



DCC

Annual Report and Accounts

2011

DCC is a sales, marketing, distribution and business support services Group, operating across five divisions:

Sales, marketing and distribution businesses (87% of profits)	Business support services (13% of profits)
DCC Energy <ul style="list-style-type: none"> • Oil • LPG • Fuel cards 	
DCC SerCom SerCom Distribution IT & entertainment products to <ul style="list-style-type: none"> • Retailers • Resellers • Enterprise markets 	SerCom Solutions <ul style="list-style-type: none"> • Outsourced procurement and supply chain management services
DCC Healthcare <ul style="list-style-type: none"> • Hospital supplies and services focussed on the medical and pharmaceutical sectors 	<ul style="list-style-type: none"> • Outsourced solutions to the health and beauty sector
DCC Environmental	<ul style="list-style-type: none"> • Waste management and recycling services
DCC Food & Beverage <ul style="list-style-type: none"> • Healthfoods • Indulgence foods and beverages 	<ul style="list-style-type: none"> • Chilled and frozen logistics

DCC currently employs approximately 8,000 people and is listed under Support Services on the Irish and London stock exchanges.

DCC's strategy is to grow a sustainable, diversified business through concentrating on those activities where it has established, or has the opportunity to establish, leadership positions (i.e. typically number 1 or 2) in its chosen markets.

Contents

1	Highlights	54	Principal Risks and Uncertainties
2	Group at a Glance	56	Corporate Governance
3	Strategy	62	Report on Directors' Remuneration and Interests
4	Board of Directors	69	Statement of Directors' Responsibilities
6	Chairman's Statement	70	Report of the Independent Auditors
10	Chief Executive's Review	72	Financial Statements
14	Senior Management	132	Group Directory
18	Business Reviews	136	Shareholder Information
38	Financial Review	138	Corporate Information
46	Sustainability Report	139	Index
52	Report of the Directors	140	Five Year Review

Highlights

Revenue

€8,680.6m

2010: €6,725.0m

Reported: +29.1% ▲
Constant currency†: +25.4%

Operating profit*

€229.6m

2010: €192.8m

Reported: +19.1% ▲
Constant currency†: +15.5%

Adjusted earnings per share*

203.15 cent

2010: 177.98 cent

Reported: +14.1% ▲
Constant currency†: +10.5%

Dividend per share

74.18 cent

2010: 67.44 cent

Reported: +10.0% ▲

Operating cash flow

€269.6m

2010: €297.8m

Return on total capital employed

19.9%

2010: 18.4%

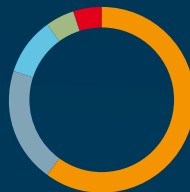
By Geography

UK	72%
ROI	15%
Rest of World	13%



By Division

Energy	60%
SerCom	20%
Healthcare	10%
Environmental	5%
Food & Beverage	5%



* Excluding net exceptionals and amortisation of intangible assets.

† Constant currency figures quoted are based on retranslating 2010/11 figures at prior year translation rates.

Group at a Glance



DCC Energy

DCC Energy is the leading oil and liquefied petroleum gas (LPG) sales, marketing and distribution business in Britain and Ireland and one of the leading oil distribution businesses in Austria and Denmark.



DCC SerCom

SerCom Distribution markets and sells IT and entertainment products to the Retail, Reseller and Enterprise markets in Britain, Ireland, France, Spain, Portugal, the Netherlands, Belgium and Luxembourg.

SerCom Solutions provides outsourced procurement and supply chain management services in Ireland, Poland, China, Mexico and the USA.



DCC Healthcare

DCC Healthcare provides sales, marketing, distribution and other services to healthcare providers and medical and pharmaceutical brand owners/manufacturers in Britain and Ireland and outsourced product development, manufacturing and packing services to the health and beauty sector in Britain and continental Europe.



DCC Environmental

DCC Environmental provides a broad range of waste management and recycling services to the industrial, commercial, construction and public sectors in Britain and Ireland.



DCC Food & Beverage

DCC Food & Beverage markets and sells a wide range of owned and agency branded food and beverage products in Ireland, has a wine business in Britain and provides temperature controlled logistics services to the food industry in Ireland.

Strategy

DCC's strategy is to grow a sustainable, diversified business through concentrating on those activities where it has established, or has the opportunity to establish, leadership positions (i.e. typically number 1 or 2) in its chosen markets. In pursuit of this strategy, DCC will seek to grow:-

- through a combination of organic growth and acquisitions which will strengthen existing market positions and carefully extend its geographic footprint;
- through the deployment of a devolved management structure aimed at attracting and empowering entrepreneurial leadership teams capable of delivering outstanding performance in each of its businesses;
- while maintaining the financial discipline necessary to invest only where it can drive returns well above its cost of capital; and
- while retaining a strong balance sheet and a prudent capital structure which will enable DCC to take advantage of attractive commercial opportunities as they arise.

Successful delivery of the strategy will result in:-

- the achievement of sustainable, superior returns for DCC's shareholders;
- increased employment opportunities and greater capacity for DCC to provide development opportunities for all its employees;
- enhanced levels of customer service to DCC's commercial, industrial, retail, domestic and public sector customers;
- strengthening of the "partnership" nature of our relationships with our local, regional, national and global suppliers; and
- increased opportunity for DCC to have a positive impact on the wider communities in which it operates.

Total Shareholder Return

- 10 Years and 5 Years to 31 March 2011

179.5%

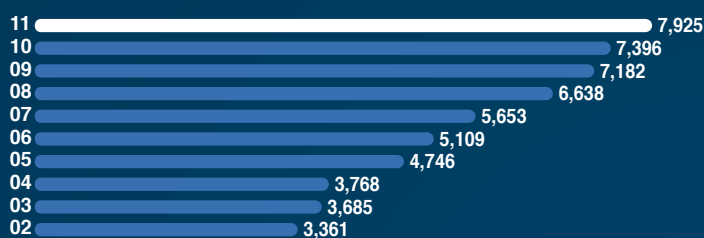
10 years ended 31 March 2011

37.2%

5 years ended 31 March 2011

Average no. of employees

- 10 Years to 31 March 2011



Board of Directors

	1	2
3	4	5
6	7	8
9	10	11



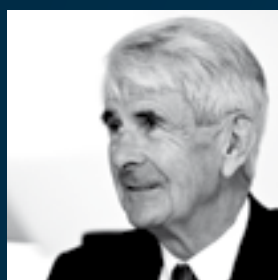
1. Michael Buckley Non-executive Chairman

Michael Buckley, MA, LPh, MCSI, (66) was appointed non-executive Chairman in May 2008. He is a non-executive director of M and T Bank Corporation, listed on the New York Stock Exchange, of Enterprise Ireland and of UK Asset Resolution Limited. Mr. Buckley is senior adviser to a number of privately owned Irish and international companies, is an adjunct professor at the Department of Economics in the National University of Ireland, University College Cork, and chairs the Board of the Irish Chamber Orchestra. He was Group Chief Executive of Allied Irish Banks plc from 2001 to 2005 having served as Managing Director of AIB Capital Markets and AIB Poland. Previously, he was Managing Director of NCB Group and a senior public servant in Ireland and the EU. Mr. Buckley joined the Board in September 2005.



2. Tommy Breen Chief Executive

Tommy Breen, B Sc (Econ), FCA, (52) was appointed Chief Executive in May 2008 having been Group Managing Director from July 2007. He was previously Chief Operating Officer and has held a number of other senior management positions in the Group, including those of Managing Director of DCC's Energy, SerCom and Environmental divisions. Mr. Breen joined DCC in 1985, having previously worked with KPMG. Mr. Breen joined the Board in February 2000.



Board	Length of service on Board
Michael Buckley (Chairman)	5 years
Tommy Breen	11 years
Róisín Brennan	5 years
David Byrne	2 years
Kevin Melia	2 years
John Moloney	2 years
Donal Murphy	2 years
Fergal O'Dwyer	11 years
Bernard Somers	7 years
Leslie Van de Walle	0.5 years

Maurice Keane retired from the Board on 5 April 2011

Audit Committee	Length of service on Committee
Bernard Somers (Chairman)	5 years
Kevin Melia	2 years
John Moloney	2 years

Nomination and Governance Committee	
Michael Buckley (Chairman)	5 years
Róisín Brennan	0.1 years
David Byrne	2 years
Leslie Van De Walle	0.1 years

Remuneration Committee	
Leslie Van De Walle (Chairman)	0.5 years
Róisín Brennan	5 years
Michael Buckley	5 years
David Byrne	2 years

3. Róisín Brennan Non-executive Director

Róisín Brennan, BCL, FCA, (46) is a former Chief Executive of IBI Corporate Finance, where she had extensive experience advising public companies in Ireland. Ms. Brennan also served as a non-executive director of The Irish Takeover Panel during 2000/2001. Ms Brennan qualified as a chartered accountant with Arthur Andersen. Ms. Brennan joined the Board in September 2005.

4. David Byrne Non-executive Deputy Chairman and Senior Independent Director

David Byrne, SC, (64) joined the Board and was appointed non-executive Deputy Chairman and Senior Independent Director in January 2009. He is a non-executive director of Kingspan Group plc and serves on a number of commercial international advisory boards. Mr. Byrne also chairs the National Treasury Management Agency Advisory Committee. Following 27 years of practice as a barrister, he was Attorney General of Ireland from 1997 to 1999. Mr. Byrne served as the first EU Commissioner for Health and Consumer Protection from 1999 to 2004. Following this, he served as Special Envoy of the Director-General of the World Health Organisation.

5. Kevin Melia Non-executive Director

Kevin Melia, FCMA, JDipMA, (63) is non-executive Chairman of Vette Corp, he is a Joint Managing Director of Boulder Brook Partners, a private investment company and is non-executive director of Merriion Capital, Newtide Acquisitions, Analogic Corporation, Greatbatch Inc, RadiSys Corp and a member of the advisory Board of C&S Wholesale Grocers and Distributors. Mr. Melia is a former non-executive Chairman of Iona Technologies and Authorize.Net and was the Co-founder, Chairman and Chief Executive Officer of Manufacturers Services Ltd. Previous positions held include Chief Financial Officer and Executive Vice President of Operations of Sun Microsystems and President of its computer hardware division. Mr. Melia also held a number of senior management positions at Digital Equipment Corporation. Mr. Melia joined the Board in December 2008.

6. John Moloney Non-executive Director

John Moloney, B.Agr.Sc., MBA, (56) is Group Managing Director of Glanbia plc where he has been a board member since 1997. He joined Glanbia in 1987 and held a number of senior management positions including Chief Executive of the Food Ingredients and Agricultural Trading divisions. Previously, Mr. Moloney worked with the Department of Agriculture, Food and Forestry as well as in the meat industry in Ireland. He is a director of the Irish Dairy Board Co-operative Limited and a council member of the Irish Business and Employers Confederation. Mr. Moloney joined the Board in February 2009.

7. Donal Murphy Executive Director

Donal Murphy, B Comm, BFS, MBA, (45) joined DCC in 1998 having previously worked with Allied Irish Banks plc. He was appointed Managing Director of DCC Energy in 2006 having been Managing Director of DCC SerCom for a number of years. Prior to this Mr. Murphy was Head of Group IT. Mr. Murphy joined the Board in December 2008.

8. Fergal O'Dwyer Executive Director

Fergal O'Dwyer, FCA, (51) has been Chief Financial Officer since 1994. He joined DCC in 1989 having previously worked with KPMG in Johannesburg and Price Waterhouse in Dublin. Mr. O'Dwyer joined the Board in February 2000.

9. Bernard Somers Non-executive Director

Bernard Somers, B Comm, FCA, (62) is the founder of Somers & Associates, which specialises in debt and corporate restructuring. He is a non-executive director of Irish Continental Group plc and has also been an investor in and a director of several start-up companies. Mr. Somers joined the Board in September 2003.

10. Leslie Van De Walle Non-executive Director

Leslie Van de Walle, (55) is non-executive Chairman of SIG plc and is a non-executive director of Aviva plc and of La Seda de Barcelona S.A. Mr. Van de Walle is a former Chief Executive Officer of Rexam plc and previously held a number of senior executive roles in Royal Dutch Shell plc, including Executive Vice President of Retail for Oil Products and Head of Oil Products, Shell Europe. He has also held a number of senior management positions with Cadbury Schweppes plc and United Biscuits plc. Mr. Van de Walle joined the Board in November 2010.

11. Maurice Keane Non-executive Director (retired on 5 April 2011)

Maurice Keane, B Comm, M Econ Sc, (69) was a member of the Court of Directors of Bank of Ireland from 1983 to 2005, and Chief Executive from 1998 to 2002. In January 2009 he was appointed a director of Anglo Irish Bank Corporation Limited after it was nationalised. He is a director of Axis Capital Holdings Limited, listed on the New York Stock Exchange, and is a member of the National Pension Reserve Fund Commission. Previously, Mr. Keane was Chairman of BUPA Ireland and of Bristol & West plc. Mr. Keane joined the Board in March 2002 and retired from the Board on 5 April 2011.



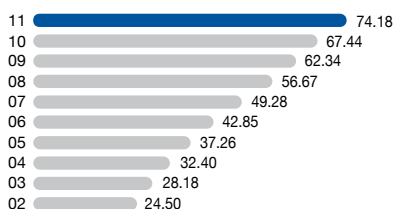
Chairman's Statement

Consistent Profit Growth, Exceptional Return on Capital, Financial Strength

I am very pleased to be able to report to shareholders of DCC plc that in the year ended 31 March 2011, profits again grew significantly - for the 17th year in a row. It was a year in which the economies that are currently most important to our business showed little growth, or remained in recession. Nonetheless, adjusted earnings per share increased by 14.1 % on a reported basis, the return achieved on capital employed was an exceptional 19.9 %, €123.6 million of free cash flow was generated and DCC ended the year with net debt of €45.2 million compared with equity of €931.9 million. This puts the Company in a very strong position to continue to progress its strategic agenda and, in particular, to take advantage of acquisition opportunities that will meet our financial return criteria and which will contribute to our drive to achieve or to consolidate leadership positions in our chosen fields of activity.

Dividend (cent)

- years ended 31 March



CAGR 10yrs 13.4%, CAGR 5yrs 11.6%

The financial results are summarised more completely in the Chief Executive's Review and are set out in detail in the Business Review and in the Financial Review below. The Board warmly congratulates DCC's Chief Executive, Tommy Breen, his management team and the more than 8,000 employees who work in 13 countries for achieving such strong results, for the consistency and balance that have become hallmarks of DCC's financial performance and for the exceptional efforts made to continue to serve customers during an extended period of severe weather during two crucial trading months in the financial year under review, particularly for our oil and gas distribution businesses.

DCC's total shareholder return in the 10 years to 31 March 2011 was 179.5%.

Dividend Increase of 10%

The Board is pleased to be in a position to recommend a final dividend of 48.07 cent per share. When added to the interim dividend of 26.11 cent per share, this means that the total dividend for the year will be 74.18 cent per share, an increase of 10% per share over the prior year. The dividend is covered 2.7 times by adjusted earnings per share. This means that the compound annual growth rate in DCC's dividend over the last 5 years has been 11.6%. Subject to shareholder approval at the Annual General Meeting on 15 July 2011, the final dividend will be paid on 21 July 2011 to shareholders on the register at the close of business on 20 May 2011.

DCC's Business Model

DCC's business model is distinctive, and can be summarised under four main headings.

First, over more than thirty years DCC has built up a set of skills in building agency relationships with product producers, in order to provide them with outsourced sales, marketing, distribution and business support services, as well as the supply chain management expertise that develops from combining those skills. We have proven that this skill-set can be applied to build sustainable businesses in a variety of sectors as long as they have good consolidation potential. Our environmental business stands somewhat apart from this model, but uses many of the same skill-sets.

Second, DCC has built a management model which seeks to combine entrepreneurial leadership teams at subsidiary level with a lean management team at the centre. It focuses on identifying and capitalising on development opportunities, on the successful integration of acquisitions and on ensuring that the businesses being built operate according to good business principles and embed best practice in relation to sustainability, risk management and compliance.

Third, DCC applies the same set of financial disciplines to each business line focussing, in particular, on efficiency in working capital, cash generation and return on capital employed.

Finally, we maintain a very strong balance sheet which gives DCC the capacity to avail of acquisition opportunities that meet our financial and strategic criteria, as they arise.

Chairman's Statement (continued)

Strategy

During the year under review, there was steady progress in implementing DCC's strategy of seeking over time to concentrate focus on those businesses in which it has already established, or has the opportunity to establish, leadership positions and which are most likely to generate attractive and substantial returns on capital, through a combination of organic growth and acquisitions. Some peripheral businesses in our healthcare division were disposed of for a good price. Our position in the UK oil distribution business was further strengthened by a number of additional acquisitions (the largest of which is subject to OFT clearance at the time of writing). Acquisitions in DCC's SerCom division respectively broadened our product range and customer base into the French retail market and strengthened our position in the distribution of electronic office supplies into the UK reseller market. In all, over €130 million was committed to acquisitions, while considerable effort was expended on, and much benefit was achieved from, the integration of acquisitions made in the prior year in the UK, Denmark and Austria.

Sustainability

I am glad to be able to say that good progress was made both in relation to defining and implementing the key components of a best practice sustainability agenda and in communicating our performance and plans, both internally and externally, to all stakeholders. An overall structure of policies, processes and performance indicators, focussed on the four material aspects of direct economic value added, climate change, health and safety and business ethics, has been approved at DCC Board level and is now being worked through at subsidiary level through local workshops.

During the year under review:

- Direct economic value added was €557 million.
- CO₂ emissions increased by 16%, primarily driven by acquisitions in the Energy Division. Our environmental compliance and the calibre of our responses to incidents has been high. Our subsidiary, the William Tracey Group, has launched a food and organic waste collection service for its customers, in support of the Scottish Government's Zero Waste plan. A key part of the service will be an anaerobic digestion treatment plant which has been constructed by Scottish and Southern Energy at Tracey's former landfill site at Barkip, where landfill gas is already being used to generate renewable energy.
- On the health and safety front, the frequency of accidents that resulted in lost time fell from 2.8 per 200,000 hours worked to 2.5. However, due to some accidents that resulted in over 100 days lost, the number of calendar days lost per 200,000 days worked increased from 42 in the prior year to 48 in the year under review. The International Safety Rating System (ISRS) audit tool is being phased in across our energy and environmental subsidiaries.
- In line with the commitment given last year, a set of DCC Business Conduct Guidelines has been circulated to all subsidiary employees. It sets out and gives guidance on the application of our common commitment to ethical behaviour, trust and accountability across what is a highly diversified business.

A detailed Sustainability Report, which meets the requirements of the Global Reporting Initiative C+ standard, is set out in the body of this Annual Report.

Board Membership and Board Evaluation

One new non-executive Director, Leslie Van De Walle, who is UK based, was appointed during the year, following a search conducted by an international firm specialising in board level appointments. Leslie broadens the sectoral experience base of the Board significantly, in areas such as energy and manufacturing, and brings a wealth of knowledge of doing business in the UK and in key European markets relevant to DCC's strategy. He has taken the Chairmanship of the Remuneration Committee and is also a member of the Nomination and Governance Committee.

Maurice Keane retired as a non-executive Director on 5 April 2011, after 9 years' service, during which he served on the Audit and Nomination and Governance Committees and chaired the Remuneration Committee at various stages. His strong, independent and constructive approach to a wide range of issues will be missed.

The Nomination and Governance Committee has begun a search process with a view to appointing during the course of the current financial year a new non-executive Director, preferably UK based, who will become a member of the Audit Committee, on appointment.

In accordance with the Combined Code, at year end DCC's annual, extensive evaluation of Board performance during the year was conducted. Under the supervision of David Byrne, Deputy Chairman and Senior Independent Director, a detailed questionnaire designed to elicit individual Directors' views on Board performance was circulated to each Director. Completed questionnaires were sent by the Directors to Towers Watson, who coordinated and summarised the responses in conjunction

I am glad to be able to say that good progress was made both in relation to defining and implementing the key components of a best practice sustainability agenda and in communicating our performance and plans, both internally and externally, to all stakeholders.

with David Byrne. He presented the results to the Board for discussion. Useful suggestions in relation to key Board agenda items, time allocation at Board meetings and areas for further director education emerged, which I will act upon in the current year. David also conducted interviews with each Director, other than myself, to determine their views on my performance as Chairman. I separately conducted a review with each Director of his/her individual performance during the year under review. I am happy to report that I found that each Director had performed effectively in offering independent and constructive challenge to management, had made an appropriate contribution to strategy development and had committed sufficient time to DCC Board affairs. The other Directors found that I had discharged my responsibilities satisfactorily.

Next year, the entire Board evaluation process will be conducted by an independent consultant, in accordance with the requirements of the new UK Corporate Governance Code.

As has been the case for several years now, all Directors will offer themselves for re-election at the Annual General Meeting.

