Interim Results Presentation

For the six months ended 30 September 2018
13 November 2018

DCC

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Agenda

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

Results highlights

For the six months ended 30 September 2018

- **Strong profit growth and active period of development, with c. £270 million of committed acquisition spend**
- **Group operating profit on continuing activities up 15.9% (16.5% ccy) to £141.9 million – all divisions performed in line with expectations**
- **Adj. EPS on continuing activities up 12.1% (13.0% ccy) to 107.1p**
- **Interim dividend increased by 10.0% to 44.98 pence per share**
- **Successful equity placing raising c. £600m[1] – enables continued implementation of DCC's targeted acquisition strategy**

[1] Completed 2 October 2018

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Financial summary

For the six months ended 30 September 2018

£'m	2018	2017	% change
Revenue[1] – continuing[2]	7,418	5,947	+24.7%
Adjusted operating profit[3] – continuing[2]	**141.9**	**122.5**	**+15.9%**
Profit before net exceptionals, amortisation of intangible assets and tax	119.8	106.9	+12.0%
Finance costs	(22.1)	(15.6)	
Adjusted EPS[3] – continuing[2]	**107.1 pence**	**95.5 pence**	**+12.1%**
Interim dividend per share	**44.98 pence**	**40.89 pence**	**+10.0%**
Operating cash flow	**173.2**	**84.0**	
Net debt	832.4	112.3	
Net debt adjusted for equity placing[4]	**237.4**	**112.3**	

[1] Prior year revenue has been restated to reflect the adoption of IFRS 15 *Revenue from Contracts with Customers*
[2] Excluding DCC Environmental which was disposed of in May 2017
[3] Excluding net exceptionals and amortisation of intangible assets
[4] Equity placing completed on 2 October 2018

Business review

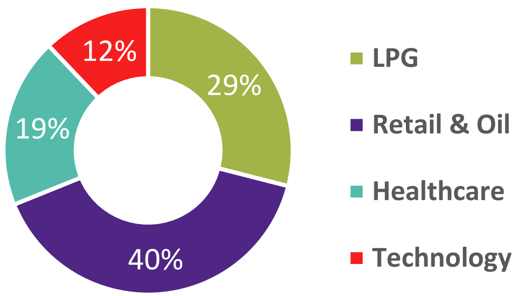
Donal Murphy
Chief Executive

Divisional results

For the six months ended 30 September 2018

£'m	2018	2017	% change	*% ccy change*
Operating profit[1]				
DCC LPG	40.9	44.1	-7.2%	*-7.5%*
DCC Retail & Oil	56.3	42.2	+33.5%	*+34.5%*
DCC Healthcare	26.9	22.0	+22.2%	*+22.5%*
DCC Technology	17.8	14.2	+25.0%	*+25.6%*
Operating profit – continuing operations[2]	**141.9**	**122.5**	**+15.9%**	***+16.5%***

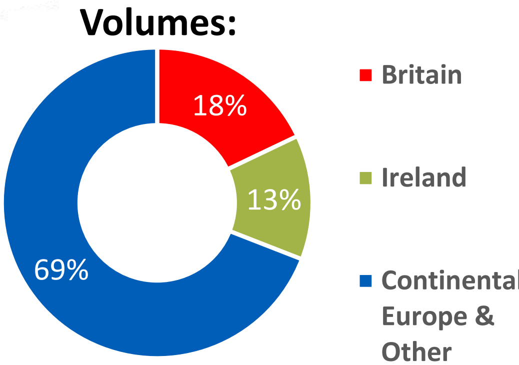
By Division



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

DCC LPG

	2018	2017	% change
Volume ('000 tonnes)	741.6	645.6	+14.9%
Operating profit (£'m)	40.9	44.1	-7.2%
Operating profit / tonne	£55.2	£68.3	

