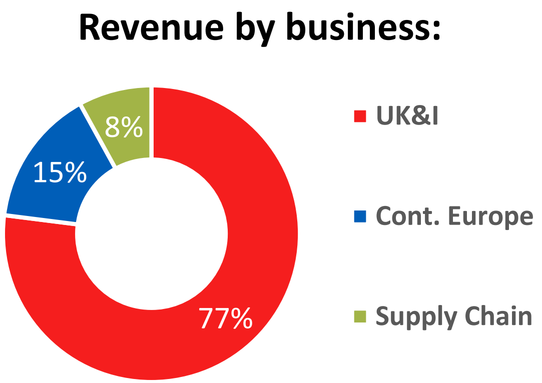
Revenue by business:



- **Strong profit growth of 11.0% (10.6% ccy) and further improvement in operating margin**
- **DCC Vital:**
  - Very strong performance, benefiting from good organic growth in medical devices and prior year acquisition of Medisource
  - Further market share gains in GP supplies in Britain through organic growth and bolt on acquisitions
- **DCC Health & Beauty:**
  - Another year of excellent organic growth in the nutrition sector, benefiting from focus on complex product formulations and broad geographic customer reach
  - Acquisition of Elite One Source in January 2018 – first acquisition in the large and growing US health supplements market
  - In Beauty, overall performance held back somewhat due to destocking by certain customers, excellent growth in sachet filling, including into the US market
  - Further investment in infrastructure to meet increasing demand

DCC Technology

	2018	2017	% change
Revenue (£'m)	3,083	2,689	+14.7%
Operating profit (£'m)	47.8	41.1	+16.3%
Operating margin	1.6%	1.5%	
ROCE	16.1%	17.1%	



- **Very strong operating profit growth of 16.3% (15.5% ccy)**
  - UK and Ireland delivered very strong organic performance, particularly in audio-visual, components and gaming
  - Hammer and MTR have performed strongly since acquisition and broadened service and product capability
  - French B2B segment performed strongly benefiting from expansion of its audio visual offering and strong organic growth in core cabling business
  - French consumer products business remains very challenging, programme has been implemented to significantly reduce costs while improving logistics and operational efficiency
  - Strong organic growth in the Nordics and Middle East
  - Good progress on infrastructure development projects

Financial summary

Fergal O'Dwyer
Chief Financial Officer

Financial summary

For the year ending 31 March 2018

£'m	Volumes/ Revenue	% change	Gross Margin	pt/ppl/% of sales change	Operating costs	pt/ppl/% of sales change
DCC LPG (tonnes)	1,876kT	19.8%	£283pt	-£29pt	£364m	-£15.7pt
DCC Retail & Oil (litres)	12.308b	+6.4%	4.16ppl	+0.29ppl	£398m	+0.19ppl
Revenue – continuing[1] (excl DCC LPG and Retail & Oil)	£3,598m	+12.6%	10.1%	-0.10%	£262m	-0.1%
Total – continuing[1]	**£14,265m**		**£1,407m**		**£1,024m**	

- **Revenue ex-DCC LPG and DCC Retail & Oil up 12.6% (11.1% ccy), reflecting strong organic revenue growth and acquisitions in DCC Technology**
- **DCC LPG gross margin decreasing to £283 per tonne, driven by anticipated cost of product increase and natural gas mix**
- **DCC Retail & Oil gross margin increasing to 4.16ppl, a 0.18ppl increase on a ccy basis reflecting an increasing mix of retail volume**
- **Gross margin excluding DCC LPG and DCC Retail & Oil of 10.1% (2017: 10.2%)**
- **Operating costs +£105m (acq's +£66m, organic +£9m, currency +£30m); organic +0.9%**

[1] Excluding DCC Environmental which was disposed of in May 2017

Financial summary

For the year ending 31 March 2018

	2018	2017	% change
Operating profit[2] – continuing[1] (£'m)	383.4	345.0	+11.1%
Finance costs (£'m)	(35.4)	(31.2)	
Effective tax rate	17.0%	17.5%	
Adjusted EPS[2] – continuing[1]	317.5 pence	286.6 pence	+10.8%
Dividend per share	122.98 pence	111.80 pence	+10.0%
ROCE – continuing[1]	17.5%	20.3%	

- **Operating profit growth of 11.1% (8.6% ccy); approximately one third of ccy growth was organic**
- **Finance costs increase driven by drawdown of a new £450 million private placement facility in September 2017**
- **Effective tax rate decrease to 17.0% (2017: 17.5%) reflects reduction in certain territorial tax rates and change in geographical mix of earnings**
- **Adjusted EPS growth of 10.8% (8.3% ccy)**