The Combined Code and Other Corporate Governance Matters

The UK Corporate Governance Code (issued in May 2010) and the Irish Corporate Governance Annex (issued in December 2010) come into effect, as far as DCC is concerned, from the current financial year beginning on 1 April 2011. I can report that DCC was in compliance with all of the requirements of the prior Combined Code in force in the financial year under review and is taking the necessary measures to be in compliance with all revised requirements during the year now started.

Board responsibility for risk oversight is given much heavier emphasis in the new Code. Board agendas from now on will allocate significant time to the risk oversight role of the Board in satisfying itself that risk management policies and procedures, and the risk management organisation structure operated by senior management and risk managers are consistent with the Group's corporate strategy and risk appetite, that these policies are functioning as directed, and that the necessary steps are being taken to foster a culture of risk-aware and risk-adjusted decision-making throughout DCC. The terms of reference of the Audit Committee have been amended to reflect the updated FRC Guidance on Audit Committees and, in particular, to put more emphasis on its role in reviewing the effectiveness of risk management systems and the conclusions of any testing carried out by internal and external auditors. The terms of reference of the Remuneration Committee have also been amended to ensure that the Committee gives appropriate weight to risk management performance in determining variable elements in overall remuneration schemes, and that the overall approach to remuneration does not encourage inappropriate risk-taking. The title of the Nomination Committee has been amended to 'The Nomination and Governance Committee' and its terms of reference have been expanded to give it the role of reviewing and making recommendations to the Board on developments in corporate governance law and best practice.

In light of the rapid expansion of the Group in recent years, the Chief Executive has initiated a Group wide review of risk management policies and structures, with a view to ensuring that risk organisation, resourcing, policies, process and practice meet the highest standards, while being appropriate to DCC's specific diversified structures and business model. The results of the review and recommendations arising will be presented to the Board for approval during the third quarter of 2011.

External Audit

A formal process is being undertaken by the Audit Committee to select the firm which will carry out DCC's external audit in the coming years. Five firms were asked to tender. The outcome of this process is not yet known.

Outlook

The economic environment in our most important markets remains uncertain. In assessing the outlook for the year to 31 March 2012, it is wise to assume a return to a more normal weather pattern, compared to the last two winters. We are assuming also a 3% weakening of the average sterling/euro exchange rate compared with last year. Organically, therefore, we are anticipating a modest decline in operating profit and adjusted earnings per share, on a reported basis. But, as I have outlined above, the DCC business model is based on seeking over time a good balance between organic and acquisition led growth. I am confident that our strong balance sheet and pipeline of acquisition opportunities provide us with a platform to continue to deliver value to our shareholders in the year ahead.

Michael Buckley

Chairman
9 May 2011

Chief Executive's Review

"Another year of profit growth and improved returns on capital"

It is pleasing to report that in another year which has seen ongoing difficult economic conditions in each of our principal geographic markets, DCC has generated operating profits of €229.6 million which represents growth, on a constant currency basis, of 15.5%. Approximately 77% of the Group's operating profit was denominated in sterling in the year and the impact of a 4% favourable movement in the average sterling : euro exchange rate resulted in reported growth in operating profit of 19.1%.

Results Highlights

	€	Change on Prior Year	
		Reported	Constant Currency†
Revenue	8,680.6m	+29.1%	+25.4%
Operating profit*	229.6m	+19.1%	+15.5%
Profit before exceptional items, amortisation of intangible assets and tax	214.8m	+18.0%	+14.3%
Adjusted earnings per share*	203.15 cent	+14.1%	+10.5%
Dividend per share	74.18 cent	+10.0%	
Operating cash flow	269.6m (2010: €297.8m)		
Free cash flow**	123.6m (2010: €229.1m)		
Net debt at 31 March 2011	45.2m (2010: €53.5m)		
Total equity	931.9m (2010: €836.9m)		
Return on total capital employed	19.9% (2010: 18.4%)		

† All constant currency figures quoted in this report are based on retranslating 2010/11 figures at prior year translation rates

* Excluding net exceptionals and amortisation of intangible assets

** After interest and tax payments

Adjusted earnings per share of 203.15 cent was 10.5% ahead on a constant currency basis and 14.1% ahead on a reported basis.

Dividend per share is up 10% to 74.18 cent with dividend cover at 2.7 times (2.6 times in 2010).

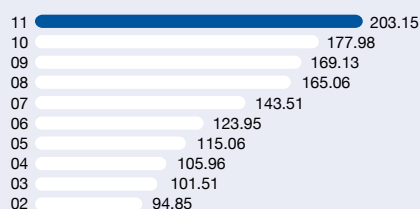
In the two previous financial years the Group achieved a material reduction in working capital days – which fell from 16.4 days at 31 March 2008 to 4.6 days at 31 March 2010. This reduction was largely maintained at 31 March 2011 with working capital days at 4.9 days. Operating cash flow in the year was €269.6 million. Free cash flow was €123.6 million after higher than normal capital expenditure and tax payments.

A focus on driving returns on total invested capital well in excess of its cost of capital has always been core to DCC's strategy. It is therefore good to report that in the year to 31 March 2011, return on total invested capital increased to 19.9% from 18.4% in the prior year.

DCC employs just over 8,000 people and I have spoken previously of the talent and commitment that exists throughout the Group. These results are a reflection of that talent and commitment. In the year just past our people demonstrated that commitment to our customers in many ways – in particular there are many examples where significant effort and sacrifice was made to ensure the maintenance of customer deliveries and service through some very extreme winter weather conditions. I would again like to thank all of our people for their dedication.

Adjusted earnings per share (cent)

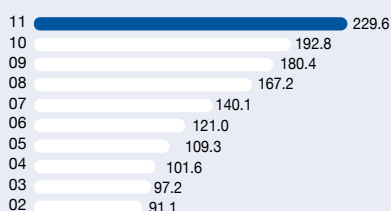
- years ended 31 March



CAGR 10yrs 9.5%, CAGR 5yrs 10.4%

Group operating profit (€m)

- years ended 31 March



CAGR 10yrs 10.7%, CAGR 5yrs 13.7%

Divisional Highlights

Each of the five divisions reported operating profit growth for the year and detailed business reviews for the divisions are set out on pages 18 to 37. Key features of the year include:-

DCC Energy had another year of excellent profit growth, benefitting from the successful integration of a number of acquisitions completed in prior years and another extremely cold winter overall. Volumes increased by 15.5%, due to the impact of acquisitions and this resulted in DCC Energy selling 7.1 billion litres of product in the year. A number of small acquisitions were completed during the year and in February 2011, as previously announced, DCC Energy reached conditional agreement to acquire the entire issued share capital of Pace Fuelcare, a British based oil distribution business which sells over 500 million litres of fuel to independent retail petrol stations and a broad range of commercial, industrial, agricultural and domestic customers. This acquisition is subject, inter alia, to clearance from the UK Office of Fair Trading (OFT).

DCC SerCom had a very good year of profit growth and development. The division benefitted from an excellent performance in SerCom Distribution which achieved constant currency operating profit growth of 16.6%. This result reflected very strong organic growth in the Reseller business, good organic growth in the Retail business and the benefit of acquisitions completed during the year. In October 2010, DCC SerCom completed the acquisition of Comtrade SA, a leading distributor of AV accessories and peripherals to the retail sector in France. This acquisition is a further step in DCC SerCom's strategy to extend its product, customer and

market coverage in Retail distribution. In March 2011 DCC SerCom completed the acquisition of Advent Data Limited, a leading distributor of electronic office supplies to a broad range of resellers, retailers and e-tailers in the UK. The acquisition of Advent Data is consistent with SerCom Distribution's strategy to expand its Reseller distribution business in complementary product markets.

DCC Healthcare achieved strong constant currency operating profit growth in continuing activities against a challenging market background. Despite increased price pressure in public healthcare systems, the Hospital Supplies and Services business performed well while DCC Health and Beauty Solutions had a very good year, generating excellent revenue and operating profit growth, strengthening key customer relationships and expanding its customer base. In June 2010, DCC Healthcare disposed of its Mobility & Rehabilitation business which was consistent with our strategy to concentrate our focus on our larger healthcare businesses which have strong leadership positions and significant opportunities for organic and acquisition growth.

DCC Environmental traded satisfactorily in a market which saw a further decline in construction derived waste volumes and significant disruption by the extreme weather conditions in December 2010. The joint venture development of Scotland's largest anaerobic digestion plant (with Scottish and Southern Energy plc) reached a significant milestone with the completion of construction and has commenced its commissioning phase.

Chief Executive's Review (continued)

DCC Food & Beverage had a much improved year with a recovery in profitability and an improved return on capital, despite a continuing very challenging marketplace. This reflected good cost control, operating efficiencies and the introduction of new products. During the second half the business acquired the Goodalls and YR home cooking brands.

Acquisition and Capital Expenditure

Committed acquisition expenditure in the year amounted to €130.7 million. Net capital expenditure in the year of €77.2 million is significantly higher than the prior year amount of €35.7 million and also higher than the depreciation charge of €52.9 million. The excess over the depreciation charge is mainly driven by increased investment in DCC Energy to upgrade vehicles and support the ongoing development of the business and also a €17 million investment by DCC SerCom in a new 250,000 square feet warehouse near Wellingborough, north of London. This latter investment allows Gem Distribution to market its third party logistics services to software and DVD distributors.

Financial Strength

At 31 March 2011 DCC had net debt of €45.2 million (2010 : €53.5 million) and total equity of €931.9 million (2010: €836.9 million). The Group's net debt levels averaged €167 million during the year, compared to €155 million in the prior year.

Sustainability

DCC continues to make progress in evolving our understanding and use of the concept of sustainability to deliver benefits to our business and to our shareholders. We firmly believe that providing products and services which create social and environmental value also creates long term financial value for the benefit of our shareholders.

This year an external assessment of this Sustainability Report has been completed. Confirmation that our report meets the GRI level C+ criteria is a milestone in the ongoing development of our reporting processes. We are committed to increasing the quality of the Sustainability Report and, where appropriate, integrating it into the Annual Report. In this regard we welcome the views of all our stakeholders on how we can improve our communication in this area.

DCC continues to make progress in evolving our understanding and use of the concept of sustainability to deliver benefits to our business and to our shareholders. We firmly believe that providing products and services which create social and environmental value also creates long term financial value for the benefit of our shareholders.

Acquisition and Capital Expenditure

	Acquisitions €'m	Capex €'m	Total €'m
DCC Energy	68.0	40.8	108.8
DCC SerCom	55.9	20.1	76.0
DCC Healthcare	1.9	4.1	6.0
DCC Environmental	0.4	10.1	10.5
DCC Food & Beverage	4.5	2.1	6.6
	130.7	77.2	207.9

DCC's strategy continues to be to grow a sustainable diversified business through concentrating on those businesses where it has established or has the opportunity to establish leadership positions

Our ongoing objective of formally integrating sustainability into subsidiary decision making requires further progress. Dedicated sustainability workshops are being delivered to progress this objective. These will provide management teams with the fundamentals of sustainability and illustrate how changing social and environmental drivers can effect business performance in the longer term.

The publication of DCC's Business Conduct Guidelines has been a positive development during the year. It provides a consistent set of standards that all subsidiary employees are expected to maintain in their professional conduct.

Strategy

DCC's strategy continues to be to grow a sustainable diversified business through concentrating on those businesses where it has established or has the opportunity to establish leadership positions (i.e. typically number 1 or 2) in its chosen markets.

The Group has clear, well defined, longer term growth strategies for each of its five divisions which are reviewed on a regular basis. In building these strategies, the initial focus is on organic growth potential which is then supplemented by identifying suitable acquisition opportunities. Strategically, the objective of these acquisitions is to strengthen existing market positions and in some cases carefully extend the geographic footprint. It is our strong belief however that these acquisition opportunities should be pursued in a disciplined way which will not compromise our overriding

objective of driving long term returns for shareholders well above our cost of capital. The validity and success in execution of strategy in each of the businesses is monitored and reviewed regularly.

Our strategy has been largely consistent for many years and we feel we have made progress in the last year in the pursuit of our strategic objectives, some of which is demonstrated in the profit growth, cash generation and return on capital which has been achieved.

Outlook

The outlook for the year to 31 March 2012 is framed against an uncertain economic environment, particularly in the UK, and the significant assumption that there will be a return to a more normal weather pattern compared to the extremely cold winter last year. In April DCC Energy has been impacted by what has been the mildest April on record, with temperatures significantly warmer than last year and this along with the impact of the number of public holidays in the UK has resulted in Group trading being well behind the prior year. However it is important to note that April represents only approximately 5% of the Group's budgeted profit for the year.

Consequently at this very early stage the Group anticipates that operating profit and adjusted earnings per share, both on a constant currency basis, will be broadly in line with the prior year. On a reported basis, assuming an exchange rate of Stg£0.8800 = €1 (which would represent a 3% weakening of the average rate from last year of Stg£0.8522 = €1), this would result in a modest decline in operating profit and adjusted earnings per share compared to the prior year.

This outlook excludes the potential benefit of acquisitions and the Group remains in a very strong financial position to pursue opportunities in the year ahead.

Tommy Breen

Chief Executive
9 May 2011

Senior Management

- Group and Divisional



Donal Murphy

Managing Director -DCC Energy

Frank Fenn

Managing Director - DCC Food & Beverage

Fergal O'Dwyer

Chief Financial Officer

Tommy Breen

Chief Executive

Niall Ennis

Managing Director -DCC SerCom

Conor Costigan

Managing Director - DCC Healthcare



Senior Management

- Group and Divisional (continued)

Divisional

DCC Energy

Finance Director
Development Director

Conor Murphy
Clive Fitzharris

DCC SerCom

Finance & Development Director

Kevin Lucey

DCC Healthcare

Finance & Development Director

Ian O'Donovan

DCC Environmental

Finance & Development Director

Thomas Davy

DCC Food & Beverage

Finance & Development Director

Redmond McEvoy

Group

Group Secretary & Head of Enterprise Risk Management

Ger Whyte

Managing Director, DCC Corporate Finance

Michael Scholefield

Head of Group EHS

John Barcroft

Head of Group Tax

Yvonne Divilly

Head of Internal Audit

Stephen Johnston

Head of Group HR

Ann Keenan

Head of Group Accounting

Gavin O'Hara

Head of Group IT

Peter Quinn

Head of Group Treasury

Daphne Tease

Senior Management

- Subsidiary and Joint Venture

DCC Energy Oil

GB Oils	Managing Director	Paul Vian
Erno Oil	Managing Director	Gerry Wilson
Great Gas	Managing Director	Ray O'Sullivan
DCC Energy NI - Oil	Managing Director	Pat O'Neill
DCC Energi Danmark	Managing Director	Christian Heise
Energie Direct - Austria	Managing Director	Hans-Peter Hintermayer

LPG

Flogas UK	Managing Director	Henry Cubbon
Flogas Ireland	Managing Director	Richard Martin

Fuel Card

Fuel Card Services	Chief Operations Officer	Ben Jordan
--------------------	--------------------------	------------

DCC SerCom

Retail

Gem Distribution	Managing Director	Chris Peacock
MSE	Managing Director	Jim Morgan
Banque Magnetique	Directeur Général	Claude Dupont
Comtrade	President	Stefan Riesser

Reseller

Micro Peripherals	Managing Director	Gerry O'Keeffe
Sharptext	Managing Director	John Dunne
Advent Data	Managing Director	Raj Advani

Enterprise

Altimate	Directeur Général	Patrice Arzillier
----------	-------------------	-------------------

SCM

SerCom Solutions	Chief Executive Officer	Kevin Henry
------------------	-------------------------	-------------

DCC Healthcare

Hospital Supplies & Services

(and Fannin)	Managing Director	Andrew O'Connell
Squadron Medical	Managing Director	Peter Wyslych
TPS Healthcare	Managing Director	Catherine McCallum
Virtus	Managing Director	John Leonard

Health & Beauty Solutions

(and Thompson & Capper)	Managing Director	Stephen O'Connor
EuroCaps	Managing Director	Adrian Williams
Laleham Healthcare	Managing Director	Tim O'Connor

DCC Environmental

DCC Environmental Britain and William Tracey	Managing Director	Michael Tracey
Wastecycle	Managing Director	Paul Needham
Enva Ireland	Managing Director	Declan Ryan

DCC Food & Beverage

Healthfood

Kelkin	Managing Director	Frank Fenn
--------	-------------------	------------

Indulgence

Robert Roberts	Managing Director	Tom Gray
Bottle Green	Managing Director	Jon Eagle

Logistics

Allied Foods	Executive Chairman	Mitchel Barry
--------------	--------------------	---------------

Other

Kylemore Foods Group *	Managing Director	Brian Hogan
------------------------	-------------------	-------------

* Joint venture

DCC Energy

DCC Energy is the leading oil and liquefied petroleum gas (LPG) sales, marketing and distribution business in Britain and Ireland and one of the leading oil distribution businesses in Austria and Denmark. In the year ended 31 March 2011, DCC sold 7.1 billion litres of product to c.800,000 customers from its extensive network of 261 facilities.

DCC Energy currently employs 3,524 people.

Revenue

€6,129.8m

2010: €4,420.1m

Change on prior year

Reported: +38.7%

Constant currency: +34.3%

Operating profit

€137.3m

2010: €113.1m

Change on prior year

Reported: +21.4%

Constant currency: +17.2%

Return on total capital employed

26.9%

2010: 26.5%

brands

Oil - Bayford*, Brogan*, Carlton Fuels*, CPL*, Emo Oil*, Gulf, Scottish Fuels*, Shell, Texaco.

LPG - Flogas*.

Fuel card - BP, Esso, Diesel Direct, Fastfuels, Shell, Total.

* DCC owned brand

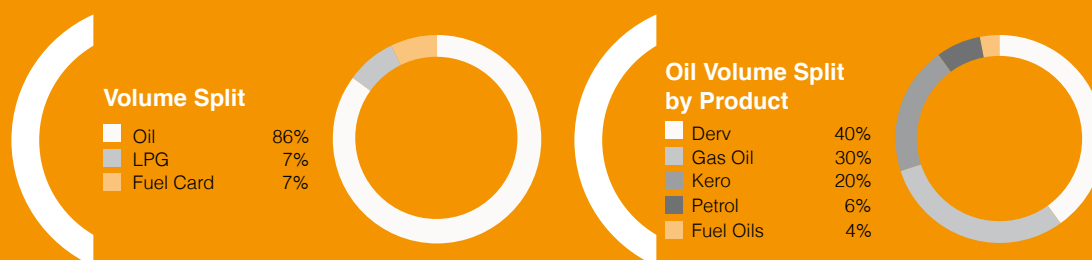


no.1

- oil distributor in Britain
- oil distributor in Northern Ireland and a leading oil distributor in the Republic of Ireland
- in the "agency" fuel card business in Britain

no.2

- oil distributor in Austria and Denmark
- LPG distributor in Britain and Ireland



Performance Management – key performance indicators

	2011	2010
Volumes	7.1 bn litres	6.2 bn litres
Organic volume growth	-1.0%	-7.8%
Operating profit per litre (constant currency)	1.86 cent	1.84 cent
Operating cash flow	€147.1m	€178.8m
Return on total capital employed	26.9%	26.5%
10 year operating profit CAGR	19.9%	19.3%

Business and Markets

Oil

DCC Energy's oil distribution business supplies transport fuels, heating oils and fuel oils to commercial, domestic, agricultural and industrial customers in Britain, Ireland, Austria and Denmark. DCC Energy sells oil under a portfolio of strong brands including Bayford, Brogan, Carlton Fuels, CPL, Emo Oil, Gulf, Scottish Fuels, Shell and Texaco.

DCC is the largest oil distributor in Britain, selling approximately 4.4 billion litres of product per annum on a proforma basis which gives DCC approximately 14% of the market.* DCC has been a consolidator of the highly fragmented oil distribution market in Britain having first entered the market in September 2001 with the acquisition of BP's business in Scotland. DCC Energy is one of the largest oil distributors in Austria and Denmark with respective market shares of 12% and 13%. In Northern Ireland, DCC Energy is the largest oil distributor with a market share of approximately 20%, while in the Republic of Ireland DCC Energy has approximately 6% of the market.

LPG

DCC Energy is the second largest LPG sales, marketing and distribution business in Britain and Ireland. The LPG business supplies propane and butane in both bulk and cylinders to domestic, commercial, agricultural and industrial customers for heating, cooking, transport and industrial processes. Trading under the Flogas brand, DCC has approximately 19% of the market in Britain and approximately 37% of the market in Ireland. Unlike the oil market, which remains highly fragmented, the LPG market in both Britain and Ireland is relatively consolidated. The LPG business also distributes a wide range of LPG fuel appliances such as mobile heaters and barbecues.

Fuel Cards

DCC Energy is one of the leading sales and marketing businesses for branded fuel cards in Britain. The business now sells in excess of 500 million litres of motor fuel annually via its portfolio of fuel cards under the BP, Esso, Shell,

Texaco, Total and Diesel Direct brands. Fuel cards have become an essential tool for commercial organisations to manage their transport fuel costs. DCC Energy provides its customers with access to the breadth of the UK retail petrol station and bunker networks through its portfolio of branded fuel cards while giving them detailed information on their fuel utilisation to enable them to minimise their spend on transport fuels.