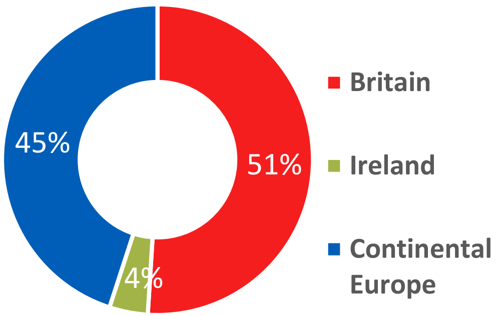


- **Good performance with operating profit in line with expectations, in the seasonally less significant first half**
  - Operating profit behind the prior year, as anticipated, due to the material increase in cost of product and organic investment in natural gas and power offering in France
  - Volume growth of 14.9%, principally driven by prior year acquisitions of Shell Hong Kong & Macau, Retail West and TEGA – all trading in line with expectations since acquisition
  - France performed in line with expectations and continued to deliver good procurement and cost performance. Good traction made expanding its product range and service offering
  - Good volume growth in Britain & Ireland, despite warmer than average weather, with continued focus on converting Oil2LPG industrial and commercial users
  - Excellent progress in increasing scale and breadth of the LPG business

DCC Retail & Oil

	2018	2017	% change
Volume (bn litres)	6.157	6.011	+2.4%
Operating profit (£'m)	56.3	42.2	+33.5%
Operating profit / litre	0.91ppl	0.70 ppl	

Volumes:

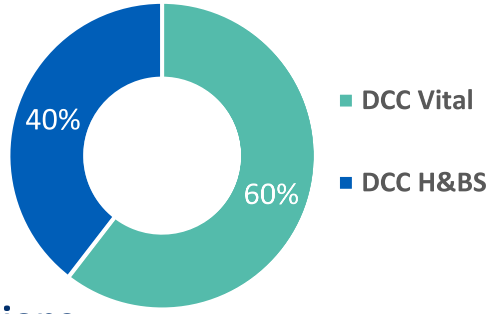


- **Strong performance in line with expectations, in the seasonally less significant first half**
  - Volume growth of 2.4% benefiting from acquisitions in the prior year
  - Organic volumes modestly behind the prior year, reflecting the warm weather in Northern Europe, which impacted agricultural demand in the summer months
  - Strong organic profit growth in Britain & Ireland – good growth in commercial volumes offsetting lower agricultural demand. Continued progress expanding into adjacent areas including integration of SNAP
  - In Scandinavia, the Danish business delivered very strong profit growth. In Norway, management focused on driving improvements in a difficult market environment
  - Strong organic profit growth in France – continued expansion of non-fuel offering

DCC Healthcare

	2018	2017	% change
Revenue (£'m)	275.9	245.0	+12.6%
Operating profit (£'m)	26.9	22.0	+22.2%
Operating margin	9.8%	9.0%	

Revenue by business:

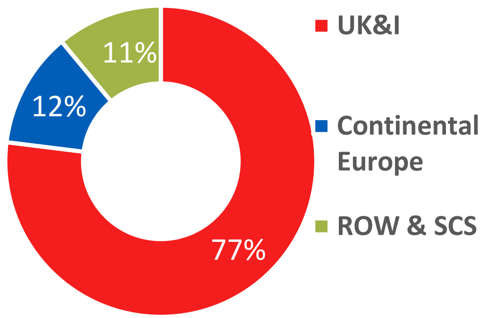


- **Strong growth in operating profit in the first half in line with expectations**
- **DCC Vital:**
  - Very strong organic profit growth, particularly in the supply of medical products and services to GP surgeries
  - Very good growth in medical devices in Ireland and satisfactory performance in Britain
- **DCC Health & Beauty:**
  - Excellent organic profit growth and benefited from the first time contribution of Elite One Source
  - In Nutrition, good organic growth with key customers as the business continues to support their international sales growth
  - In Beauty, excellent organic growth across a range of existing customers and the successful development of new customer relationships
  - Investment projects to add new capacity and capability progressing to plan

DCC Technology

	2018	2017	% change
Revenue (£'m)	**1,588**	**1,371**	+15.8%
Operating profit (£'m)	**17.8**	**14.2**	+25.0%
Operating margin	**1.1%**	**1.0%**	

Revenue by business:



- **Strong operating profit growth in line with expectations in the seasonally less significant first half**
  - Strong organic performance in the UK & Ireland and benefit of acquisitions completed in the current year
  - Good revenue growth in key product areas e.g. audio-visual, smart-home, repair/refurbishment services and enterprise
  - Significant progress in upgrading infrastructure: new NDCs operational in UK, France and Nordics. SAP live in an element of the UK business
  - The French reseller and electrician business continues to perform well and is continuing to invest in its audio-visual proposition. Operational improvements continuing in the French consumer business
  - Very active development period for the business with the acquisitions of Stampede and Jam in North America – first acquisitions in the large, growing and fragmented North American market
  - Both businesses have traded in line with expectations since acquisition