[1] Excluding DCC Environmental which was disposed of in May 2017

[2] Excluding net exceptionals and amortisation of intangible assets

DCC

Good cash flow conversion continues

Cash Flow	£m	Conversion %
Operating profit	**384.4**	
Increase in working capital	(13.8)	
Depreciation and other	102.8	
Operating cash flow	**473.4**	**123%**
Capex	(145.3)	
Free cash flow	**328.1**	**85%**
Interest and tax	(96.0)	
Free cash flow after interest and tax	**232.1**	
Acquisitions	(691.0)	
Disposals	160.1	
Dividends	(102.9)	
Exceptional items	(12.6)	
Share issues	3.3	
Net cash outflow	**(411.0)**	
Opening net debt	(121.9)	
Translation and other	(9.8)	
Closing net debt	**(542.7)**	

- Modest outflow of working capital, with working capital days up slightly to negative 2.0 days, from negative 3.3 days as acquired businesses have marginally higher working capital requirement
- Capex exceeded depreciation by £51.7 million reflecting increased scale of the Group, organic growth and investment in infrastructure
- Good free cash flow conversion of c. 85%
- Total acquisition spend of £691.0 million including deferred consideration of £26.9 million
- Net debt / EBITDA of c. 1.1x reflects acquisition spend in the second half of the year

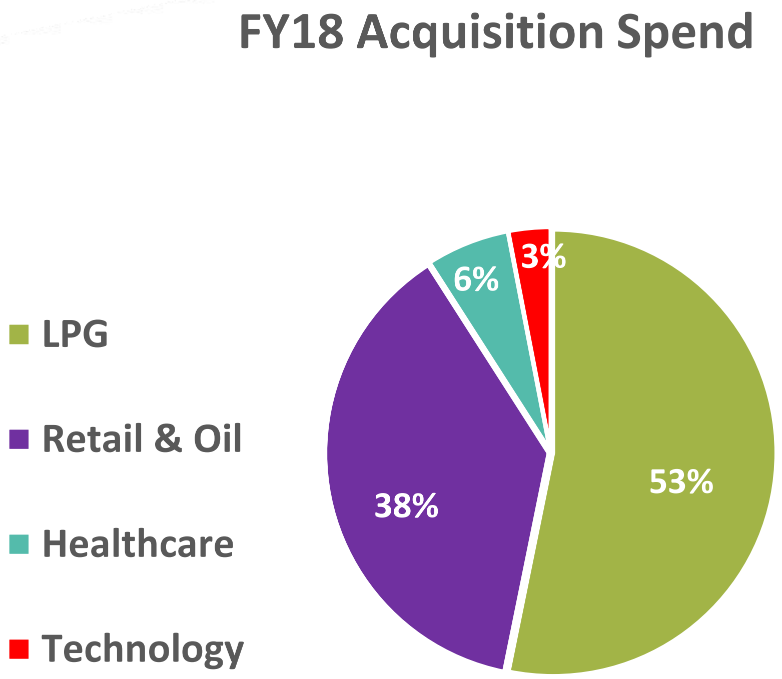
Development review

Donal Murphy
Chief Executive

DCC

Record year of development in DCC

Approximately £670 million spent on new acquisitions



- **Acquisition spend across each division of DCC**
- **Mix of new market entries and bolt-on transactions**
- **Ambitious to deploy further capital in coming years, across all four divisions**

Development review

Highlights of acquisition activity included:

- **LPG**
  - Shell Hong Kong & Macau – first expansion of LPG into Asia
  - Retail West – platform in large, fragmented, US market
  - TEGA – entry into Germany and also into refrigerant gas market
- **Retail & Oil**
  - Esso Norway – high quality network, brings total network to >1,000
- **Healthcare**
  - Elite One Source – first entry into large, innovative US market
- **Technology**
  - MTR – high growth business and further expansion of service offering

Capital Markets Day

- **Thursday, 13 September 2018**
- **Being held in Butagaz, Rognac (Marseille)**
- **Focus on the DCC Group and tour of LPG facilities in Rognac**
- **To register your interest please email:** dccinvestorday@powerscourt-group.com

Summary and Q&A

Donal Murphy
Chief Executive

DCC

Summary and Q&A

- Another year of strong growth for DCC with each division recording good growth
- Record development spend for DCC and further geographic expansion
- Continue to have the opportunity, ambition and capacity for further development across each of our divisions