Supply

DCC Energy purchases its oil and LPG from the major oil companies with which it has established excellent long standing relations. DCC Energy's supply strategy is to maintain a portfolio approach to the sourcing of its oil and LPG products. DCC's significant financial strength provides DCC Energy with a significant competitive advantage in building long term partnerships with its suppliers.

Performance for the Year Ended 31 March 2011

DCC Energy's operating profit was 17.2% ahead of the prior year on a constant currency basis. This was another year of excellent growth and the business benefited from the successful integration of a number of acquisitions completed in prior years and another extremely cold winter overall, particularly in the last six weeks of the quarter ended 31 December 2010. However, trading in the fourth quarter was adversely impacted by the milder weather conditions, particularly relative to the same period in the prior year.

DCC Energy sold 7.1 billion litres of product, an increase of 15.5% on the prior year. While the division achieved good organic volume growth in the nine months ended 31 December 2010, this was negated in the fourth quarter primarily as a result of the mild weather conditions. For the full year, volumes were approximately 1% behind the prior year on an organic basis.

On a constant currency basis, the operating profit per litre for the year was 1.86 cent, broadly in line with the prior year of 1.84 cent.

DCC Energy's vision is to be the leading oil and LPG sales, marketing and distribution business in Europe



The Oil distribution business had another excellent performance in Britain, benefiting from the integration, consequent synergies and strong performance of recent acquisitions. DCC further strengthened its position within the British market through the acquisition of Pearts (a 190 million litre business in Northern England, completed in May 2010) and the acquisition of two oil importation and storage terminals in Inverness and Aberdeen in Scotland (completed in June 2010). In February 2011, as previously announced, DCC Energy reached conditional agreement to acquire the entire issued share capital of Pace Fuelcare, a British oil distribution business. In its last financial year Pace Fuelcare sold 515 million litres of fuel to independent retail petrol stations and a broad range of commercial, industrial, agricultural and domestic customers. The acquisition is subject, inter alia, to clearance from the UK Office of Fair Trading. DCC is the clear market leader in oil distribution in Britain and on completion of the acquisition of Pace Fuelcare, would have a market share of approximately 15% and is well positioned to further consolidate what remains a very fragmented market.

DCC Energy's oil distribution businesses in continental Europe (Denmark and Austria) performed strongly and made an important contribution to the division's overall result. Having reached conditional agreement in February, the scale of the Group's oil distribution business in Austria was increased when DCC Energy completed the acquisition in April of the trade and certain assets of Top Oil GmbH, a 140 million litre oil distributor based in Northern Austria for a modest consideration. Despite the continued weak economic environment in Ireland, there was a modest recovery in the profitability of the Irish oil business reflecting cost reductions achieved in the prior year.

The LPG business performed satisfactorily in the year achieving market share growth in Britain, particularly in the commercial sector, although volumes in Ireland declined

primarily due to the difficult Irish economy. The overall result was adversely impacted by a challenging product pricing environment, reducing the operating profit of the business.

The Fuel Card business had another excellent year, driven by the additional contribution from the acquisition of the Brogan fuel card business (completed December 2009) and good organic volume growth.

Strategy and Development

DCC Energy's vision is to be the leading oil and LPG sales, marketing and distribution business in Europe:-

- with strong local market shares;
- operating under multiple brands;
- generating high levels of ROCE;
- expanding into other geographic regions with attractive market characteristics; and
- developing a presence over time in the green/renewable energy sector.

In oil distribution, DCC's strategy is to achieve a 20% share of the British market. With a particular focus on the non heating dependent segments of the market (including dealer operated retail petrol stations, the marine market and the aviation sector) and on national accounts, DCC Energy aims to leverage its extensive nationwide operational infrastructure to drive high levels of organic profit growth. During the year DCC acquired two marine importation and storage terminals in Inverness and Aberdeen. These will support the strategic aim of growing in the marine market and will also provide a platform for further such development over time. DCC Energy is also focused on selling differentiated products and cross selling add-on products and services such as lubricants and boiler maintenance services to its extensive customer base.

In the LPG market, DCC Energy will continue to leverage its strong market positions to drive organic profit growth on a sector by sector basis in both Britain and Ireland.

In fuel cards, DCC will continue to target high levels of organic growth through its extensive portfolio of branded fuel cards by investing in new telesales teams and cross selling fuel cards to its extensive oil distribution customer base. DCC Energy will continue to position itself as the partner of choice for all the providers of branded fuel cards in both the retail and bunker card networks.

DCC Energy made the first important strategic steps in developing the business into continental Europe through the acquisition of Shell's oil distribution businesses in Austria and Denmark in the year ended 31 March 2010. The scale of the Austrian business was increased by the acquisition of the trade and certain assets of Top Oil GmbH in April 2011, while the Danish business acquired a small lubricant distribution business during the last financial year.

DCC is developing a presence in the renewable energy sector with the focus being to provide energy solutions to customers across the division, allowing them to understand and maximise the benefits of investments in alternative energy products and to support them in reducing their carbon footprints.

Outlook

The outlook for DCC Energy for the year to 31 March 2012 is set against the significant assumption that there will be a return to a more normal weather pattern compared to the extremely cold winter last year. Consequently it is anticipated, at this very early stage, that operating profit, on a constant currency basis, in DCC Energy for the year to 31 March 2012 will be behind the prior year.

* The market is defined as fuels sold to the domestic, commercial, agriculture, industrial and haulage sectors of the transport fuels market (i.e. excluding the retail petrol station market).

DCC SerCom

SerCom Distribution markets and sells IT and entertainment products to the Retail market, the Reseller market and the Enterprise market in Britain, Ireland, France, Spain, Portugal, the Netherlands, Belgium and Luxembourg. SerCom Solutions provides outsourced procurement and supply chain management services in Ireland, Poland, China, Mexico and the USA.

DCC SerCom currently employs 1,668 people.

Revenue

€1,868.9m

2010: €1,618.5m

Change on prior year

Reported: +15.5%

Constant currency: +12.9%

Operating profit

€46.0m

2010: €40.8m

Change on prior year

Reported: +12.7%

Constant currency: +9.9%

Operating margin

2.5%

2010: 2.5%

Return on total capital employed

16.2%

2010: 16.1%

brands

Retail - Altec Lansing, D-Link, Electronic Arts, iHome, Logitech, Microsoft, Netgear, Nintendo, Paramount, Seagate, Take Two, Tom Tom, Warner Brothers, Western Digital.

Reseller - Acer, APC, Cisco, Dell, IBM, Lenovo, Microsoft, Netgear, Plantronics, Samsung, Sony, Toshiba, Western Digital.

Enterprise - Adobe, EMC, Fortinet, HP, IBM, Network Appliance, Oracle, Red Hat, SonicWall, Symantec, VMware.

SCM - SerCom Solutions*

* DCC owned brand

no.1

- specialist distributor of consumer IT & entertainment products to a broad range of retailers in Britain, Ireland and France
- specialist distributor of enterprise products to resellers and independent software vendors in France, Iberia, Benelux, UK and Ireland

a market leader

- a leading distributor of IT products to a broad range of resellers in Britain and Ireland
- a leading provider of outsourced procurement and supply chain management services





Performance Management – key performance indicators

	2011	2010
Revenue growth (constant currency)	+12.9%	+8.6%
Organic revenue growth (constant currency)	+7.7%	+6.8%
Operating cash flow	€60.7m	€51.8m
Return on total capital employed	16.2%	16.1%
10 Year operating profit CAGR	3.1%	5.4%

Business and Markets

Retail

DCC SerCom's Retail distribution business sells a broad range of consumer products, including games consoles and software, consumer electronics, audio visual accessories and peripherals and home entertainment products, to the retail channel, including e-tailers, grocers and catalogue retailers in Britain, Ireland and France. DCC SerCom represents many of the leading brands in the computer games, entertainment and consumer electronics markets such as Altec Lansing, D-Link, Electronic Arts, iHome, Logitech, Microsoft, Netgear, Nintendo, Paramount, Seagate, Take Two, Tom Tom, Warner Brothers and Western Digital. The business is the leading specialist distributor of games hardware, software and accessories, consumer electronics and packaged software in Britain, the leading specialist distributor of IT peripherals, audio visual and consumer electronics products in France and the leading specialist distributor of home entertainment products in Ireland. The Retail distribution business provides a range of value added services to its customers and suppliers including end-user fulfilment, third party logistics, category management and merchandising, security tagging and cross vendor bundling. The Retail distribution business employs 582 people and in the year ended 31 March 2011 had revenues of €761 million.

Reseller

DCC SerCom's Reseller distribution business sells a broad range of IT, communications and consumer products, focused on the SME and home markets, to a very wide customer base of IT resellers, dealers and retailers in Britain and Ireland. The products distributed include PCs, peripherals, printers, consumables and network products. The business is a distribution partner of many of the leading brands in the IT market, such as Acer, APC, Cisco, Dell, IBM, Lenovo, Microsoft, Netgear, Plantronics, Samsung, Sony, Toshiba and Western Digital, and provides its partners with an exceptionally broad

customer reach and proactively markets IT products to the channel through product focused sales teams with strong technical expertise. The Reseller distribution business has strong market positions in its core markets in Britain and Ireland and is typically the No. 1 distributor for the brands it represents. The business employs 640 people and in the year ended 31 March 2011 had revenues of €723 million.

Enterprise

DCC SerCom's Enterprise distribution business sells a range of data management, security and virtualisation software, servers and storage products which are typically utilised in medium-sized and large organisations. The business' customers are value added resellers, large account resellers and independent software vendors in France, Iberia, Benelux and Britain. The business has developed a supplier portfolio of the leading hardware and software vendors in the industry including Adobe, EMC, Fortinet, HP, IBM, Network Appliance, Oracle, Red Hat, SonicWall, Symantec and VMware. This portfolio allows its highly trained sales teams to offer integrated IT solutions and related services to its customers. The business is the leading independent specialist value-added distributor of enterprise and mid-market products in its core markets of France, Spain, Portugal, Belgium and Luxembourg, with a growing presence in the Netherlands and Britain. The Enterprise distribution business employs 286 people and in the year ended 31 March 2011 had revenues of €292 million.

Supply Chain Management

DCC SerCom's supply chain management business, SerCom Solutions, provides a range of specialist procurement and sourcing services from its operations in Ireland, Poland, China, the United States and Mexico, employing state of the art IT systems and procurement processes. The business is a strategic supply chain partner for some of the world's leading technology and telecommunications companies. SerCom Solutions

DCC SerCom's strategy is to deliver consistent long-term profit growth and industry leading returns on capital employed by building strong commercial and market positions in each of its focussed business units



delivers global supply chain solutions encompassing vendor hubbing, consignment stock programmes, supplier identification and qualification, quality assurance and compliance and supplier and customer fulfilment to effectively reduce its partners' cost of production and reduce obsolescence and wastage. SerCom Solutions has developed partnerships with leading logistics firms to enable the business to deliver its services in a flexible, cost effective manner in its core markets in Europe, North America and the Far East. The Supply Chain Management business employs 160 people and in the year ended 31 March 2011 had revenues of €93 million.

Performance for the Year Ended 31 March 2011

DCC SerCom's operating profit grew by 9.9% on a constant currency basis. This was driven by an excellent performance in SerCom Distribution, which achieved constant currency operating profit growth of 16.6% of which 6.3% was organic, reflecting very strong organic growth in the Reseller business, good organic growth in the Retail business and the benefit of acquisitions completed during the year.

DCC SerCom's Retail distribution business achieved very strong operating profit growth. The business in Britain performed well, growing market share with key suppliers while also investing in its logistics and ancillary services capability through the acquisition of a substantial new facility north of London. In France, the Retail business achieved good organic profit growth and significantly strengthened its market and service proposition through the acquisition of Comtrade SA, a leading distributor of audio visual accessories and peripherals, which was announced in August 2010.

DCC SerCom's Reseller distribution business had an excellent year, generating significant operating profit growth in both Britain and Ireland. The business gained market share in core product areas, particularly

PCs, supported by the introduction of new suppliers. The continuing investment in strengthening its technical and commercial expertise in communications, audio visual and the converging IT and mobile telephony channels also generated a strong return. In March 2011 DCC acquired Advent Data Limited, a leading independent distributor of electronic office supplies in the UK. Advent is highly complementary to DCC's Reseller business and significantly strengthens its customer and supplier breadth in this market.

DCC SerCom's Enterprise distribution business had a challenging year in France. Profits declined modestly, despite good progress in Belgium and the Netherlands and extending its presence in the UK market during the year.

DCC SerCom's Supply Chain Management business, which now accounts for less than 10% of DCC SerCom's operating profit, continued to suffer from a decline in procurement volumes with its major customer, as a result of changes in its manufacturing strategy.

Strategy and Development

DCC SerCom's strategy is to deliver consistent long-term profit growth and industry leading returns on capital employed by building strong commercial and market positions in each of its focussed business units.

SerCom Distribution's principal medium term objectives are:

- To establish its Retail distribution business as the leading specialist service provider to the European retail sector, with a particular focus on online, catalogue and supermarket channels, by extending its market and service coverage;
- To become the leading Reseller distribution business in the UK and Ireland through the continued expansion of its product and customer base, including expansion into complementary sectors such as audio visual, communications and mobile;

- To extend its pan-European presence in the Enterprise distribution market with an increased focus on strategic brands in the server, software and security sectors

SerCom Solution's primary strategic objectives are to expand its customer base in East Asia, Europe and North America through strategic partnership arrangements and the extension of its procurement and sourcing services and capability.

Outlook

DCC SerCom anticipates very strong growth in operating profit, on a constant currency basis, for the year to 31 March 2012, through a combination of the benefit of acquisitions completed in the prior year and further organic growth, notwithstanding what is likely to be a less favourable environment for consumer demand.

DCC Healthcare

DCC Healthcare is a broadly based healthcare services business principally focussed on:

- the provision of sales, marketing and distribution services in Ireland and Britain to healthcare providers and medical and pharmaceutical brand owners/manufacturers;
- the provision of outsourced product development, manufacturing and packing services to the health and beauty industry in Britain and continental Europe.

DCC Healthcare currently employs 1,113 people.

Revenue*

€311.1m

2010: €280.5m

Change on prior year

Reported: +10.9%

Constant currency: +7.9%

Operating profit*

€22.5m

2010: €19.9m

Change on prior year

Reported: +13.1%

Constant currency: +10.5%

Operating margin*

7.2%

2010: 7.1%

Return on total capital employed*

16.3%

2010: 14.6%

*Continuing activities (excluding Mobility & Rehabilitation)

brands

Hospital Supplies & Services - Biorad, Boston Scientific, Diagnostica Stago, Fannin*, Fresenius, Grifols, ICU Medical, Martindale Pharma, Molnlycke, Oxoid, Sandoz, Smiths Medical, Zeiss.

Health & Beauty Solutions' Customers - Body Shop, Elder Pharmaceuticals, GSK, Healthspan, Merck (Seven Seas, Natures Best, Lamberts), Reckitt Benckiser, Sara Lee, Unilever, Vitabiotics.

* DCC owned brands

A photograph of four surgeons in an operating room, wearing blue scrubs, masks, and hairnets, focused on a surgical procedure. The room is dimly lit, with bright surgical lights illuminating the patient on the table. Medical monitors and equipment are visible in the background.

no.1

- provider of sales, marketing and distribution services in Ireland to healthcare providers and medical and pharmaceutical brand owners/manufacturers
- provider of outsourced pharma compounding services in Ireland
- UK based provider of outsourced product development, manufacturing and packing services to the health and beauty sector in Europe

DCC Healthcare

(continued)



Performance Management - key performance indicators	2011	2010
Revenue growth (constant currency)	+7.9%	+9.1%
Operating cash flow	€30.5m	€23.3m
Return on total capital employed	16.3%	14.6%
10 year operating profit CAGR	8.5%	11.6%

Business and Markets

DCC Hospital Supplies & Services

In Ireland, DCC Healthcare is the market leader in the provision of sales, marketing and distribution services to healthcare providers and to international healthcare brands/manufacturers in the areas of medical devices, consumables and pharmaceuticals.

In the medical area, the business markets and sells a broad range of products in areas such as woundcare, urology, procedure packs, critical care (anaesthesia, endo-vascular, cardiology, IV access) and diagnostics. Products are typically single use/consumable in nature. DCC represents leading medical, surgical and scientific brands including BioRad, Boston Scientific, Diagnostica Stago, ICU Medical, Molnlycke, Oxoid, Smiths Medical and Zeiss through its extensive field sales force of highly trained professionals. In Britain, DCC is also seeking to build a growth platform in the provision of stock management and distribution services to hospitals and healthcare brand owners/manufacturers. This is a potentially interesting sector as British acute care hospitals look for customised just-in-time distribution solutions to deliver cost savings and improve product availability.

In the pharma area, DCC Healthcare is involved in the sales, marketing and distribution of pharmaceuticals, primarily IV pharmaceuticals for the hospital sector in areas such as oncology, haematology, neurology and anaesthesia. DCC works with leading brands like Fresenius Kabi, Grifols, Martindale Pharma and Sandoz, as well as generic companies. The business is increasingly focussed on developing its range of pharma services including value added logistics in Britain and its growing business in the provision of IV compounding services to hospitals in Ireland. DCC has significantly expanded the capacity of its licensed compounding facility, which is involved in the aseptic filling of oncology, pain

management, antibiotic and paediatric nutrition products into patient ready dosage forms, i.e. syringes or IV bags, and is leveraging this capacity to expand its service offering, including into the provision of pharma homecare services in Ireland.

DCC Healthcare is continually expanding its product portfolio in both the medical and pharma sectors organically and through bolt on acquisition. In the pharma sector, in addition to growing its compounding service business, DCC Healthcare is seeking to expand in other service areas and to further develop its pharma sales and marketing activities into new product formats and channels to market.

DCC Health & Beauty Solutions

DCC Health & Beauty Solutions is a leading provider of "source to shelf" outsourced solutions to the health and beauty industry, principally in the areas of nutraceuticals (vitamin and health supplements), skin care and hair care. Customers include leading premium brand owners, mail order companies, specialist health and beauty retailers and private label suppliers in Britain, continental Europe and other markets. DCC provides a wide range of product formats (tablets, soft gel and hard shell capsules, creams and liquids), packing and other services from its three MHRA licensed facilities in Britain. The quality of these facilities, together with the strength and depth of DCC's business development and technical resources, enables DCC to assist its customers in rapidly bringing new products from marketing concept through to finished, shelf-ready products. DCC's key strength is the highly responsive and flexible service it provides to its customers. This service typically involves product development, formulation, stability and other testing and regulatory compliance, as well as manufacturing and packing.

DCC Healthcare's strategy is to build a substantial, broadly based, healthcare business principally focussed on the provision of value added services to the healthcare and health & beauty sectors



Performance for the Year Ended 31 March 2011

DCC Healthcare achieved growth in operating profit from continuing activities of 10.5% on a constant currency basis, which represented a strong performance against a challenging market background.

The successful disposal of its Mobility & Rehabilitation businesses in June 2010 has enabled DCC Healthcare to bring greater focus to the development of its Hospital Supplies & Services and Health & Beauty Solutions businesses, as well as improving the return on capital employed of the division.

DCC Hospital Supplies & Services recorded good revenue and profit growth. In the Republic of Ireland, government austerity measures have reduced demand and increased price pressure in the public healthcare system, which impacted the gross margin in DCC Hospital Supplies & Services. This was offset by tight cost control, the full year benefit of bolt-on acquisitions completed in the prior year and other revenue growth driven by, inter alia, the expansion of DCC's pharma compounding service capacity and new product introductions. The British value added distribution services business had a challenging year but contributed modestly to profits as it continued to invest in enhancing its management and operational capacity.

DCC Health & Beauty Solutions generated excellent revenue and operating profit growth. Revenue growth was particularly strong in skincare and fish oil products across a range of customers, benefitting from continued business development with existing customers as well as new customer wins, including in continental Europe. Despite raw material cost inflation, the business managed its input costs and overheads very well. These measures, together with efficiency gains as a result of investments in infrastructure and skilled people in recent years, delivered strong operational leverage.

Strategy and Development

DCC Healthcare's strategy is to build a substantial, broadly based, healthcare business principally focussed on the provision of value added services to the healthcare and health & beauty sectors.

In the markets in which DCC Hospital Supplies & Services operates, healthcare provision is primarily funded by governments. As fiscal budgets tighten and the burden of ageing populations increases, healthcare providers are increasing their focus on cost saving opportunities and value for money. Individual hospitals, hospital trusts and procurement groups and other healthcare providers are seeking to source equivalent quality, lower cost products and looking to outsource activities deemed to be non-core. DCC Healthcare is working to meet this demand by growing its portfolio of cost effective products, including generic pharmaceuticals and own brand medical products, and by providing value added outsourced services, including IV pharmaceutical compounding services and stock management and distribution services.

Outsourcing trends are also visible in the health and beauty sector, where brand owners are increasingly outsourcing non-sales and marketing activities (including product development) and streamlining their supply chains. DCC Health & Beauty Solutions, given its high quality licensed facilities and the depth of its technical, regulatory and financial resources, is well positioned to capitalise on these trends.