Development review

Donal Murphy
Chief Executive

Development review

- Another active development and integration period for DCC
- Total committed expenditure of approximately £270 million in the current year
- Continued expansion of the Group’s presence in North America
- DCC Technology entered the market for the first time, with acquisitions of Stampede and Jam
- DCC Technology now has a strong platform for further development in the growing and fragmented North American market
- Prior year acquisitions in LPG successfully integrated – Shell Hong Kong & Macau, Retail West and TEGA

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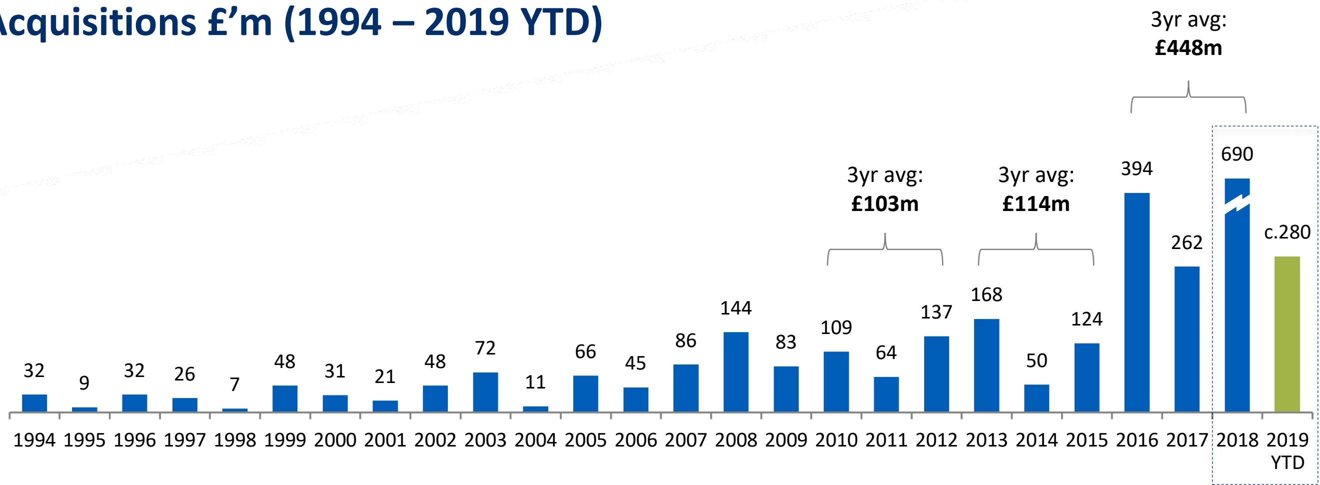
Significant recent M&A spend

40+ years M&A experience – proven track record

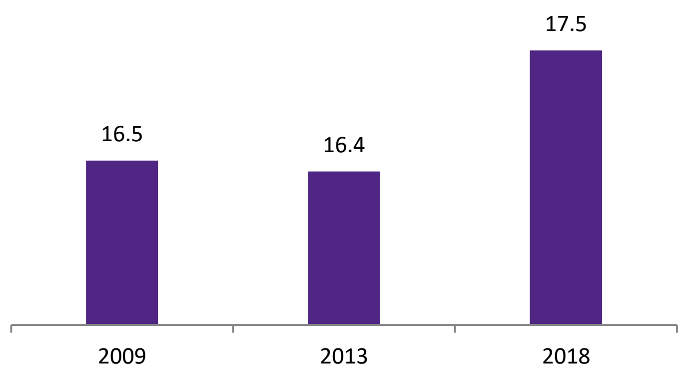
Acquisitions £'m (1994 – 2019 YTD)



	Division	£m
Jam Industries	Technology	130
Stampede	Technology	110
Kondor	Technology	
SNAP	Retail & Oil	N/D
Elite One	Healthcare	35
Countrywide Farmers LPG	LPG	29
TEGA	LPG	N/D
Shell LPG HK & Macau	LPG	120
Retail West	LPG	152
Esso Retail Norway	Retail & Oil	235
MTR	Technology	N/D