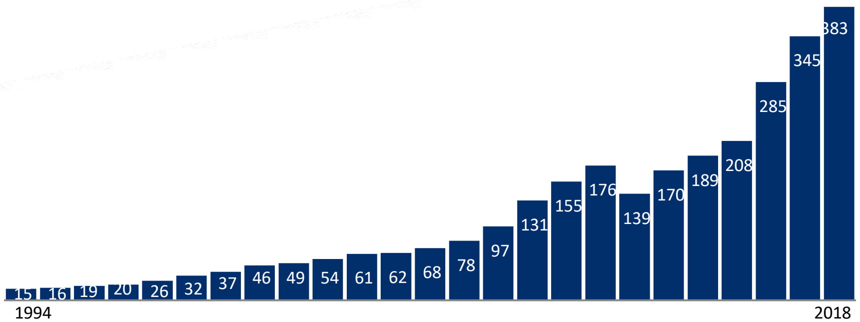
The Group expects that the year ending 31 March 2019 will be another year of profit growth and development

DCC

Strategy continues to deliver

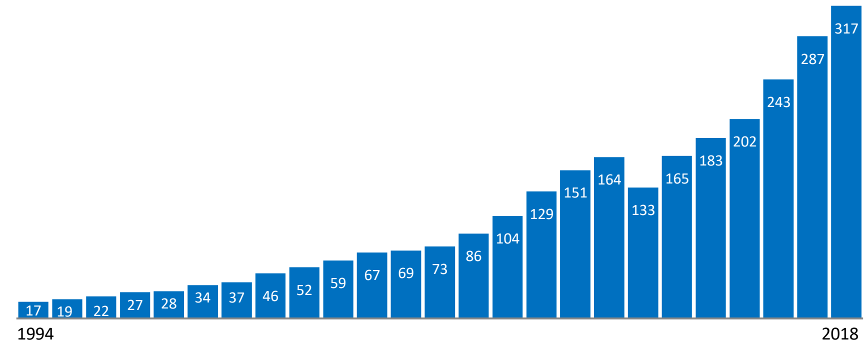
Operating profit (£m)[1]

24 year CAGR[1]
14.4%



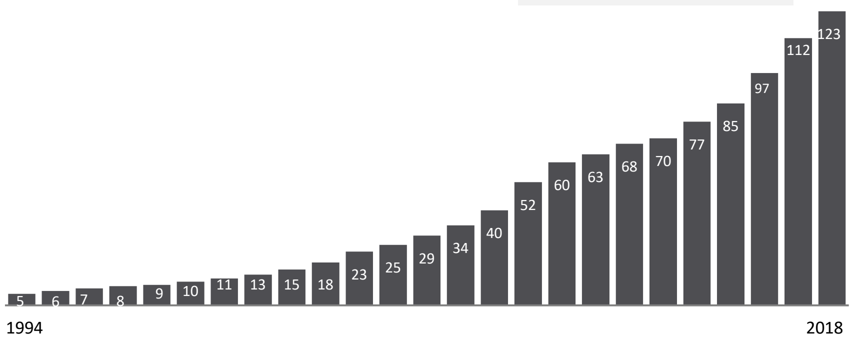
EPS (pence)[1]

24 year CAGR
13.0%



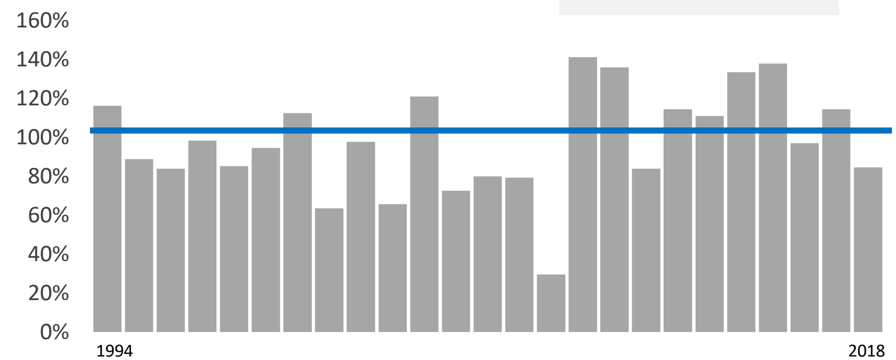
Dividend (pence)

24 year CAGR
14.5%



Free cash flow conversion (%)

24 year conversion
102%



[1] On a continuing basis