DCC Healthcare's primary focus is the generation of strong organic profit growth and superior returns in its existing businesses by developing and expanding its service offerings to meet the changing needs of the healthcare and health & beauty sectors. In addition to driving continuing growth through existing channels to market, the business is also focussed on growing in developing channels such as homecare.

Outlook

While pressure on healthcare spending will impact DCC Hospital Supplies & Services, DCC Health & Beauty Solutions is budgeting for strong profit growth. Overall DCC Healthcare expects operating profit from continuing activities, on a constant currency basis, in the year to 31 March 2012 to be modestly ahead of the prior year.

DCC Environmental

DCC Environmental is a leading British and Irish provider of recycling and waste management services to the industrial, commercial, construction and public sectors, operating in both the non-hazardous and hazardous segments of the market. In the last year DCC Environmental handled approximately 1.3 million tonnes of waste through its twenty facilities in Britain and Ireland.

DCC Environmental currently employs 761 people.

Revenue

€106.4m

2010: €77.4m

Change on prior year

Reported: +37.6%

Constant currency: +33.1%

Operating profit

€11.6m

2010: €9.3m

Change on prior year

Reported: +24.7%

Constant currency: +19.7%

Operating margin

10.9%

2010: 12.0%

Return on total capital employed


10.0%

2010: 9.7%

brands

Enva*, Wastecycle*, Tracey*.

* DCC owned brands



no.1

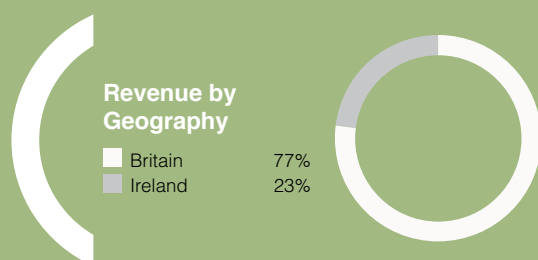
- recycling and waste management business in Scotland
- hazardous waste treatment business in Ireland

a market leader

- a leading Nottingham based recycling and waste management business

DCC Environmental

(continued)



Performance Management – key performance indicators	2011	2010
Tonnages*	1,305k	962k
Recycling %	69%	71%
Operating cash flow	€19.8m	€15.8m
Return on total capital employed	10.0%	9.7%
10 year operating profit CAGR	26.1%	30.6%

*2010 includes 50% of Tracey for 9 months

Business and Markets

Britain

DCC Environmental collects and processes a broad range of non hazardous and hazardous waste through its market leading Scottish business which owns the most comprehensive waste infrastructure in Scotland. In addition DCC Environmental owns the largest material recycling facility in the East Midlands. The business handles 1.2 million tonnes of material, the majority of which is collected by its fleet of 223 vehicles. 70% of all waste volumes are diverted from landfill.

With its comprehensive recycling infrastructure (the business doesn't operate any active waste landfill sites), DCC Environmental is ideally positioned to benefit from society's drive to reduce waste and to conserve natural resources. Strong legislative backing is being provided to support the shift to resource recovery from waste products – the most significant of which is the commitment by government to increase landfill tax which is now £56 per tonne to £80 a tonne over the next three years in equal annual increments. Another tangible example of this movement to the more efficient management of scarce resources is Scotland's world leading Zero Waste Plan which, published in June 2010, includes a 50% recycling target for all waste by 2013 and 70% by 2025. Further evidence of Scotland leading the way is the more recent announcement that from 2013 Scotland will measure recycling in terms of carbon saving in order to prioritise the recycling of 'high impact' carbon materials such as textiles and plastics. Whilst Britain has made progress in

increasing the proportion of waste diverted from landfill by way of recycling, it continues to significantly lag behind Europe in terms of organic waste processing. To address this deficit, the government has unveiled incentives such as the renewable heat incentive to encourage the development of new infrastructure such as anaerobic digestion plants. DCC Environmental is well positioned to capitalise on the increased treatment of organic waste with the recent completion of the construction of one of Britain's largest anaerobic digestion facilities with project partner Scottish and Southern Energy Plc. DCC Environmental Britain's business is well placed to benefit from these developments.

Ireland

Enva is Ireland's largest hazardous waste treatment company, providing technically innovative solutions to a wide range of commercial and industrial sectors. Operating from six EPA/EA licensed sites throughout Ireland Enva has an unrivalled national presence. The six Enva facilities process a broad range of hazardous wastes including waste oil, contaminated soils, bulk chemicals and contaminated packaging. Enva also continues to invest in new and innovative solutions for hazardous waste as illustrated by the recent commissioning of infrastructure to facilitate converting waste lubricant oils into processed fuel oil, an approved substitute for gas oil. In addition to treating a broad range of hazardous waste at Enva's facilities in Ireland, Enva also works with a network of European based companies to provide a comprehensive range of solutions for hazardous waste.

DCC Environmental's strategy continues to be to grow its position as a leading broadly based waste management and recycling business in Britain and Ireland



Enva also operates a water treatment division providing specialty chemicals, equipment and professional services to the drinking, industrial and waste water sectors. The water treatment division directly operates an in-house manufacturing facility as well as an INAB accredited laboratory to support these services.

Regulation

DCC Environmental's waste management business operates in a highly regulated environment. Each facility operates under conditions as set down in respective waste management licences. During the year 47 inspections were carried out by environmental regulatory authorities, with only two minor non-conformances recorded. Any non-compliance with licence requirements, however minor, is investigated immediately and corrective actions implemented.

Performance for the Year Ended 31 March 2011

DCC Environmental's operating profit was 19.7% ahead of the prior year on a constant currency basis. The results benefitted from the consolidation of 100% of the operating profit of the William Tracey Group for the full year. On a like for like basis, however, operating profit declined modestly.

Market conditions in Britain were difficult, with a further decline in construction derived waste volumes, and operations were significantly disrupted by the extreme weather conditions in December, resulting in a like for like decline

in operating profit in Britain. Some of this weakness was offset by the strong growth in recycle prices and the commissioning of a new material recycling facility in Glasgow to process domestic recyclable waste. The development of Scotland's largest anaerobic digestion plant (in partnership with Scottish and Southern Energy Plc) reached a significant milestone with the completion of construction and commencement of the commissioning phase.

The Irish business made progress during the year and recorded growth in operating profit despite the challenging market conditions.

Strategy and Development

DCC Environmental's strategy continues to be to grow its position as a leading broadly based waste management and recycling business in Britain and Ireland by positioning the business to take advantage of the trend towards more sustainable waste management with a particular emphasis on resource recovery and recycling. The strategy includes delivering superior value adding services to all its customers by way of a deep understanding of customer's requirements and the development of innovative solutions to their problems. Furthermore DCC Environmental is aligning its business to support the transition to a low carbon economy through resource rather than waste focus, developing internal climate change expertise and ever improving its recycling capability.

There is growing recognition that there is value in waste material both as a commodity and energy source and DCC Environmental's recycling led infrastructure is ideally positioned to capitalise on this. In addition to processing recyclable waste such as paper and plastic, DCC Environmental processes residual waste into a fuel for use in cement kilns as a direct substitute for fossil fuels. DCC Environmental will also shortly commence sending organic waste to Scotland's largest anaerobic digestion plant and discussions are progressing to divert further residual waste, which cannot be recycled, from landfill into energy from waste facilities.

Outlook

With its strong focus on recycling and resource recovery, DCC Environmental expects to achieve good growth in operating profit, on a constant currency basis, in the year to 31 March 2012 in spite of the challenging trading environment prevailing in Britain and Ireland.

DCC Food & Beverage

DCC Food & Beverage markets and sells a wide range of company owned and third party branded food and beverage products in Ireland and has a wine business in Britain. It is a market leader in a number of niche market segments in healthfoods, indulgence foods and frozen & chilled logistics.

DCC Food & Beverage currently employs 930 people.

Revenue

€252.2m

2010: €275.0m

Change on prior year

Reported: -8.3%

Constant currency: -9.2%

Operating profit

€11.5m

2010: €8.5m

Change on prior year

Reported: +36.0%

Constant currency: +35.6%

Operating margin

4.6%

2010: 3.1%

Return on total
capital employed

14.9%

2010: 10.2%

brands

Healthfood - Alpro, Biofreeze, Dorset Cereals, Filippo Berio, Hipp, Jakemans, Kallo, Kelkin*, Nairns, Ocean Spray, Olbas, Oris, Pomegreat, St Dalfour, Vitabiotics, Whole Earth.

Indulgence - Andrew Peace, Antinori, Bollinger, Chapoutier, Cono Sur, Elizabeth Shaw, French Connection*, Freixenet, Glenfiddich, Goodalls, Hula Hoops, KP, Lemons*, Lindemans, Louis Jadot, McCoys, Masi, Mateus, Meanies, Moreau, Rancheros, Ritter, Robert Roberts*, Sacla, Skips, Sutter Home, Topps, Torres, Tullamore Dew, Wakefield, Wilton Candy*.

Logistics - Allied Foods*, Mr. Food.

Other - Kylemore.

* DCC owned brand

no.1

- ambient healthfood business in Ireland
- brand of fresh ground coffee in retail in Ireland
- in frozen food logistics and distribution in Ireland with a significant chilled food business

no.2

- brand of fresh ground coffee in foodservice in Ireland
- supplier of herbs and spices in Ireland

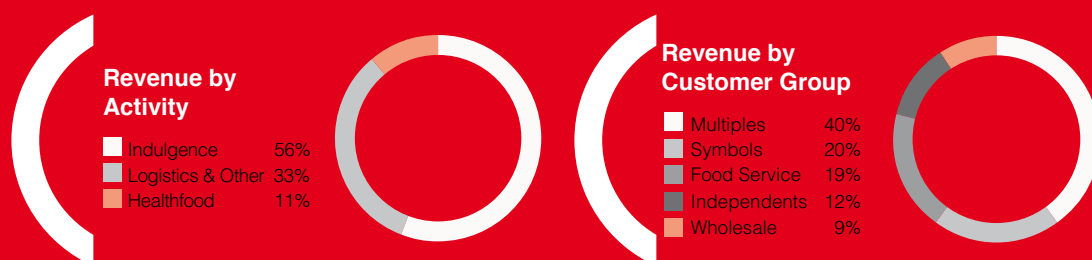
a market leader

- a leading independent wine distributor in Ireland
- the No.3 supplier in savoury snacks in Ireland



DCC Food & Beverage

(continued)



Performance Management - key performance indicators

	2011	2010
Operating cash flow	€12.6m	€21.9m
Revenue per employee (constant currency)	€261k	€279k
Return on total capital employed	14.9%	10.2%
10 year operating profit CAGR	4.3%	0.3%

Business and Markets

DCC Food & Beverage's businesses have a strong track record in brand building and offer deep distribution reach with extensive customer service to the retail and foodservice sectors throughout Ireland. Services provided include marketing, category management, selling (key account management, direct sales representation and van sales), distribution and merchandising. The principal customers are grocery multiples, symbol and independent retailers, pharmacies, off licenses, hotels, restaurants and cafes. In Britain, wines are sold to multiple retailers and wholesale cash and carry customers.

Healthfoods

In Ireland, Kelkin is the leading and most comprehensive supplier of owned and agency brands of healthy foods and beverages, fine foods and vitamins, minerals & supplements (VMS), selling directly to both the grocery and pharmacy sectors. The Kelkin brand is recognised as the leading brand in the ambient health / "better for you" food sector and offers a healthy choice in many food categories. The Kelkin brand is also a strong and growing brand in the VMS sector.

Indulgence Foods

Robert Roberts is a value-added distributor of indulgence products in the grocery, impulse and food service sectors. The business has a strong, complementary range of owned and agency brands, specialising in wine, snacks, hot beverages, home cooking (herbs, spices and colourings), confectionery, and soft drinks. In the Irish market Robert Roberts is the number 1 supplier of freshly ground coffee to the retail sector and the number 2 supplier in the foodservice sector; the number 2 supplier of herbs and spices (following the successful acquisition and integration of the Goodall's range during the year), the number 3 supplier of savoury snacks (through the KP range) and a leading independent distributor of sugar confectionery products. Through its wine distribution business, Findlater Wine & Spirit Group, Robert Roberts is a leading distributor of wine in Ireland to both the on and off trade, providing an extensive portfolio of international wine brands. Findlater Wine & Spirit Group offers its principals the largest on-trade reach in the Irish marketplace.

In Britain, Bottle Green is a leading supplier of branded (owned and agency) and exclusive retail solutions to the multiple off trade sector of the UK wine market.

The Group's strategy is to develop DCC Food & Beverage into a leading added value sales, marketing and distribution business



Logistics/Other

Allied Foods is the number one frozen food distributor in Ireland, with a developing chilled food distribution business. It offers a full range of temperature controlled supply chain solutions (procurement, brand management and selling, warehousing and distribution) to major retailers, manufacturers and food service customers.

Kylemore Foods Group (50% owned by DCC) is a leading operator of retail restaurants and contract catering services in Ireland, serving 8 million customer meals annually throughout Ireland.

Performance for the Year Ended 31 March 2011

DCC Food & Beverage reported a very strong increase in operating profit in the year of 36.0%, despite the impact on the consumer of the Irish economy. This result was driven by good cost control following the actions taken in the prior year, operating efficiencies and the introduction of new products.

The Indulgence and Healthfoods businesses both delivered good operating profit growth. The Indulgence business experienced a decline in sales in Ireland, however, a deliberate policy of reduced promotional activity in certain categories allied with strong control of costs delivered operating profit growth. The business added to its portfolio of

company owned brands with the acquisition of the Goodall's and YR brands (completed in December 2010), which contributed modestly in the fourth quarter. The Healthfoods business achieved strong sales growth in its Kelkin brand in both the grocery and pharmacy channels, however, this was offset somewhat by a decline in sales in certain of the third party grocery brands.

The Frozen and Chilled Logistics business performed well in a difficult market through its focus on operational efficiencies, however following a change in its supply chain strategy for Ireland an important customer has terminated its contract, which will impact the performance of the business in the year to 31 March 2012.

Strategy and Development

The Group's strategy is to develop DCC Food & Beverage into a leading added value sales, marketing and distribution business, building number 1 or number 2 branded positions in focussed segments and delivering an above average return on capital. This will be achieved by building on current positions in the health, indulgence and logistics segments, both organically and through acquisition.

The business will continue to increase its focus on brands, building on the progress that has been made to date with the company owned brands of Kelkin healthy foods and

beverages, Robert Roberts coffee and speciality teas and Lemon's confectionery as well as developing the newly acquired brands of Goodall's and YR. The business will also continue to actively develop its extensive range of third party agency brands across its healthfoods and indulgence categories. Our wine and spirits business in Ireland will continue to develop its range and grow its market share, particularly in the on-trade. The UK wine business remains focussed on developing its own range of brands which include French Connection and Andrew Peace, along with selected agency brands.

Outlook

DCC Food & Beverage anticipates good operating profit growth, on a constant currency basis, in the year to 31 March 2012.

Financial Review

“Another good year of growth and development”

DCC again achieved another year of growth and development, in a year when economic conditions in our main markets remained difficult. During the year the Group's operating profits increased by 15.5%, on a constant currency basis, to €229.6 million and we deployed an incremental €207.9 million on acquisitions and net capital expenditure.

The return on invested capital improved again to 19.9% (2010: 18.4%).

As the key financial performance indicators set out in Table 1 show, the Group performed strongly in 2011 delivering an improvement in revenues and operating profits and returns on capital employed whilst still retaining a strong, well funded and highly liquid balance sheet.

Accounting Policies

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and their interpretations as issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), applicable Irish law and the Listing Rules of the Irish and London Stock Exchanges. Details of the basis of preparation and the significant accounting policies of the Group are included on pages 80 to 88.

Table 1: Key financial performance indicators

	2011	2010
Revenue growth – constant currency	25.4%	5.1%
Operating profit growth* – constant currency	15.5%	6.9%
Interest cover (times)	15.8	17.7
Net debt as a percentage of total equity	4.9%	6.4%
Net debt/EBITDA (times)	0.2	0.2
Working capital as a percentage of total revenue	1.6%	1.8%
Working capital – days	4.9	4.6
Debtors – days	36.8	35.3
Operating cash flow (€'m)	269.6	297.8
Free cash flow after interest and tax (€'m)	123.6	229.1
Return on total capital employed	19.9%	18.4%

* excluding exceptionals and amortisation of intangible assets.

Group revenue increased by 25.4%, on a constant currency basis, primarily as a result of acquisitions and the impact of higher oil prices

Overview of Results

Summary Income Statement

	2011 €'m	2010 €'m	Change on prior year Reported	Constant currency
Revenue	8,680.6	6,725.0	+29.1%	+25.4%
Operating profit				
DCC Energy	137.3	113.1	+21.4%	+17.2%
DCC SerCom	46.0	40.8	+12.7%	+9.9%
DCC Healthcare	23.2	21.1	+9.7%	+7.2%
DCC Environmental	11.6	9.3	+24.7%	+19.7%
DCC Food & Beverage	11.5	8.5	+36.0%	+35.6%
Group operating profit	229.6	192.8	+19.1%	+15.5%
Share of associates' (loss)/profit after tax	(0.2)	0.2		
Finance costs (net)	(14.6)	(10.9)		
Profit before exceptional items, amortisation of intangible assets and tax	214.8	182.1	+18.0%	+14.3%
Amortisation of intangible assets	(10.9)	(6.2)		
Exceptional charge(net)	(14.3)	(11.0)		
Profit before tax	189.6	164.9	15.0%	+10.9%
Taxation	(43.8)	(33.2)		
Non-controlling interests	(0.7)	(0.9)		
Net earnings	145.1	130.8	+10.9%	+6.9%
Adjusted earnings per share (cent)	203.15	177.98	+14.1%	+10.5%

Revenue

Group revenue increased by 25.4%, on a constant currency basis, primarily as a result of acquisitions and the impact of higher oil prices. DCC Energy had a 15.5% increase in sales volumes, however, on an organic basis, volumes declined by 1%. Excluding DCC Energy, Group revenue was 8.2% ahead of the prior year, on a constant currency basis, of which 5.4% was organic.

Operating Profit

DCC had a very strong year with all five divisions reporting operating profit growth. Group operating profit increased

by 15.5%, on a constant currency basis, to €229.6 million. Approximately two thirds of the growth was organic and the balance came from acquisitions completed in the current and prior year. The Group had a strong first half which was followed by an excellent third quarter, driven by the exceptionally cold weather conditions throughout northern Europe, particularly in the last six weeks of the quarter, which benefited DCC Energy, DCC's largest division. However, trading in the fourth quarter in DCC Energy was adversely impacted by the milder weather conditions, particularly relative to the same period in the prior year.

Approximately 77% of the Group's operating profit in the period was denominated in sterling. The average exchange rate at which sterling profits were translated during the year was Stg£0.8522 = €1, compared to an average translation rate of Stg£0.8873 = €1 for the prior year, an appreciation of 4% which resulted in a positive translation impact on Group operating profit of €6.9 million. Consequently on a reported basis operating profit increased by 19.1%.

DCC Energy, DCC's largest division, had the benefit of another extremely cold winter overall and generated constant currency operating profit growth of 17.2%, driven by the 15.5% increase in volumes.

DCC SerCom, DCC's second largest division, delivered a strong performance with constant currency operating profit 9.9% ahead of the prior year, reflecting another excellent result in SerCom Distribution (where operating profit, on a constant currency basis, was 16.6% ahead of the prior year). DCC Healthcare, DCC Environmental and DCC Food & Beverage each reported increases in operating profit.

The benefits of cost efficiencies achieved in the prior year were maintained, with operating costs 1% higher than the prior year (on a constant currency basis and adjusted for the impact of acquisitions and disposals) notwithstanding the organic increase in revenues in many of

the Group's businesses and an increase in DCC Energy's operating costs in November and December 2010 as it made significant efforts to service its customers during this extremely cold period.

Although DCC's operating margin (excluding exceptionals) was 2.6% (2.9% in 2010), it is important to note that this measurement of the overall Group margin is of limited relevance due to the influence of changes in oil product costs on the percentage. While changes in oil product costs will change percentage operating margins, this has little relevance in the downstream energy market in which DCC Energy operates, where profitability is driven by absolute contribution per litre (or tonne) of product sold and not by a percentage margin. Excluding DCC Energy, the operating margin (excluding exceptionals) for the Group's other divisions was 3.6% (3.5% in 2010).