- £900m+ of M&A over the last twelve months
- >260 acquisitions since flotation
- c.£3.0bn total acquisition spend in past 24 years
- Continue to successfully integrate and drive strong returns and organic growth

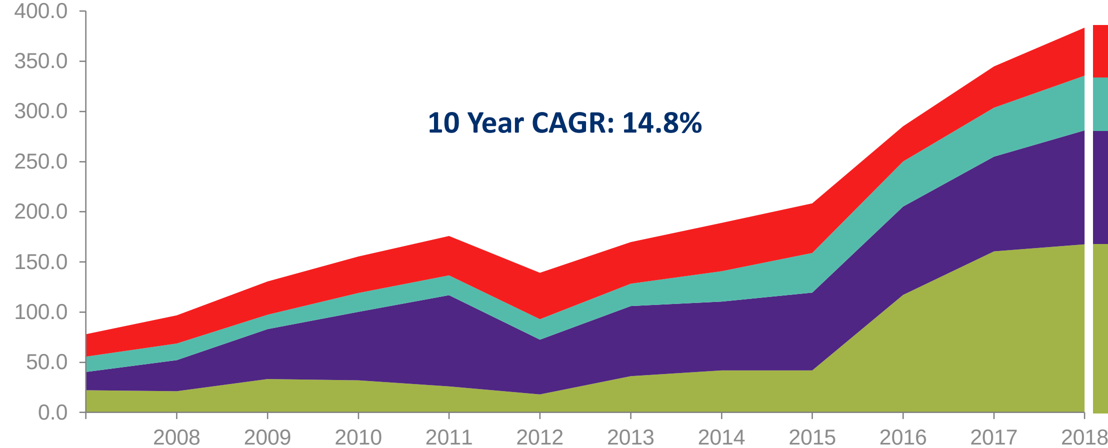
Pre-tax ROCE (%)*



** ROCE on a continuing basis*

Why diversity works for DCC

Operating profit FY08 – FY18 (£'m)



	'08 – '18 CAGR	ROCE '18
DCC Technology	+5.5%	+16.1%
DCC Healthcare	+12.7%	+16.7%
DCC Retail & Oil	+13.9%	+18.7%
DCC LPG	+23.0%	+17.4%

Organic and acquisitive growth

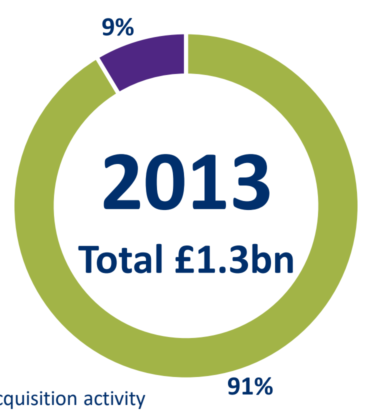
Optionality in capital allocation

Maintaining returns discipline

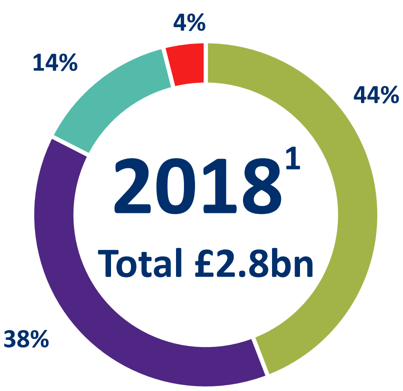
Facilitating geographic expansion across the Group

Growing our opportunity set

Capital employed by geography (%)