**Interest was covered
15.8 times by Group
operating profit (17.7
times in 2010)**

Table 2: Revenue - Constant Currency

	H1 €'m	2011 H2 €'m	FY €'m	H1 €'m	2010 H2 €'m	FY €'m	H1 %	Change H2 %	FY %
DCC Energy	2,722.4	3,214.0	5,936.4	1,788.2	2,631.9	4,420.1	+52.2%	+22.1%	+34.3%
DCC SerCom	782.1	1,044.5	1,826.6	665.1	953.4	1,618.5	+17.6%	+9.6%	+12.9%
DCC Healthcare	161.9	152.5	314.4	163.8	170.2	334.0	-1.1%	-10.4%	-5.9%
DCC Environmental	51.7	51.3	103.0	36.0	41.4	77.4	+43.6%	+24.0%	+33.1%
DCC Food & Beverage	137.2	112.4	249.6	155.7	119.3	275.0	-11.9%	-5.8%	-9.2%
Total	3,855.3	4,574.7	8,430.0	2,808.8	3,916.2	6,725.0	+37.3%	+16.8%	+25.4%
Weighting %	45.7%	54.3%	100.0%	41.8%	58.2%	100.0%			

Profit before tax of €189.6 million increased by 10.9% on a constant currency basis (15.0% on a reported basis)

Excellent Second Half Performance

Overall, DCC's results in the significantly more important second half of its financial year were excellent. An analysis of Group revenue and operating profit, on a constant currency basis, for the first half and the second half and the full year to 31 March 2011 is set out in Tables 2 and 3.

A detailed review of the operating performance of each of DCC's divisions is set out on pages 18 to 37.

Finance Costs (net)

Net finance costs increased to €14.6 million (2010: €10.9 million) primarily due to the additional interest costs associated with the €284 million of private placement debt which the Group raised in March 2010 to fund future acquisitions and development. The Group's net debt averaged €167 million, compared to €155 million during the prior year. Interest was covered 15.8 times by Group operating profit before amortisation of intangible assets (17.7 times in 2010).

Profit Before Net Exceptional Items, Amortisation of Intangible Assets and Tax

Profit before net exceptional items, amortisation of intangible assets and tax of €214.8 million increased by 14.3% on a constant currency basis (an increase of 18.0% on a reported basis).

Net Exceptional Charge and Amortisation of Intangible Assets

The Group incurred a net exceptional charge before tax of €14.3 million as follows:

	€m
Gain on disposal of subsidiaries	0.8
Cumulative foreign exchange translation losses relating to subsidiaries disposed of	(3.1)
Restructuring of pension arrangements	5.0
Write down of property, plant and equipment	(6.1)
Acquisition costs	(3.6)
Reorganisation costs and other	(7.3)
Total	(14.3)

During the first half DCC Healthcare disposed of its Mobility & Rehabilitation businesses and DCC Food & Beverage disposed of one of its smaller Irish businesses. The net cash impact of these transactions (€28.4 million) resulted in a pre-tax gain on their book carrying values, including goodwill, of €0.8 million. These businesses accounted for less than 1% of DCC's operating profit for the year ended 31 March 2010.

IAS 21 requires that any foreign exchange translation differences which have been written off directly to reserves in prior years be recycled through the Income Statement on the disposal of the related asset. The amount of such differences relating to the above disposals, which did not have any impact on the Group's total equity, was €3.1 million.

Restructuring of certain of the Group's pension arrangements during the year gave rise to a net reduction in pension liabilities and an exceptional gain of €5.0 million.

Table 3: Operating Profit - Constant Currency

	H1 €'m	2011 H2 €'m	FY €'m	H1 €'m	2010 H2 €'m	FY €'m	H1 %	Change H2 %	FY %
DCC Energy	29.0	103.5	132.5	25.2	87.9	113.1	+14.8%	+17.9%	+17.2%
DCC SerCom	13.9	31.0	44.9	13.7	27.1	40.8	+1.3%	+14.2%	+9.9%
DCC Healthcare	10.9	11.8	22.7	8.7	12.4	21.1	+25.8%	-5.6 %	+7.2%
DCC Environmental	6.7	4.4	11.1	4.7	4.6	9.3	+43.9%	-4.9%	+19.7%
DCC Food & Beverage	5.4	6.1	11.5	4.3	4.2	8.5	+26.0%	+45.2%	+35.6%
Total	65.9	156.8	222.7	56.6	136.2	192.8	+16.5%	+15.1%	+15.5%
Weighting %	29.6%	70.4%	100.0%	29.4%	70.6%	100.0%			

The Group made a provision of €6.1 million against the carrying value of one of its buildings.

IFRS 3 (revised) requires that the professional (legal and financial due diligence) and tax (such as stamp duty) costs relating to the evaluation and completion of an acquisition are expensed in the Income Statement whereas previously they were capitalised as part of the acquisition cost. During the year these costs amounted to €3.6 million.

The balance of the net exceptional charge relates primarily to restructuring costs arising from the integration of recently acquired businesses.

The charge for the amortisation of intangible assets increased to €10.9 million (2010: €6.2 million).

Profit Before Tax

Profit before tax of €189.6 million increased by 10.9% on a constant currency basis (15.0% on a reported basis).

Taxation

The effective tax rate for the Group increased to 21% compared to 19% in the previous year, primarily due to the increased proportion of profits arising in Britain and continental Europe.

Adjusted Earnings Per Share

Adjusted earnings per share of 203.15 cent increased by 10.5% on a constant currency basis (an increase of 14.1% on a reported basis). The increase was 11.5% in the first half and 10.2% in the seasonally more important second half.

The compound annual growth rate in DCC's adjusted earnings per share over the last 15, 10 and 5 years is as follows;

		CAGR %
15 years	(i.e. since 1996)	13.1%
10 years	(i.e. since 2001)	9.5%
5 years	(i.e. since 2006)	10.4%

Dividend

The total dividend for the year of 74.18 cent per share represents an increase of 10.0% over the previous year. The dividend is covered 2.7 times (2.6 times in 2010) by adjusted earnings per share. Over the last 17 years (i.e. since DCC's flotation on the Irish and London stock exchanges), DCC's dividend has grown at a compound annual rate of 15.6%.

Return on Capital Employed

The creation of shareholder value through the delivery of consistent, long-term returns well in excess of the cost of capital is one of DCC's core strengths. DCC again achieved excellent returns on total capital employed (as detailed in Table 4), generating a return of 19.9% on total capital employed (18.4% in 2010).

DCC's return on total capital employed has remained consistently high through a combination of good organic growth, well executed acquisitions and excellent integration synergies.

Table 4: Return on total capital employed

	2011 ROCE	2010 ROCE
DCC Energy	26.9%	26.5%
DCC SerCom	16.2%	16.1%
DCC Healthcare*	16.3%	14.6%
DCC Environmental	10.0%	9.7%
DCC Food & Beverage	14.9%	10.2%
Group	19.9%	18.4%

* Continuing activities

DCC again achieved excellent returns on capital employed, generating a return of 19.9% on total capital employed (18.4% in 2010)

Cash Flow

In recent years the Group has achieved a significant reduction in net working capital days which reduced from 16.4 days at 31 March 2008 to 4.6 days at 31 March 2010. These gains were largely retained at 31 March 2011 when net working capital days were 4.9 days. The cash flow generated by the Group for the year ended 31 March 2011 is summarised in Table 5.

Operating cash flow in 2011 was €269.6 million compared to €297.8 million in 2010 which benefited from a net reduction in working capital in that year. After higher than normal capital expenditure and tax payments, free cash flow was €123.6 million compared to €229.1 million in the prior year.

The cash impact of acquisitions in the year was €78.3 million. Net capital expenditure in the year of €77.2 million is significantly higher than the prior year amount of €35.7 million and compares to a depreciation charge of €52.9 million. DCC Energy's net capital expenditure of €40.8 million is higher than its depreciation charge (€31.2 million) due to increased investment to support the ongoing development of new business (predominantly the upgrading of the distribution fleet). In November 2010, DCC SerCom's UK Retail distribution business purchased a 250,000 square feet warehouse near Wellingborough, north of London. The total cost of the warehouse including fit-out was €17 million. This investment allows Gem Distribution to market its third party logistics services to software and DVD publishers from a modern, customised facility within easy reach of the south east of England.

The exceptional cash outflow of €8.9 million primarily relates to restructuring costs.

Table 5: Summary of cash flows

Year ended 31 March	2011 €'m	2011 €'m	2010 €'m	2010 €'m
Operating profit		229.6		192.8
(Increase)/decrease in working capital:				
DCC Energy	(19.8)		45.9	
DCC SerCom	8.9		8.7	
DCC Healthcare	2.1		6.1	
DCC Environmental	0.6		1.0	
DCC Food & Beverage	(2.6)	(10.8)	10.1	71.8
Depreciation and other		50.8		33.2
Operating cash flow		269.6		297.8
Capital expenditure (net)		(77.2)		(35.7)
Interest and tax paid		(68.8)		(33.0)
Free cash flow		123.6		229.1
Acquisitions		(78.3)		(133.6)
Disposals		28.4		0.8
Dividends		(58.3)		(52.5)
Exceptional items		(8.9)		(12.8)
Share issues		3.8		7.7
Net inflow		10.3		38.7
Opening net debt		(53.5)		(90.7)
Translation		2.0		(1.5)
Closing net debt		(45.2)		(53.5)

DCC's financial position remains very strong, well funded and highly liquid.

Balance Sheet and Group Financing

DCC's financial position remains very strong, well funded and highly liquid. At 31 March 2011 the Group had net debt of €45.2 million (2010: €53.5 million) and total equity of €931.9 million (2010: €836.9 million). This equates to gearing of 4.9% (2010: 6.4%) and a net debt to EBITDA ratio of 0.2 times (2010: 0.2 times). DCC has significant cash resources and relatively long term debt maturities. Substantially all of the Group's debt has been raised in the US private placement market with an average credit margin of 1.23% over floating Euribor/Libor and an average maturity of 6.0 years from 31 March 2011.

The Group's strong funding and liquidity position at 31 March 2011 is summarised in Table 6.

Substantially all of the Group's debt has been raised in the US private placement market.

The composition of net debt at 31 March 2011 and 2010 is analysed in Table 7. Further analysis of DCC's cash, debt and financial instrument balances at 31 March 2011 is set out in Notes 27 to 30 in the financial statements.

Financial Risk Management

Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board of Directors. These policies and guidelines primarily cover foreign exchange risk, commodity price risk, credit risk, liquidity risk and interest rate risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. The Group does

not trade in financial instruments nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange and commodity price exposures within approved policies and guidelines. Further detail in relation to the Group's financial risk management and its derivative financial instrument position is contained in Note 46 to the financial statements.

Foreign Exchange Risk Management

DCC's reporting currency and that in which its share capital is denominated is the euro. Exposures to other currencies, principally sterling and the US dollar, arise in the course of ordinary trading.

Table 6: Funding and liquidity position

	2011 €'m
Cash and short term bank deposits	700.3
Overdrafts	(34.2)
Cash and cash equivalents	666.1
Bank debt repayable within 1 year	(0.5)
US Private Placement debt repayable*:	
Y/e 31/3/2012	(5.3)
Y/e 31/3/2014	(62.9)
Y/e 31/3/2015	(216.2)
Y/e 31/3/2016	(14.4)
Y/e 31/3/2017	(112.5)
Y/e 31/3/2018	(52.9)
Y/e 31/3/2020	(205.2)
Y/e 31/3/2022	(43.1)
Other	1.7
Debt	(711.3)
Net debt	(45.2)

* Inclusive of related swap derivatives

Table 7: Analysis of net debt

	2011 €'m	2010 €'m
Non-current assets:		
Derivative financial instruments	84.4	101.9
Current assets:		
Derivative financial instruments	3.5	1.4
Cash and short term deposits	700.3	714.9
	703.8	716.3
Non-current liabilities:		
Borrowings	(0.7)	(2.5)
Derivative financial instruments	(30.1)	(19.3)
Unsecured Notes due 2013 to 2022	(761.5)	(791.2)
	(792.3)	(813.0)
Current liabilities:		
Borrowings	(35.3)	(58.2)
Derivative financial instruments	(0.5)	(0.5)
Unsecured Notes due 2011	(5.3)	-
	(41.1)	(58.7)
Net debt	(45.2)	(53.5)

A significant proportion of the Group's profits and net assets are denominated in sterling. The sterling:euro exchange rate strengthened marginally from 0.8894 at 31 March 2010 to 0.8837 at 31 March 2011. The average rate at which the Group translates its UK operating profits strengthened by 4.0% from 0.8873 in 2010 to 0.8522 in 2011.

Approximately 77% of the Group's operating profit for the year ended 31 March 2011 was denominated in sterling and this is offset to a limited degree by certain natural economic hedges that exist within the Group, for example, a proportion of the purchases by certain of its Irish businesses are sterling denominated. DCC does not hedge the remaining translation exposure on the profits of foreign currency subsidiaries on the basis and to the extent that they are not intended to be repatriated. The 4.0% strengthening in the average translation rate of sterling, referred to above, positively impacted the Group's reported operating profit by €6.9 million in the year ended 31 March 2011.

DCC has investments in sterling operations which are highly cash generative and cash generated from these operations is reinvested in sterling denominated development activities rather than being repatriated into euro. The Group seeks to manage the resultant foreign currency translation risk through borrowings denominated in or swapped (utilising currency swaps or cross currency interest rate swaps) into sterling, although this hedge is offset by the strong ongoing cash flow generated from the Group's sterling operations leaving DCC with a net investment in sterling assets. The marginal strengthening in the value of sterling against the euro during the year ended 31

March 2011, referred to above, gave rise to a translation gain of €4.6 million on the translation of DCC's sterling denominated net asset position at 31 March 2011 as set out in the Group Statement of Changes in Equity in the financial statements.

Where sales or purchases are invoiced in other than the local currency, and there is not a natural hedge with other activities within the Group, DCC generally hedges between 50% and 90% of those transactions for the subsequent two months.

Commodity Price Risk Management

The Group is exposed to commodity cost price risk in its oil distribution and LPG businesses. Market dynamics are such that these commodity cost price movements are immediately reflected in oil commodity sales prices and, within a short period, in LPG commodity sales prices. Fixed price oil supply contracts are occasionally provided to certain customers for periods of less than one year. To manage this exposure, the Group enters into matching forward commodity contracts, not designated as hedges under IAS 39. While LPG price changes are being implemented, the Group hedges a proportion of its anticipated LPG commodity exposure, with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes. In addition, to cover certain customer segments for which it is commercially beneficial to avoid price increases, a proportion of LPG commodity price and related foreign exchange exposure is hedged. All commodity hedging counterparties are approved by the Board.

Credit Risk Management

DCC transacts with a variety of high credit rated financial institutions for the purpose of placing deposits and entering into derivative contracts. The Group actively monitors its credit exposure to each counterparty to ensure compliance with limits approved by the Board.

Interest Rate Risk and Debt/Liquidity Management

DCC maintains a strong balance sheet with long-term debt funding and cash balances with deposit maturities up to three months. In addition, the Group maintains both committed and uncommitted credit lines with its relationship banks. DCC borrows at both fixed and floating rates of interest. It has swapped its fixed rate borrowings to floating interest rates, using interest rate and cross currency interest rate swaps which qualify for fair value hedge accounting under IAS 39. The Group mitigates interest rate risk on its borrowings by matching, to the extent possible, the maturity of its cash balances with the interest rate reset periods on the swaps related to its borrowings.

Sustainability Report

Following the introduction by the Chief Executive on page 12, details of our sustainability approach and activities are set out in this report. DCC is committed to evolving our sustainability reporting in line with best practice and communicating our performance in this area.

Report Profile, Boundary and Scope

This is DCC's third Sustainability Report and follows the same reporting cycle and fiscal year as the Annual Report. The scope of this report includes subsidiaries which contribute in excess of 99% Group profitability¹.

The Corporate Sustainability Working Group (CSWG), which comprises senior Group, divisional and subsidiary management, was formed in 2009 and reports to the Chief Executive. In determining report content the CSWG consulted with senior management to determine aspects that were material at a divisional level. These formed the basis for a Group level materiality matrix which identified four material aspects - direct economic value added, climate change, health & safety and business ethics - which are reported on below.

Governance, Structures and Processes

The role of the CSWG is to develop appropriate corporate sustainability policies, processes and performance indicators across the DCC Group and to support the integration of sustainability into our business strategies to deliver competitive advantage.

Presentations to the DCC plc Board and to divisional management have been completed and sustainability workshops involving all subsidiary management teams will be held in the first half of the current financial year. External experts have been invited to participate to provide industry examples of best practice.

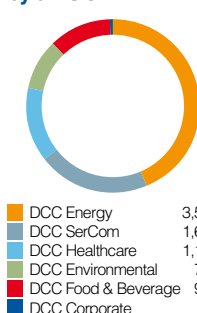
Stakeholder Engagement

In general, feedback from investors has been limited, though positive. During 2011 we will, at a Group level, increase our engagement with investors and other stakeholders to identify any further informational requirements. At subsidiary level, management will formally identify and engage with key stakeholders including customers, suppliers, employees and the local community.

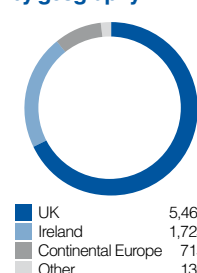
Our People

DCC employs 8,037 people across the Group, approximately 90% of whom are in permanent employment.

Employee numbers by division



Employee numbers by geography



Graduate Recruitment Programme

As a diverse and expanding business, it is critical to DCC's long term sustainability to develop senior executives with multi-sector, multi-functional and multi-country skill sets who can grow and develop into international business leaders in the future.

One action in support of this during the year was the implementation of a new graduate recruitment programme, the DCC Future Leaders Programme. This was launched in October 2010 in Britain and Ireland to recruit a select cadre of young, high quality and mobile graduates. There was a strong response to the recruitment programme with over 1,300 applicants. Offers were made to the top performers from the programme and DCC will have 10 graduates taking up an initial two year rotation programme in September 2011.

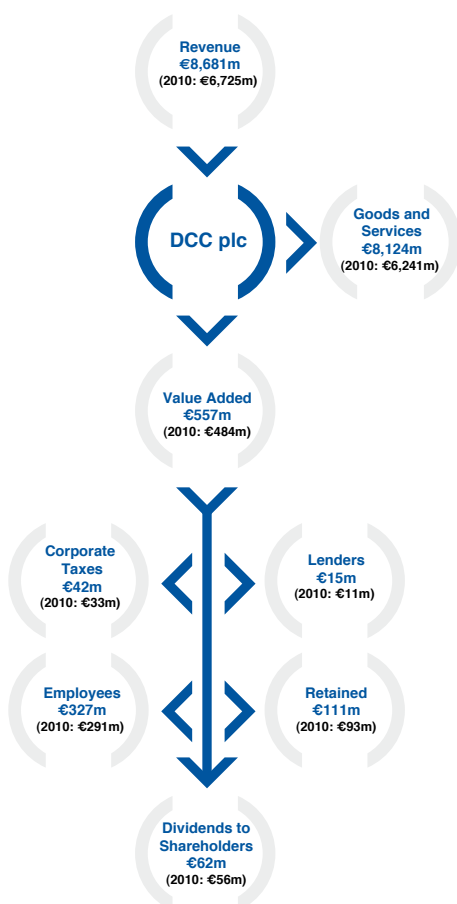
Material Aspects

As noted earlier, the CSWG in conjunction with senior divisional management, determined four sustainability aspects to be material to the DCC Group. These aspects are common to all subsidiaries although additional aspects, for example sourcing of raw materials, may be identified as material to a particular business and addressed accordingly.

1. Direct Economic Value Added

To be a sustainable company, we must create value for our shareholders and other stakeholders. In the year ended March 2011, €557 million of added value was created, taking account of the cost of inputs from suppliers of €8,124 million and revenue of €8,681 million. This value added is distributed in the form of remuneration to employees of €327 million, corporate taxes of €42 million, interest to lenders of €15 million and dividends² to shareholders, including many Group employees, of €62 million. €111 million is retained in the business to fund further growth.

Following a review of our approach to corporate giving, DCC has entered into a three year partnership with Social Entrepreneurs Ireland (SEI), whereby we will contribute a total of €360,000 over the period



Corporate Giving

Following a review of our approach to corporate giving, DCC has entered into a three year partnership with Social Entrepreneurs Ireland (SEI), whereby we will contribute a total of €360,000 over the period. Established in 2004, SEI is a privately funded, not-for-profit organisation that supports social entrepreneurs in growing their ideas from concept to reality.

"In order for social entrepreneurs to turn their vision into reality and tackle some of our entrenched social and environmental problems they need high quality support and mentoring. In partnering with Social Entrepreneurs Ireland, DCC have shown real leadership in stepping up to the plate, providing both financial and mentor support to our network of social entrepreneurs and in doing so making a tangible and hugely positive difference to communities throughout Ireland."

Sean Coughlan, Chief Executive, Social Entrepreneurs Ireland.

social
entrepreneurs
IRELAND

2. Climate Change

The reality and threat of climate change is clear. The response from policy makers and consumers is growing year by year and society is re-evaluating consumption patterns and use of natural resources. This in turn requires the business community to respond positively to new commercial risks and opportunities.

The DCC Carbon Management Plan, established in 2008, sets out objectives for measuring, reducing and reporting carbon emissions. The plan is currently being revised to include medium and long term carbon reduction targets.

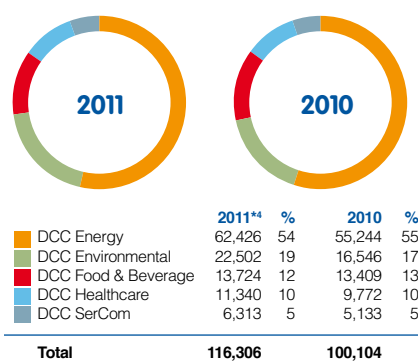
In the UK the CRC Energy Efficiency Scheme has been significantly amended following the Comprehensive Spending Review initiated by the new government in October 2010. Originally designed to allow revenue to be recycled to the participants, the Scheme is now effectively a carbon levy on fuel and electricity consumption, payable annually from July 2012 onwards. Some uncertainty still surrounds the final details of the Scheme but DCC's UK subsidiaries have robust reporting systems in place to provide the required energy consumption data to the Environment Agency in July 2011.

DCC responds annually to the investor led Carbon Disclosure Project, providing detailed emissions data and explanations of our strategic approach and the management of risks and opportunities from climate change.

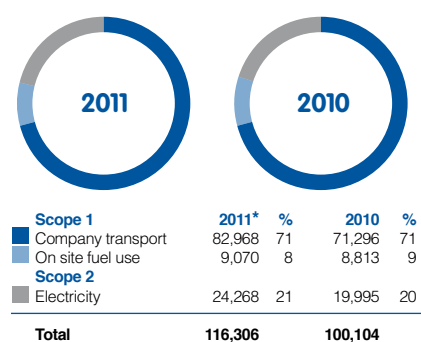
Details of our energy use and carbon emissions are presented below. The DCC Energy and Carbon Reporting Guidelines, based on the Greenhouse Gas Protocol, set out in detail the sources included in the DCC Group carbon footprint³. Briefly these are:

- subsidiaries of DCC plc¹
- the energy sources where DCC is the counter party to the contract to supply
- direct usage of electricity and fuels to heat, light and operate buildings
- fuels used to operate company owned vehicles, plant and machinery
- electricity and gas purchased and recharged to subtenants
- any new sites from the point at which they are operational
- any new acquisitions from the point at which they are acquired

CO₂e emissions (tonnes) by division



CO₂e emissions (tonnes) by source



Transport and heating fuels make up the direct sources of primary energy purchased within the Group. In total they represented 1,454,813 Gigajoules (GJ) of energy. Indirect energy consumption amounted to 164,570 GJ from electricity purchased. While a number of subsidiaries purchase some of their electricity from renewable sources this has not been recorded during the year. Systems to record renewable energy purchases have been introduced and will be reported in next year's Sustainability Report.

Total carbon emissions increased by 16% over the prior year, primarily driven by acquisitions in the Energy division and increased processing capacity in the environmental and healthcare businesses.

Outside of emissions generated by our own operations, as reported above, the use of fuel products sold within the Energy division represent the most significant source of indirect emissions beyond our immediate control. The use of oil, LPG and natural gas sold by DCC Energy subsidiaries account for approximately 19 million tonnes of CO₂e emissions. Opportunities to reduce these emissions over time include the development of lower carbon fuels and the provision of energy efficiency advice to customers.

Environmental compliance and spills

During the year 47 routine site inspections of our licenced facilities were completed by environmental regulators. Overall our level of compliance with permitting requirements was high. During one inspection, two non compliances, principally due to extreme weather conditions causing operational difficulties, were recorded and resulted in the issue of two enforcement notices.

All remedial actions identified in the notices have been completed to the satisfaction of the regulator.

During the year GB Oils was fined Stg£5,000 for polluting a tributary of the River Clyst in Devon in July 2009, contrary to Section 83(1) of the UK Water Resources Act 1991. The Court recognised the work undertaken by the company to remediate the environmental impact of the spill. Approximately 20,000 litres of diesel was lost when an underground pipeline failed at a recently acquired depot. Underground pipework at our oil depots is pressure tested annually and, where possible, replaced with over ground pipework. There were no other significant releases of oil or chemicals during the period.

In June 2010 the Scottish Government released its Zero Waste plan which establishes a goal of recycling 70% of Scotland's waste by 2025. Supporting this agenda, the William Tracey Group has launched a food and organic waste collection service for customers. A key part of the service will be an anaerobic digestion treatment plant constructed by Scottish and Southern Energy (SEE) at Traceys former landfill site in Barkip, North Ayrshire where landfill gas is currently being used to generate renewable energy. The new SSE facility will be capable of processing around 75,000 tonnes of organic waste annually and producing 2.5 MW of electricity which will contribute towards Scotland's renewable energy targets.

Health and safety is a key priority for all divisional and subsidiary managing directors

KPI - LTIFR

Number of lost time injuries⁶ per 200,000 hours worked



KPI - LTISR

Number of calendar days lost per 200,000 hours worked



3. Health & Safety

Health and safety is a key priority for all divisional and subsidiary managing directors, in particular in the Energy and Environmental divisions where the potential impacts are significant given the nature of the businesses and the products handled. Health and safety resources in GB Oils have been strengthened following the acquisition of two oil terminals in Scotland during the year. A particular focus on process safety is ongoing to minimise the likelihood of a major incident and to meet increasing regulatory demands.

Individual subsidiaries use a range of indicators to measure health and safety performance. Lost time injury rates (lagging indicators) are recorded at Group level for the operations within the scope of this report and this year the frequency of accidents that resulted in lost time fell from 2.8 per 200,000 hours worked to 2.5⁵. At the same time the lost time severity rate increased from 42 to 48 days lost per 200,000 hours worked reflecting, on average, more days lost per accident. This increase was driven by a number of accidents that resulted in over 100 days lost. No fatalities were recorded in the year ended 31 March 2011 (tragically one fatality was recorded in the prior year as reported previously). Absentee and occupational diseases rates are not compiled at Group level.

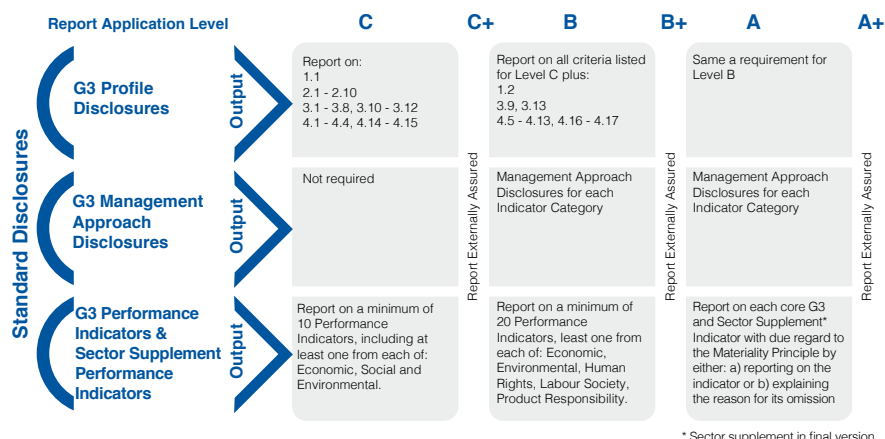
The International Safety Rating System (ISRS) audit tool, developed by DNV, a leading risk management company, is being phased in across our energy and environmental subsidiaries. The audit is demanding, requiring a high level of verification and covering fifteen health and safety management processes including leadership, learning from events and management review in addition to risk and asset management. The ISRS tool allows us to benchmark our performance, identify areas for improvement and measure progress objectively.

Wastecycle's health and safety management system was certified to the international OHSAS18001⁷ standard in February 2011 – an independent recognition of the efforts by all employees to adopt a consistent and proactive approach to safety management.

In addition to OHSAS18001 certifications in the Environmental subsidiaries, SerCom Solutions health and safety management systems in Ireland and Poland are also certified to the OHSAS18001 standard.



Sustainability Report (continued)



4. Business Ethics

In last year's Sustainability Report we noted our decision to provide more practical support to our employees in the area of business ethics by formally articulating a set of guidelines which would enshrine principles for the everyday conduct of business. As a diversified Group, the freedom to manage and make decisions locally in our business, which has been critical to DCC's success, has been underpinned by a common set of values of ethical behaviour, trust and accountability. These values have now been enshrined in a set of guidelines, the DCC Business Conduct Guidelines, which set out our common commitment to the highest standards of behaviour in the everyday carrying out of our responsibilities.

Given the breadth of DCC's operations and the different legal and regulatory environments in which all DCC's businesses operate, the guidelines do not set out to address every situation. They are complementary to the employment practices and policies already set out for employees by each of DCC's operating subsidiaries. As well as outlining basic legal and ethical principles, they offer guidance on behaviour, framed with useful examples in respect of the complex issues that can arise in the business environment in which we operate.

The guidelines have been distributed to employees in all the Group's subsidiaries. They have been translated into the local languages as required for DCC's European businesses and also into Chinese for the employees based there.

Reporting

This report meets the requirements of the Global Reporting Initiative level C+ standard, as identified in the content table below. Feedback on this Sustainability Report is welcome and should be addressed to John Barcroft, Head of Group Environment, Health & Safety or David Byrne, Senior Independent Director.

Content table for GRI Level C

GRI Section No.	Standard Disclosure	Report Page
1.1	Statement from Chief Executive	12
2.1 – 2.10	Organisational Profile	Inside Front Cover
3.1 – 3.8	Profile, Boundary and Scope	46
3.10 – 3.12	Restatement	46
4.1 – 4.4	Governance	56
4.14 – 4.15	Stakeholder Engagement	46
EC1	Direct Economic Value	46
EN3	Direct Energy Consumption	48
EN4	Indirect Energy Consumption	48
EN16	Greenhouse gases	48
EN17	Other indirect sources	48
EN23	Spillage	48
EN28	Non-Compliance	48
LA1	Workforce	46
LA7	Rates of injury	49
SO6	Political Contributions	53

¹ Virtus, a US healthcare subsidiary with 131 employees, in which DCC is a 51% shareholder, is not included within the scope of this report. It will be included in next year's report.

² Paid and proposed for the year ended 31 March 2011.

³ Carbon dioxide makes up over 98% of the Groups' greenhouse gas emissions. Other greenhouse gas emissions include fugitive refrigerant gases from our chilled foods logistics business and methane emissions from a small capped landfill. Carbon dioxide emissions arising from our composting operations are considered to be part of the natural cycle and are not included in the reported figures.

⁴ Data marked with the symbol * is included in the scope of assurance provided by KPMG LLP.

⁵ Company employees only, contractors are not included in lost time injury rates.

⁶ A Lost Time Injury is defined as any injury that results in at least one day off work following the day of the accident.

⁷ Occupational Health and Safety Assessment Series standard.

⁸ International Standard on Assurance Engagements 3000: Assurance engagements other than Audits or reviews of Historical information, issued by the International Auditing and Assurance Standards Board.

Independent Assurance Report to DCC plc

KPMG LLP was engaged by DCC plc ('DCC') to provide limited assurance over selected aspects of the DCC's Sustainability Report for the year ended 31 March 2011 ('the Report').

This report is solely made to DCC in accordance with the terms of our engagement. Our work has been undertaken so that we might state to DCC those matters we have been engaged to state within this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than DCC for our work, this report, or for the conclusions we have reached.

What was included in the scope of our assurance engagement?

Assurance scope	Level of assurance	Reporting and assurance criteria
Reliability of performance data for year ending 31 March 2011 marked with the symbol * on pages 48 and 49 of the Report.	Limited assurance	Relevant internal reporting guidelines for the selected environmental and safety performance data as set out on pages 47 and 50 of this report
DCC self-declared Global Reporting Initiative (GRI) application level on page 50 of the Report.	Limited assurance	G3 Sustainability Reporting Guidelines and application level requirements

The extent of evidence-gathering procedures for a limited assurance engagement is less than for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

Which assurance standard did we use?

We conducted our work in accordance with ISAE 3000³, with a team of specialists in auditing environmental information and with experience in similar engagements. This standard requires that we comply with applicable ethical requirements, including independence requirements, and plan and perform the engagement to obtain limited assurance about whether the data is free from material misstatement.

Our conclusions are based on the appropriate application of the criteria outlined in the table above.

We conducted our engagement in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding

integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG LLP has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

What did we do to reach our conclusions?

We planned and performed our work to obtain all the evidence, information and explanations that we considered necessary in relation to the above scope. Our work was limited to the following procedures using a range of evidence-gathering activities which are further explained below:

- Conducting interviews with management and other personnel at DCC, to understand the systems and methods in place during the year ended 31 March 2011;
- An evaluation of the design, existence and operation of the systems and methods used to collect, process and aggregate the selected performance data as well as testing the reliability of underlying data across a risk-based selection of nine sites, including at least one site from each of the business divisions, in the UK and Republic of Ireland, covering 75% of the data for each data set;
- Checking the content of the Report to ensure consistency with the GRI application level requirements of C+;

- A review of drafts of the Report to ensure there are no disclosures that are misrepresented or inconsistent with our findings.

What are our conclusions?

The following conclusions should be read in conjunction with the work performed and scope of our assurance engagement described above.

Nothing has come to our attention to suggest that the performance data marked with the symbol *, on pages 48 and 49, are not fairly stated, in all material respects in accordance with the relevant internal reporting guidelines for the selected environmental and safety performance data.

Nothing has come to our attention to suggest that DCC's self-declaration of GRI application level C+ on page 50 is not fairly stated, in all material respects in accordance with the G3 Sustainability Reporting Guidelines.

Responsibilities

The Directors of DCC plc are responsible for preparing the Report and the information and statements within it. They are responsible for identification of stakeholders and material issues, for defining objectives with respect to sustainability performance, and for establishing and maintaining appropriate performance management and internal control systems from which reported information is derived.

Our responsibility is to express our conclusions in relation to the above scope.

Lynton Richmond for and on behalf of
KPMG LLP
Chartered Accountants
London
9 May 2011

Report of the Directors

The Directors of DCC plc present their report and the audited financial statements for the year ended 31 March 2011.

Results for the Year

Revenue for the year amounted to €8,680.6 million (2010: €6,725.0 million). The profit for the year attributable to owners of the Parent amounted to €145.1 million (2010: €130.8 million). Adjusted earnings per share amounted to 203.15 cent (2010: 177.98 cent). Further details of the results for the year are set out in the Group Income Statement on page 72.

Dividends

An interim dividend of 26.11 cent per share, amounting to €21.74 million, was paid on 3 December 2010. The Directors recommend the payment of a final dividend of 48.07 cent per share, amounting to €40.05 million. Subject to shareholders' approval at the Annual General Meeting on 15 July 2011, this dividend will be paid on 21 July 2011 to shareholders on the register on 20 May 2011. The total dividend for the year ended 31 March 2011 amounts to 74.18 cent per share, a total of €61.79 million. This represents an increase of 10% on the prior year's total dividend per share.

The profit attributable to owners of the Parent, which has been transferred to reserves, and the dividends paid during the year ended 31 March 2011 are shown in note 39 on page 120.

Share Capital and Treasury Shares

DCC's authorised share capital is 152,368,568 ordinary shares of €0.25 each, of which 88,229,404 shares (excluding treasury shares) and 4,911,407 treasury shares were in issue at 31 March 2011. All of these shares are of the same class. With the exception of treasury shares which have no voting rights and no entitlement to dividends, they all carry equal voting rights and rank for dividends.

The number of shares held as treasury shares at the beginning of the year (and the maximum number held during the year) was 5,224,345 (5.92% of the issued share capital) with a nominal value of €1.306 million.

A total of 1,896,000 shares (2.15% of the issued share capital) with a nominal value of €0.474 million were re-issued during the year at prices ranging from €10.25 to €18.05 consequent to the exercise of share options under the DCC plc 1998

Employee Share Option Scheme and the DCC Sharesave Scheme 2001, leaving a balance held as treasury shares at 31 March 2011 of 4,911,407 shares (5.57% of the issued share capital) with a nominal value of €1.228 million.

At the Annual General Meeting held on 16 July 2010, the Company was granted authority to purchase up to 8,822,940 of its own shares (10% of the issued share capital) with a nominal value of €2.206 million. This authority has not been exercised and will expire on 15 July 2011, the date of the next Annual General Meeting of the Company. A special resolution will be proposed at the Annual General Meeting to renew this authority.

At each Annual General Meeting, in addition to the authority to buy back shares referred to above, the Directors seek authority to exercise all the powers of the Company to allot shares up to an aggregate amount of €7,352,400, representing approximately one third of the issued share capital of the Company.

The Directors also seek authority to allot shares for cash, other than strictly pro-rata to existing shareholdings. This proposed authority is limited to the allotment of shares in specific circumstances relating to rights issues and other issues up to approximately 5% of the issued share capital of the Company.

Review of Activities and Events since the Year End

The Chairman's Statement on pages 6 to 9, the Chief Executive's Review on pages 10 to 13, the Business Reviews on pages 18 to 37 and the Financial Review on pages 38 to 45 contain a review of the development and performance of the Group's business during the year, of the state of affairs of the business at 31 March 2011, of recent events and of likely future developments. Information in respect of events since the year end as required by the Companies (Amendment) Act, 1986 is included in these sections and in note 48 on page 131.

Principal Risks and Uncertainties

Under Irish Company law (Regulation 37 of the European Communities (Companies: Group Accounts) Regulations 1992, as amended), DCC is required to give a description of the principal risks and uncertainties facing the Group. These are addressed in the Principal Risks & Uncertainties report on pages 54 to 55.

Directors

The names of the Directors and a short biographical note on each Director appear on pages 4 to 5.

The Board has adopted the practice that all Directors will submit to re-election at each Annual General Meeting.

With the exception of Tommy Breen, who has a service agreement with a notice period of twelve months, none of the other Directors has a service contract with the Company or with any member of the Group.

Details of the Directors' interests in the share capital of the Company are set out in the Report on Directors' Remuneration and Interests on pages 62 to 68.

Corporate Governance

DCC has complied, throughout the year ended 31 March 2011, with the provisions set out in Section 1 of the Combined Code on Corporate Governance (June 2008), which applied to the Company for the year ended 31 March 2011.

The UK Corporate Governance Code (issued in May 2010) and the Irish Corporate Governance Annex (issued in December 2010) come into effect, as far as DCC is concerned, for the financial year commencing on 1 April 2011.

DCC is taking the necessary measures to be in compliance with these revised requirements for the year to 31 March 2012.

The Corporate Governance statement on pages 56 to 61 sets out the Company's appliance of the principles and compliance with the provisions of the Combined Code on Corporate Governance, the Group's system of internal control and the adoption of the going concern basis in preparing the financial statements.

For the purposes of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, details concerning the appointment and the re-election of Directors and the amendment of the Company's Articles of Association are set out in the Corporate Governance statement.

	No. of €0.25 Ordinary Shares	% of Issued Share Capital (excluding treasury shares)
FMR LLC on behalf of certain of its direct and indirect subsidiaries*	10,118,365	12.14%
Prudential plc group of companies*	7,181,656	8.62%
Invesco Limited *	5,833,119	7.00%
T. Rowe Price Associates Inc.*	2,579,282	3.10%
Jim Flavin	2,520,100	3.02%

*Notified as non-beneficial interests

Principal Subsidiaries and Joint Ventures

Details of the Company's principal operating subsidiaries and joint ventures are set out on pages 132 to 135.

Research and Development

Certain Group companies are involved in ongoing development work aimed at improving the quality, competitiveness, technology and range of their products.

Political Contributions

There were no political contributions which require to be disclosed under the Electoral Act, 1997.

Accounting Records

The Directors are responsible for ensuring that proper books and accounting records, as outlined in Section 202 of the Companies Act, 1990, are kept by the Company. The Directors believe that they have complied with this requirement by

providing adequate resources to maintain proper books and accounting records throughout the Group including the appointment of personnel with appropriate qualifications, experience and expertise. The books and accounting records of the Company are maintained at the Company's registered office, DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland.

Takeover Regulations

The Company has certain banking facilities which may require repayment in the event that a change in control occurs with respect to the Company. In addition, the Company's long term incentive plans contain change of control provisions which can allow for the acceleration of the exercisability of share options or awards in the event that a change of control occurs with respect to the Company.

Auditors

A formal tender process is being undertaken with regard to the audit of the Group's financial statements for the year to 31 March 2012. The outcome of this tender process is not yet known.

Michael Buckley, Tommy Breen

Directors
9 May 2011

Principal Risks and Uncertainties

The Board of DCC is responsible for the Group's risk management systems, which are designed to identify, manage and mitigate potential material risks to the achievement of the Group's strategic and business objectives. Details of the Group's risk management systems and internal controls are set out under 'Internal Control' in the Corporate Governance statement on pages 56 to 61.

In light of the rapid expansion of the Group in recent years, a Group wide review of risk management policies and structures has been initiated by the Chief Executive to ensure they meet the highest standards while remaining appropriate to DCC's business model.

Further detail on the principal risks facing the Group is set out below.