- UK&I £1.19bn
- CE £0.11bn



- UK&I £1.25bn
- CE £1.09bn
- Nth.A £0.38bn
- Asia £0.11bn

[1] Pro forma for H1 FY19 acquisition activity

Summary and Q&A

Donal Murphy
Chief Executive

Summary and Q&A

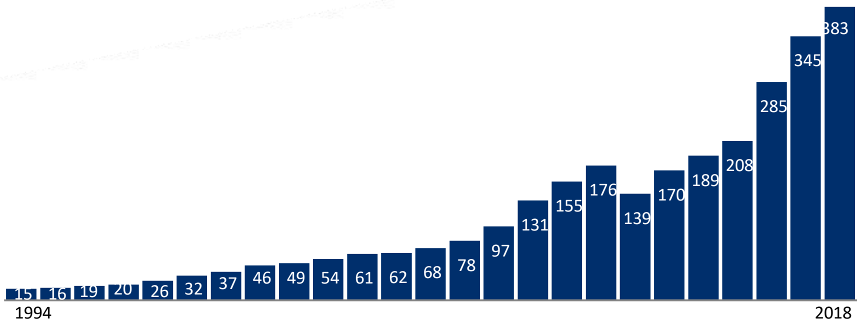
- Another strong performance for DCC with each division performing in line with expectations
- Active development period with c. £270 million of committed spend
- Successful equity placing ensures DCC has the balance sheet capacity to continue the implementation of its targeted acquisition strategy
- DCC has the platforms, opportunities and capability to build the Group into a global leader in its chosen sectors

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

Strategy continues to deliver

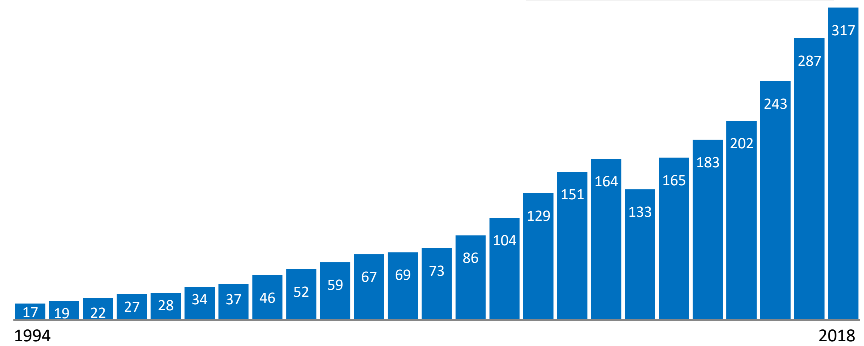
Operating profit (£'m)[1]

24 year CAGR[1]
14.4%



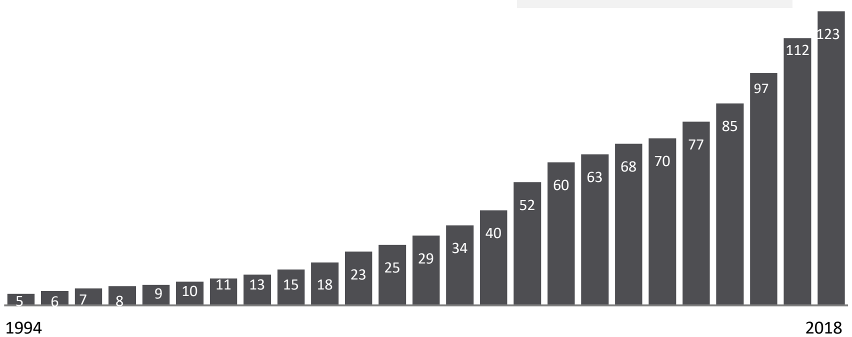
EPS (pence)[1]

24 year CAGR
13.0%



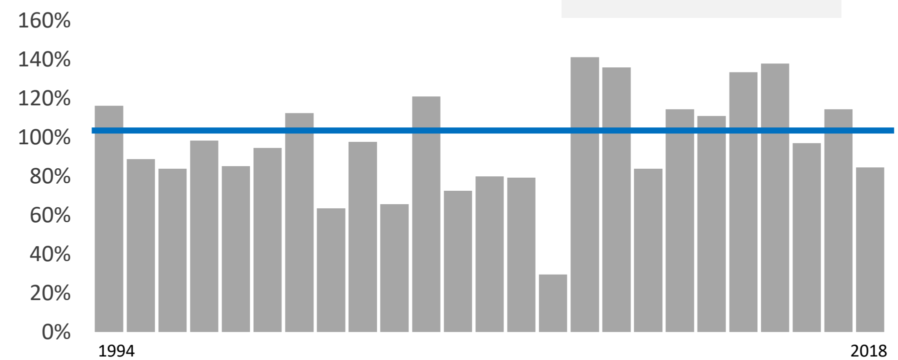
Dividend (pence)

24 year CAGR
14.5%



Free cash flow conversion (%)

24 year conversion
102%



[1] On a continuing basis