Strategic Risks and Uncertainties	Impact	Mitigation
Economic downturn	Demand for goods and services in the Group's businesses could be impacted by a continuing economic downturn, particularly in the UK, the Group's key market.	The Group's operations are diversified across five different business sectors. Whilst a continuing economic downturn will affect all businesses the impact will vary according to the sectors in which they operate. The Group has an ongoing focus on operating efficiencies and business development.
Climate change	EU and national climate change policies and legislation could reduce demand for carbon based energy sources over the longer term.	In the Energy division, initiatives to address this risk include the introduction and marketing of lower carbon fuels, providing advice to customers on energy efficiency and the identification of commercial opportunities in renewable energy.
Acquisitions	Growth through acquisition is an integral part of DCC's strategy. A failure to identify acquisition targets, execute acquisitions or to properly integrate acquisitions could lead to operational and financial difficulties.	Only acquisitions which add value and are a strategic fit are considered. The Group conducts a stringent internal evaluation process and external due diligence prior to completing an acquisition. Group and subsidiary management have significant expertise in and experience of integrating acquisitions.

Operational Risks and Uncertainties**Impact****Mitigation**

Management resources	The Group's devolved management structure has been fundamental to the Group's success. A failure to attract, retain or develop high quality entrepreneurial management throughout the Group will impede its strategic objectives.	The Group maintains a constant focus on succession planning, remuneration programmes, including long and short term incentive initiatives, and management development. This focus is maintained through a structured review process in which Group Human Resources supports the Board, the Chief Executive and divisional management. A graduate recruitment programme is in place.
Key supplier	The loss of a key supplier could have a serious operational and financial impact on the Group's business.	The Group trades with a broad supplier base. Excellent commercial relationships exist with suppliers and there is a constant focus on providing a value added service.
Environmental, health & safety incident	A serious environmental, health & safety incident, particularly in the Energy or Environmental divisions, could endanger lives and seriously disrupt operations.	All Group subsidiaries operate EHS management systems appropriate to the nature and scale of their EHS risk profile. Identification of hazards, assessment of the risks and the introduction of control measures form the basis of these systems. Furthermore, both internal and external monitoring, measurement and review of the control measures ensures a continuous improvement cycle is maintained.
Loss of major site	The loss or serious destruction of any one of the Group's key sites would present significant financial and operational difficulties for the Group.	Group subsidiaries have implemented business continuity plans to manage disruptions. An insurance cover programme is in place for all significant insurable risks and major catastrophes to mitigate the financial consequences.
Product quality	The Group has certain subsidiaries which operate manufacturing or processing facilities. Poor product quality could have significant consequences for customer or public safety and lead to financial, operational and reputational difficulties for the Group.	All manufacturing and processing facilities operate quality management systems appropriate and specific to the nature of the products they manufacture or process.

Compliance Risks**Impact****Mitigation**

Regulation	DCC has operations in 13 countries. Failure to comply with statutory obligations could result in regulatory action, legal liability and damage to the Group's reputation.	Compliance with all statutory requirements is managed by local management and is subject to formal confirmation by the Compliance Officer of DCC plc. A review of compliance policies and processes is in progress, as part of the Group wide review of risk management as noted above.
------------	---	---

Financial Risks

The principal financial risks facing the Group are addressed in detail under 'Financial Risk Management' in the Financial Review on pages 38 to 45.

Corporate Governance

This statement describes how DCC has applied the principles set out in Section 1 of the Combined Code on Corporate Governance ('the 2008 Combined Code') published in June 2008 by the Financial Reporting Council ('FRC') in the UK.

This statement also deals with the provisions introduced by the UK Corporate Governance Code ('the 2010 Code'), issued by the FRC in May 2010 which, for DCC, replaced the 2008 Combined Code with effect from 1 April 2011. The 2008 Combined Code and the 2010 Code are collectively referred to as the Combined Code in this statement, where a provision is the same in both Codes. This statement also deals with the disclosure requirements set out in the Irish Corporate Governance Annex ('the Irish Annex'), issued by the Irish Stock Exchange in December 2010, which supplements the 2010 Code with additional corporate governance provisions and is also effective, for DCC, from 1 April 2011.

Copies of the 2008 Combined Code and the 2010 Combined Code can be obtained from the Financial Reporting Council's website, www.frc.org.uk. The Irish Annex is available on the Irish Stock Exchange's website, www.ise.ie.

The Board of Directors

Role

The Board of DCC is collectively responsible for the long term success of the Group. Its role is essentially threefold - to provide leadership, to oversee management and to ensure that the Company provides its stakeholders with a balanced and understandable assessment of the Group's current position and prospects.

Its leadership responsibilities involve working with management to set corporate values and to develop strategy, including deciding which risks it is prepared to take in pursuing its strategic objectives. Its oversight responsibilities involve it in providing constructive challenge to the management team in relation to operational aspects of the business, including approval of budgets, and probing whether risk management and internal controls are sound. Its responsibility to ensure that accurate, timely and understandable information is provided about the Group is not only focussed on the contents of the Annual Report, the

Interim Report at the half year and other statements, for instance in the context of the Annual General Meeting, but also in deciding whether it is appropriate at any given time to make a statement to the market, as well as in communications with regulators or in respect of other statutory obligations.

The Board has delegated responsibility for management of the Group to the Chief Executive and his executive management team. There is a written statement of authorities delegated by the Board to management. It is reviewed periodically. The main areas where decisions remain with the Board include approval of the annual strategy statement, the financial statements, budgets (including capital expenditure), acquisitions and dividends.

In parallel, a clear division of responsibility exists between the Chairman, who is non-executive, and the Chief Executive. It is set out in writing and has been approved by the Board.

The Chairman's Statement on page 7 includes a specific comment in relation to the enhancement of the risk oversight role of the Board, in the light of the increased emphasis given to this in the 2010 Code and in the Irish Annex.

Chairman

The Chairman's primary responsibility is to lead the Board, to ensure that it has a common purpose, is effective as a group and at individual Director level and that it upholds and promotes high standards of integrity, probity and corporate governance.

The Chairman is the link between the Board and the Company. He is specifically responsible for establishing and maintaining an effective working relationship with the Chief Executive, for ensuring effective and appropriate communications with shareholders and for ensuring that members of the Board develop and maintain an understanding of the views of shareholders. The latter responsibility has also been given increased emphasis in the 2010 Code.

At the beginning of the financial year, having consulted with the other Directors and the Company Secretary, the Chairman sets a schedule of Board and Committee meetings to be held in the following twelve

months, which includes the key agenda items for each meeting. Further details on these agenda items are outlined under "Meetings" on page 57.

Deputy Chairman and Senior Independent Director

The duties of the Deputy Chairman (who is also the Senior Independent Director) are set out in writing and formally approved by the Board. The Deputy Chairman chairs meetings of the Board if the Chairman is unavailable or is conflicted in relation to any agenda item. He also leads the annual Board review of the performance of the Chairman.

The Senior Independent Director is available to shareholders who have concerns that cannot be addressed through the Chairman or Chief Executive.

Membership and Composition

The Board currently consists of three executive and seven non-executive Directors, following the retirement of Maurice Keane as a non-executive Director on 5 April 2011. The composition of the Board and the principal Board Committees and brief biographies of the Directors are set out on pages 4 to 5.

The Board, with the assistance of the Nomination and Governance Committee, keeps Board composition under review to ensure that it includes the necessary mix of relevant skills and experience required to perform its role.

The Board is satisfied that its size is right. There is a clear majority of non-executive Directors and of independent non-executive Directors. Significant new and relevant experience has been added in the period since the end of 2008. Changes in the composition of Committees and the reshaping of the Board itself should not pose an issue over the coming few years.

Appointment

The process for making new appointments to the Board, which is detailed below, has been in place since 2009.

The Nomination and Governance Committee formally agrees a specification of requirements covering sectoral business experience, professional qualifications, if relevant, and other relevant factors. An international professional search firm is employed to carry out a wide ranging, international search. At least two members of the Nomination and Governance Committee formally interview prospective candidates to arrive at a short list, which is reviewed by the Committee. Before any preferred candidate is proposed to the Board, he/she will have been met by each Director individually. If any Director has reservations about a candidate, the matter is reviewed again by the Committee with a view to deciding if an alternative should be found. When an agreed candidate is identified, a formal proposal is put to the Board.

Following appointment by the Board, non-executive Directors are, in accordance with the Articles of Association, subject to re-election at the next Annual General Meeting. The Board has adopted the practice that all Directors will submit to re-election at each Annual General Meeting.

The expectation is that non-executive Directors would serve for a term of six years and may also be invited to serve an additional period thereafter.

The terms and conditions of appointment of non-executive Directors are set out in their letters of appointment, which are available for inspection at the Company's registered office during normal office hours and at the Annual General Meeting of the Company.

Each new appointee undertakes a rigorous induction process which includes a series of meetings with Group and divisional management, detailed divisional presentations and visits to key subsidiary locations.

Independence

The Board has carried out its annual evaluation of the independence of each of its non-executive Directors, taking account of the relevant provisions of the Combined Code, namely, whether the Directors are independent in character and judgment and free from relationships or circumstances which are likely to affect, or could appear to affect, the Directors' judgment. Each of the current non-executive Directors fulfilled the independence requirements of the Combined Code.

Michael Buckley has been Chairman of the Company since May 2008. On his appointment as Chairman, Mr Buckley met the independence criteria as set out in the Combined Code. Thereafter, as noted in the Code, the test of independence is not appropriate in relation to the Chairman.

While Mr Buckley holds several other directorships outside of the DCC Group, the Board considers that these do not interfere with the discharge of his duties to DCC.

Board Procedures

There is an established procedure for Directors to take independent professional advice in the furtherance of their duties, if they consider this necessary. All Directors have access to the advice and services of the Company Secretary who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

The Board recognises the need for Directors, in particular new Directors, to be aware of their legal responsibilities as directors. The Chairman invites external experts to attend certain Board meetings to address the Board on corporate governance developments and relevant sectoral issues to ensure that Directors are kept up to date on the latest corporate governance guidance and best practice. In addition, the Chairman and Company Secretary review Directors' training needs, in conjunction with individual Directors, and match those needs with appropriate external seminars.

Meetings

The Board holds eight scheduled meetings each year and additional meetings are held on specific issues as necessary. There is regular contact as required between meetings in order to progress the Group's business. At the beginning of the financial year, having consulted with the other Directors and the Company Secretary, the Chairman sets a schedule of Board and Committee meetings to be held in the following calendar year, which includes the key agenda items for each meeting.

The key recurrent Board agenda themes are divided into normal business (which includes financial statements, budgets and interim management statements) and developmental business (which includes strategy, sectoral and divisional reviews,

succession planning and Directors' education). Risk issues are now a regular substantive agenda item.

Each year, a number of the Board meetings are held at subsidiary locations, particularly in the UK, which allows Directors to meet with the subsidiary management teams.

The non-executive Directors meet a number of times each year without executives being present.

During the year ended 31 March 2011, the Board held seven meetings. Individual attendance at these meetings is set out in the table on page 59.

Remuneration

Details of remuneration paid to the Directors are set out in the Report on Directors' Remuneration and Interests on pages 62 to 68. It has been the Company's practice since 2009 to put the Report to an advisory, non-binding shareholder vote at the Annual General Meeting.

Share Ownership and Dealing

Details of the Directors' interests in DCC shares are set out in the Report on Directors' Remuneration and Interests on pages 62 to 68. The Board has adopted The Model Code, as set out in the Listing Rules of the Irish Stock Exchange and the UK Listing Authority, as the code of dealings applicable to dealings in DCC shares by Directors and relevant Group employees. Under the policy, Directors and relevant Group employees are required to obtain clearance from the Chairman or Chief Executive before dealing in DCC shares and are prohibited from dealing in the shares during prohibited periods as defined by the Listing Rules.

Corporate Governance (continued)

Board Committees

The terms of reference of all Committees have recently been refreshed, in particular to take account of new requirements and areas of emphasis in the 2010 Code and the Irish Annex.

Audit Committee

The Audit Committee comprises three independent non-executive Directors, Bernard Somers (Chairman), Kevin Melia and John Moloney. The Board has determined that Bernard Somers is the Committee's financial expert. The Committee met five times during the year ended 31 March 2011. Individual attendance at these meetings is set out in the table on page 59.

The Chief Executive, Chief Financial Officer, Head of Enterprise Risk Management, Head of Internal Audit, other Directors and executives and representatives of the external auditors may be invited to attend all or part of any meeting. The Committee also meets separately a number of times each year with the external auditors and with the Head of Internal Audit without executive management being present.

The role and responsibilities of the Audit Committee are set out in its written terms of reference, which are available on the Company's website www.dcc.ie, and include:

- monitoring the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance and reviewing significant financial reporting judgments contained in them;
- reviewing the half-year and annual financial statements before submission to the Board;
- considering and making recommendations to the Board in relation to the appointment, reappointment and removal of the external auditors;
- approving the terms of engagement of the external auditors;
- approving the remuneration of the external auditors, whether fees for audit or non-audit services, and ensuring that the level of fees is appropriate to enable an adequate audit to be conducted;
- assessing annually the independence and objectivity of the external auditors and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements and the relationship

with the external auditors as a whole, including the provision of any non-audit services;

- reviewing the operation and the effectiveness of the Group Internal Audit function;
- reviewing the Group's internal control and risk management systems and making recommendations to the Board thereon;
- reporting to the Board on its annual assessment of the operation of the Group's system of internal control reviewing the Company's statements on internal control and risk management prior to endorsement by the Board; and
- reviewing the Group's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and ensuring that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

These responsibilities of the Committee are discharged as detailed below.

The Committee reviews the interim and annual reports as well as any formal announcements relating to the financial statements before submission to the Board. The review focuses in particular on any changes in accounting policy and practices, major judgmental areas and compliance with stock exchange, legal and regulatory requirements. The Committee reviews the external audit plan in advance of the audit and meets with the external auditors to review the findings from the audit of the financial statements.

The Committee has a process in place to ensure that the independence of the audit is not compromised, which includes monitoring the nature and extent of services provided by the external auditors through its annual review of fees paid to the external auditors for audit and non-audit work, seeking confirmation from the external auditors that in their professional judgment they are independent from the Group and providing that the Chief Executive will consult with the Chairman of the Audit Committee prior to the appointment to a senior financial reporting position, to a senior management role or to a Company officer role of any employee or former employee of the external auditor, where such a person was a member of the external audit team in the previous two years.

The Committee has approved a policy on the engagement of the external auditors to provide non-audit services, which provides that the external auditor is permitted to provide non-audit services that are not, or are not perceived to be, in conflict with auditor independence, providing they have the skill, competence and integrity to carry out the work and are considered to be the most appropriate to undertake such work in the best interests of the DCC Group. The policy also provides that the aggregate of non-audit fees paid to the external auditor must not exceed 50% of annual audit fees.

Details of the amounts paid to the external auditors during the year for audit and other services are set out in note 6 on page 95.

The Committee makes recommendations to the Board in relation to the appointment of the external auditor. The Committee is currently engaged in a formal tender process for the external audit of the Group's financial statements with effect from the year ending 31 March 2012.

The Committee receives regular reports from the Group Internal Audit and Group Environmental, Health and Safety functions, which include summaries of the key findings of each audit in the period and the planned work programme. On an ongoing basis the Committee ensures that these functions are adequately resourced and have appropriate standing within the Group. The Committee ensures co-ordination between Group Internal Audit and the external auditors.

The Committee also receives regular reports from the Risk Committee and the Enterprise Risk Management function.

The Committee conducts, on behalf of the Board, an annual assessment of the operation of the Group's system of internal control based on a detailed review carried out by Group Internal Audit. The results of this assessment are reviewed by the Committee and are reported to the Board.

Nomination and Governance Committee

At 31 March 2011, the Nomination and Governance Committee comprised Michael Buckley (Chairman) and two independent non-executive Directors, David Byrne and Maurice Keane. The Committee met four times during the year ended 31 March 2011. Individual attendance at these meetings is set out in the table below. On 5 April 2011, Róisín Brennan and Leslie Van De Walle joined the Committee on Maurice Keane's retirement.

The role and responsibilities of the Nomination and Governance Committee are set out in its updated written terms of reference, which are available on the Company's website www.dcc.ie. The principal responsibilities of the Committee in relation to the composition of the Board are to keep Board renewal, structure, size and composition under constant review, including the skills, knowledge and experience required, taking account of the Group's businesses and strategic direction. The Committee also actively manages the open and transparent process for appointment of new Directors as outlined under Appointment above. The principal duties in relation to Corporate Governance are to monitor the Company's compliance

with corporate governance best practice and with applicable legal, regulatory and listing requirements.

The Committee has particular regard to the leadership needs of the organisation and gives full consideration to succession planning for Directors and senior management, in particular the Chairman and Chief Executive, taking into account the challenges and opportunities facing the Group and the skills and expertise required.

Remuneration Committee

At 31 March 2011, the Remuneration Committee comprised four independent non-executive Directors, Maurice Keane (Chairman), Róisín Brennan, David Byrne and Leslie Van de Walle, and the Chairman of the Board, Michael Buckley. The Committee met four times during the year ended 31 March 2011. Individual attendance at these meetings is set out in the table below. On 5 April 2011, Leslie Van De Walle was appointed Chairman of the Committee on Maurice Keane's retirement.

The role and responsibilities of the Remuneration Committee are set out in its written terms of reference, which are available on the Company's website www.dcc.ie. The principal responsibilities

of the Committee are determining the policy for the remuneration of the Chairman, the Chief Executive, the other executive Directors and certain senior Group management and determining their remuneration packages, including salary, bonuses, pension rights and compensation payments, the oversight of remuneration structures for other Group and subsidiary senior management and the granting of awards under the Company's long term incentive schemes.

The Committee is responsible for ensuring that risk is properly considered in setting remuneration policy and in determining remuneration packages.

The Remuneration Committee consults with the Chief Executive on remuneration for the other executive Directors and for senior Group management.

The Remuneration Committee maintains regular access to independent professional advice to keep up to date with market best practice and remuneration trends.

Details of the activities of the Remuneration Committee during the year are set out in the Report on Directors' Remuneration and Interests on pages 62 to 68.

Attendance at Board and Committee meetings during the year ended 31 March 2011:

Director	Board		Audit Committee		Nomination and Governance Committee		Remuneration Committee	
	A	B	A	B	A	B	A	B
Michael Buckley	7	7	-	-	4	4	4	4
Tommy Breen	7	7	-	-	-	-	-	-
Róisín Brennan	7	7	-	-	-	-	4	4
David Byrne	7	7	-	-	4	4	4	4
Maurice Keane	7	7	-	-	4	4	4	4
Kevin Melia	7	7	5	5	-	-	-	-
John Moloney	7	6	5	5	-	-	-	-
Donal Murphy	7	6	-	-	-	-	-	-
Fergal O'Dwyer	7	7	-	-	-	-	-	-
Bernard Somers	7	7	5	5	-	-	-	-
Leslie Van De Walle ¹	3	3	-	-	-	-	2	2

Column A indicates the number of meetings held during the period the Director was a member of the Board and/or Committee.
Column B indicates the number of meetings attended during the period the Director was a member of the Board and/or Committee.

Note 1 Appointed November 2010

Corporate Governance (continued)

Performance Evaluation

The Board undertakes a formal annual evaluation of its own performance, that of each of its principal committees, the Audit, Nomination and Governance and Remuneration committees, and that of individual Directors.

As part of the 2010/2011 Board evaluation of its own performance, a questionnaire was circulated to all Directors by external advisors, Towers Watson. The questionnaire was designed to obtain Directors' comments regarding the performance of the Board including any recommendations for improvement. Completed questionnaires were returned directly to Towers Watson who summarised the results of the exercise for the Senior Independent Director. He presented it to the Board at the April 2011 Board meeting.

The Chairman, on behalf of the Board, conducts evaluations of performance individually with each of the non-executive and the executive Directors on an annual basis. This process was conducted during March/April 2011 in respect of the year under review and the results were presented by the Chairman to the Board at its April 2011 meeting.

The non-executive Directors, led by the Senior Independent Director, meet annually without the Chairman present to evaluate his performance, having taken into account the views of the executive Directors. The non-executive Directors also evaluate the performance of each executive Director. These evaluations were conducted at the April 2011 Board meeting in respect of the year under review.

These evaluations are designed to determine whether each Director continues to contribute effectively and to demonstrate commitment to the role.

The Audit, Nomination and Governance and Remuneration committees each carry out annual reviews of their own performance and terms of reference to ensure they are operating at maximum effectiveness and recommend any changes they consider necessary to the Board for approval.

The Chairman and the Senior Independent Director meet to review in detail all issues raised and, finally, the Chairman reports to

the Board on any suggestions for changes in Board practice. This process was concluded in respect of the year under review at the May 2011 Board meeting.

The entire performance evaluation process will be externally facilitated in 2012, in accordance with the requirements of the 2010 Code.

Relations with Shareholders

DCC recognises the importance of communications with shareholders. Presentations are made to both existing and prospective institutional shareholders, principally after the release of the interim and annual results. DCC issues an Interim Management Statement twice yearly in February and July. Major acquisitions are also notified to the market and the Company's website www.dcc.ie provides the full text of all press releases. The website also contains annual and interim reports and incorporates audio and slide show investor presentations.

The Board is kept informed of the views of shareholders through the executive Directors' attendance at investor presentations and results presentations. Furthermore, relevant feedback from such meetings, investor relations reports and brokers notes are provided to the entire Board on a regular basis. The Chairman and the Senior Independent Director are available to communicate directly with shareholders on any specific issue on which discussion is required. If major shareholders request meetings with new non-executive Directors, this is also facilitated. If any of the non-executive Directors wishes to attend meetings with major shareholders, arrangements are made accordingly. The Chairman had a series of meetings with major investors during January/February 2011.

General Meetings

The Company's Annual General Meeting ('AGM') affords shareholders the opportunity to question the Chairman and the Board. The chairmen of the Audit, Nomination and Governance and Remuneration Committees are also available to answer questions at the AGM. The Chief Executive presents at the AGM on the Group's business and its performance during the prior year and answers questions from shareholders. Shareholders can meet with the Chairman or the Senior Independent Director on request.

Notice of the AGM, the Form of Proxy and the Annual Report are sent to shareholders at least 20 working days before the Meeting. At the Meeting, resolutions are voted on by a show of hands of those shareholders attending, in person or by proxy. After each resolution has been dealt with, details are given of the level of proxy votes cast on each resolution and the numbers for, against and withheld.

If validly requested, resolutions can be voted by way of a poll. In a poll, the votes of shareholders present and voting at the Meeting are added to the proxy votes received in advance of the Meeting and the total number of votes for, against and withheld for each resolution are announced.

All other general meetings are called Extraordinary General Meetings ('EGM'). An EGM called for the passing of a special resolution must be called by at least twenty one clear days' notice. Provided shareholders have passed a special resolution to that effect at the immediately preceding AGM and the Company continues to allow shareholders to vote by electronic means, an EGM to consider an ordinary resolution may be called at fourteen clear days' notice.

A quorum for an AGM or an EGM of the Company is constituted by three shareholders, present in person, by proxy or by a duly authorised representative in the case of a corporate member. The passing of resolutions at a general meeting, other than special resolutions, requires a simple majority. To be passed, a special resolution requires a majority of at least 75% of the votes cast.

Shareholders have the right to attend, speak, ask questions and vote at general meetings. In accordance with Irish company law, the Company specifies record dates for general meetings, by which date shareholders must be registered in the Register of Members of the Company to be entitled to attend. Record dates are specified in the notes to the Notice convening the meeting.

Shareholders may exercise their right to vote by appointing a proxy/proxies, by electronic means or in writing, to vote some or all of their shares. The requirements for the receipt of valid proxy forms are set out in the notes to the Notice convening the meeting.

A shareholder or a group of shareholders, holding at least 5% of the issued share capital, has the right to requisition a general meeting. A shareholder or a group of shareholders, holding at least 3% of the issued share capital of the Company, has the right to put an item on the agenda of an AGM or to table a draft resolution for an item on the agenda of a general meeting.

The 2011 AGM will be held at 11 a.m. on 15 July 2011 at The Four Seasons Hotel, Simmons Court Road, Ballsbridge, Dublin 4, Ireland.

Internal Control

The Board is responsible for the Group's system of internal control and has delegated responsibility for the ongoing monitoring of its effectiveness to the Audit Committee. Details of the work undertaken by the Audit Committee in this regard are set out at page 58. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

In accordance with the revised FRC guidance for directors on internal control published in October 2005, 'Internal Control: Revised Guidance for Directors on the Combined Code', the Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group, that it has been in place for the year under review and up to the date of approval of the financial statements and that this process is regularly reviewed by the Board. The key risk management and internal control procedures, which are supported by detailed controls and processes, include:

- skilled and experienced Group and divisional management;
- an organisation structure with clearly defined lines of authority and accountability;
- a comprehensive system of financial reporting involving budgeting, monthly reporting and variance analysis;

- the operation of approved risk management policies (including treasury and IT);
- a Risk Committee, comprising senior Group management, whose main role is to keep under review and report to the Audit Committee on the principal risks facing the Group, the controls in place to manage those risks and the monitoring procedures;
- independent Enterprise Risk Management, Group Internal Audit and Group Environmental, Health and Safety functions; and
- a formally constituted Audit Committee.

The consolidated financial statements are prepared subject to the oversight and control of the Group Chief Financial Officer, ensuring correct data is captured from Group locations and all required information for disclosure in the consolidated financial statements is provided. A control framework has been put in place around the recording of appropriate eliminations and other adjustments. The consolidated financial statements are reviewed by the Audit Committee and approved by the Board of Directors.

The Board has reviewed the effectiveness of the Group's system of internal control, up to and including the date of the financial statements, and confirms that necessary actions have been or are being taken to remedy any significant failings or weaknesses identified from that review. This review took account of the principal business risks facing the Group, the controls in place to manage those risks (including financial, operational and compliance controls and risk management) and the procedures in place to monitor them.

As noted in the Chairman's Statement, the Chief Executive has initiated a Group wide review of risk management policies and structures to ensure they meet the highest standards while being appropriate to DCC's business model. The results of this review will be reported to the Board.

Memorandum and Articles of Association

The Company's Memorandum and Articles of Association sets out the objects and powers of the Company. The Articles of Association detail the rights attaching to shares, the method by which the Company's shares can be purchased or re-issued, the provisions which apply to the holding of and voting at general meetings and the rules relating to the Directors, including their appointment, retirement, re-election, duties and powers.

The Company's Articles of Association may be amended by a special resolution passed by the shareholders at an annual or extraordinary general meeting of the Company.

A copy of the Memorandum and Articles of Association can be obtained from the Company's website www.dcc.ie.

Report of the Directors

For the purposes of the European Communities (Directive 2006/46/EC) Regulations 2009, details of substantial shareholdings in the Company and details in relation to the purchase of the Company's own shares are set out in the Report of the Directors on pages 52 to 53.

Going Concern

After making enquiries, the Directors have formed a judgment, at the time of approving the financial statements, that there is a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Directors' responsibility for preparing the financial statements is explained on page 69 and the reporting responsibilities of the auditors are set out in their report on page 70.

Compliance Statement

DCC has complied, throughout the year ended 31 March 2011, with the provisions set out in Section 1 of the 2008 Combined Code.

Michael Buckley, Tommy Breen

Directors
9 May 2011

Report on Directors' Remuneration and Interests

Composition and Role of the Remuneration Committee

The Remuneration Committee currently comprises three independent non-executive Directors, Leslie Van de Walle (Chairman), Róisín Brennan and David Byrne, and the Chairman of the Board, Michael Buckley. Mr. Van de Walle joined the Committee on 8 November 2010 and became Chairman on 5 April 2011, following Mr. Maurice Keane's retirement from the Committee.

The role and responsibilities of the Remuneration Committee are set out in its written terms of reference, which are available on request and on the Company's website www.dcc.ie. The principal responsibilities of the Committee are:

- determining the policy for the remuneration of the Chairman, the Chief Executive, the other executive Directors and certain senior Group management;
- determining their remuneration packages, including salary, bonuses, pension rights and compensation payments;
- the oversight of remuneration structures for other Group and subsidiary senior management; and
- the granting of awards under the Company's long term incentive schemes.

Group Remuneration Policy

DCC's remuneration policy is designed and managed to support a high performance and entrepreneurial culture, taking into account relevant benchmarking. The Board seeks to align the interests of executive Directors and other senior Group executives with those of shareholders, within the framework set out in the Combined Code on Corporate Governance. Central to this policy is the Group's belief in long-term performance based incentivisation and the encouragement of share ownership.

The Remuneration Committee seeks to ensure:

- that the Group will attract, motivate and retain individuals of the highest calibre;
- that executives are rewarded in a fair and balanced way for their individual and team contribution to the Group's performance;
- that they receive a level of remuneration that is appropriate to their scale of responsibility and individual performance;
- that the overall approach to remuneration has regard to the sectors and geographies within which the Group operates and the markets from which it draws its executives; and
- that risk is properly considered in setting remuneration policy and in determining remuneration packages.

DCC's strategy of fostering entrepreneurship requires well designed incentive plans that reward the creation of shareholder value through organic and acquisitive growth while maintaining high returns on capital employed, strong cash generation and a focus on good risk management. The typical elements of the remuneration package for executive Directors and other senior Group executives are base pay, pension and other benefits, annual performance related bonuses and participation in long term performance plans which promote the creation of sustainable shareholder value.

The Remuneration Committee supports the objectives of the EU Commission's recommendations on "fostering an appropriate regime for the remuneration of directors of listed companies" which were issued in December 2004 and supplemented by additional recommendations in April 2009. This is reflected in the disclosures in this Report in relation to the Group's remuneration policy, the remuneration of individual Directors and share-based remuneration.

While the Remuneration Committee's specific oversight of individual executive remuneration packages extends only to the Chief Executive, the other executive Directors and a number of senior Group executives, it aims to create a broad policy framework to be applied by management to senior executives throughout the Group.

Since 2009, the Report on Directors' Remuneration and Interests is put to a shareholder vote at the Annual General Meeting. There is no legal obligation to put such a resolution to shareholders, so it is an 'advisory' resolution and is not binding. However, DCC believes that such a resolution is good practice and is an appropriate acknowledgement of a shareholder's right to have a 'say on pay'.

Review of Remuneration Policy and Structures

Following a comprehensive review in the prior year of Group executive remuneration policy and remuneration structures, the Remuneration Committee established a framework for remuneration policy in respect of the senior executive cadre in the DCC Group.

This framework was set out in last year's Annual Report, as follows:

- (i) That the key reference group for overall remuneration purposes would be the market capitalisation comparison group. The other comparator groups would be used as secondary reference points;
- (ii) That the basic policy objective would be to have top quartile overall remuneration for top quartile performance;
- (iii) That the aim would be to have basic pay rates and the short term element of incentive payments at the median of the market capitalisation comparator group;
- (iv) That the aim would be to have long term incentive rewards at the top quartile of the market capitalisation comparator group for top quartile performance;
- (v) That the overall policy aim would be, over time, to have the longer term elements of total remuneration constituting at least half of the total for maximum performance and somewhat less than half for on target performance;
- (vi) That insofar as adjustments to existing policies are needed to achieve these aims, the adjustments would be carried out over the medium term;
- (vii) That any increase in the maximum annual bonus potential would be accompanied by:
 - appropriately stretched targets for qualifying for the increased element of the maximum potential bonus;
 - the introduction of a deferral mechanism for part of the bonus payments awarded, with the deferral element being represented by shares held in trust (thus to increase the longer term element of total remuneration and to align with Group share ownership policy);

- a wider range of financial targets for qualification for various levels of bonus (threshold, target and maximum); and
- a general provision for subsequent clawback of bonus, in certain circumstances.

(viii) That a formal shareholding policy would be introduced for the senior executive cadre. Because share ownership has been encouraged for many years in the Group, current executive Directors' shareholdings are substantial and exceed the benchmarks used in comparable companies, but such a policy would be built with a view to a future cadre of senior managers.

Those elements of the policy framework relating to base salary have been implemented. No changes to maximum annual bonus potential or the longer term elements of total remuneration have been implemented at this time but they will be kept under review by the Remuneration Committee. A formal bonus clawback policy and share ownership guidelines have been introduced and are set out later in this Report.

Benchmarking

The Remuneration Committee uses annual benchmarking to ensure that remuneration structures continue to support the key remuneration policy objectives and to inform them regarding current trends and on actions as required from time to time.

The primary comparator group for benchmarking is a group of 60 FTSE companies, 30 of whom have market capitalisations just below DCC's and 30 of whom have market capitalisations just above DCC's ('the market capitalisation comparator group').

The Remuneration Committee also considers it useful to use a set of other comparators as secondary references to ensure rigorous and comprehensive benchmarking, being:

- the FTSE 250;
- the peer group for the DCC plc Long Term Incentive Plan 2009; and
- a group of Irish listed industrial companies which can be taken to be broadly comparable to DCC, though in this group there are limitations on the amount of relevant information available, for instance on the definition of "target" and "maximum" bonus levels.

The Remuneration Committee may modify the composition of these key reference points from time to time with a view to ensuring their relevance.

Executive Directors' Remuneration

The current remuneration package for executive Directors consists of fixed remuneration (base salary), pension and other benefits and performance related remuneration (annual bonus and long term incentives).

Fixed Remuneration

Base salaries

With effect from 1 April 2012, the salaries of executive Directors will be reviewed annually on 1 April, rather than on 1 January as was the practice, in order to align them with the Group's financial year.

The reviews take account of personal performance, Company performance and competitive market practice.

No fees are payable to executive Directors.

Pension Benefits

A small number of senior Group executives, including the executive Directors, are participants in a defined benefit pension scheme which aims to provide, on the basis of actuarial advice, a pension of two thirds of pensionable salary at normal retirement date. Pensionable salary is calculated as 105% of basic salary and does not include any performance related bonuses or benefits.

Other senior Group executives participate in a defined contribution pension scheme.

Performance Related Remuneration

Annual bonuses

Annual bonuses are payable to the executive Directors and to other senior Group executives in respect of the financial year to 31 March, subject, inter alia, to the achievement of performance targets.

The maximum bonus potential, as a percentage of basic salary, for each executive Director and senior Group executive is reviewed and set annually and ranged between 40% and 100% of basic salary for the year ended 31 March 2011.

The performance targets for each executive Director and senior Group executive, which are set annually, are based on growth in Group earnings and in divisional operating profit, measured on a constant currency basis, against a pre-determined range, and overall contribution and personal performance. The weighting of the performance targets varies according to the role of each individual, within the range of 60% to 80% of bonus potential for profit performance and 20% to 40% of bonus potential for personal contribution.

The Remuneration Committee has implemented general provisions for subsequent clawback of bonus in certain circumstances, effective from 1 April 2011, which will apply to all annual performance bonuses paid to executive Directors and senior Group executives.

Long term incentives

Executive Directors and other senior Group executives are eligible to participate in the Company's long term incentive schemes.

DCC plc Long Term Incentive Plan 2009

The DCC plc Long Term Incentive Plan 2009 ('the Plan') was approved by shareholders at the 2009 Annual General Meeting, following the termination of the DCC plc 1998 Employee Share Option Scheme in 2008. The Plan reflects the Group's culture of long term performance based incentivisation and seeks to align the interests of executives with those of the Group's shareholders.

The Plan provides for the Remuneration Committee to grant nominal cost options to acquire ordinary shares in the Company or to make contingent share awards only to those employees, including executive Directors, of the Company and its subsidiaries whose contribution can have a direct and significant impact on Group value or whom the Company wishes to retain in anticipation of direct and significant contribution to Group value in the future and to a small number of key support staff.

Report on Directors' Remuneration and Interests (continued)

The percentage of share capital which can be issued under the Plan, the phasing of the grant of awards and the limit on the value of awards which can be granted to any individual comply with guidelines published by the institutional investment associations. The Plan provides for the making of awards, up to a maximum of 10% of the Company's issued share capital over a 10 year period, taking account of any other share award or share option plan operated by the Company.

The market value of the shares which are the subject of any contingent award granted in any period of 12 months may not, at the date of the grant of award, in the case of the Chief Executive exceed 120% of annual basic salary and in the case of other participants exceed a lower percentage, as determined by the Committee.

Awards will normally vest no earlier than the third anniversary of the award date and in the case of options cannot be exercised later than the seventh anniversary of the award date.

An award will not vest (and in the case of an award in the form of an option, the option will not be exercisable) unless the Committee is satisfied that the Company's underlying financial performance has shown a sustained improvement in the period since the award date. If this condition is met, the extent of vesting for awards granted to participants will be determined by the performance conditions set out below.

(a) TSR performance condition:

Up to 60% of the shares subject to the award will vest depending on the Company's total shareholder return ('TSR') over a three-year performance period, starting on 1 April in the year in which the award is granted, compared with the TSR of a designated peer group. The peer group in respect of each award comprises the FTSE 250 on the first day of the performance period excluding financial services type companies and a small number of other companies that are not comparable to the Company, as determined by the Remuneration Committee.

The extent of vesting will be determined according to the following table:

Company's TSR ranking	Proportion of the total award vesting
Below median	0%
Median	25%
Between median and 75th percentile	25%-60% pro rata
75th percentile or above	60%

TSR shall mean the return that a company has provided for its ordinary shareholders, reflecting share price movements and assuming reinvestment of dividends.

The Remuneration Committee may from time to time and at their discretion modify the composition of the peer group with the agreement of the Irish Association of Investment Managers if by reason of any change in the business of any such company, or if any such company ceases to be publicly listed, they consider that it would no longer properly form part of such comparison group for the business of the Company or that any one or more other or additional companies would properly form part of such comparison group.

(b) EPS performance condition:

Up to 40% of the shares subject to the award will vest depending on the growth in the Company's consolidated adjusted earnings per share ('EPS') over a three-year performance period starting on 1 April in the year in which the award is granted compared with the change in the Irish Consumer Price Index ('CPI'), determined according to the table below. EPS growth year on year will be calculated on a constant currency basis, as set out in the Company's annual report.

Company's annualised EPS growth in excess of annualised CPI change	Proportion of the total award vesting
Below 3 percentage points	0%
3 percentage points	15%
Between 3 and 7 percentage points	15%-40% pro rata
7 percentage points or more	40%

Vesting under the EPS performance condition is also contingent on:

- the Company's average share price over the 30 day period following the annual or half yearly results announcement date prior to vesting being higher than the average share price over the 30 day period following the annual or half yearly results announcement date prior to the award date (subject to any adjustment in accordance with Rule 11 of the Plan to reflect a variation in the Company's share capital); and
- the Company's cumulative annualised EPS growth over the three year performance period being positive.

No re-testing of the performance conditions is permitted.

The total number of awards granted under the Plan, in the form of nominal cost options, currently amounts to 0.52% of issued share capital.

DCC plc 1998 Employee Share Option Scheme

Executive Directors and other senior executives participated in the DCC plc 1998 Employee Share Option Scheme. The ten year period during which share options could be granted under this Scheme expired in June 2008.

Over the life of the Scheme, the total number of basic and second tier options granted, net of options lapsed, amounted to 7.1% of issued share capital, of which 2.15% is currently outstanding.

Basic tier options may not normally be exercised earlier than three years from the date of grant and second tier options not earlier than five years from the date of grant. Basic tier options may normally be exercised only if there has been growth in the adjusted earnings per share of the Company equivalent to the increase in the Consumer Price Index plus 2%, compound, per annum over a period of at least three years following the date of grant.

Second tier options may normally be exercised only if the growth in the adjusted earnings per share over a period of at least five years is such as would place the Company in the top quartile of companies on the ISEQ index in terms of comparison of growth in adjusted earnings per share and if there has been growth in the adjusted earnings per share of the Company equivalent to the increase in the Consumer Price Index plus 10%, compound, per annum in that period.

Share Ownership Guidelines

DCC's remuneration policy has at its core a recognition that the spirit of ownership and entrepreneurship is essential to the creation of long term high performance and that share ownership is important in aligning the interests of executive Directors and other senior Group executives with those of shareholders.

In support of this the Remuneration Committee has introduced a set of share ownership guidelines, effective from 1 April 2011, under which the Chief Executive, other executive Directors and other senior Group executives are encouraged to build, over a five year period, a shareholding in the Company with a valuation relative to base salary as follows:

Chief Executive

3 times annual base salary

Other executive Directors

2 times annual base salary

Senior Group executives

1 times annual base salary

Non-Executive Directors' Remuneration

The remuneration of the Chairman is determined by the Remuneration Committee. The Chairman absents himself from the Committee meeting while this matter is being considered.

The remuneration of the other non-executive Directors is determined by the Chairman and the Chief Executive.

The fees paid to non-executive Directors reflect their experience and ability and the time demands of their Board and Board committee duties. The fees are reviewed annually, taking account of any changes in responsibilities and external advice on the level of fees in comparable companies.

The basic non-executive Director fee amounts to €60,000 per annum and additional fees are paid to members and the Chairmen of Board committees. There have been no increases in these fees for the years commencing on 1 April 2009, 1 April 2010 and 1 April 2011.

The Chairman, Michael Buckley, received a total fee of €190,000 for the year ended 31 March 2011, inclusive of the basic fee and committee fees.

The Deputy Chairman and Senior Independent Director, David Byrne, received a total fee of €103,000, again inclusive of the basic fee and committee fees.

Non-executives Directors do not participate in the Company's long term incentive schemes and do not receive any pension benefits from the Company. An office is provided for the use of the Chairman.

Directors' Service Agreements

With the exception of Tommy Breen, Chief Executive, who has a service agreement with a notice period of twelve months, none of the other Directors has a service contract with the Company or with any member of the Group.

Report on Directors' Remuneration and Interests (continued)

The information set out at page 66 to 68 forms an integral part of the audited financial statements and is covered by the Report of the Independent Auditors.

Executive and Non-Executive Directors' Remuneration Details

The table below sets out the details of the remuneration payable in respect of Directors who held office for any part of the financial year.

	Salary and Fees ¹		Bonus		Benefits ²		Pension Contribution ³		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Executive Directors										
Tommy Breen	700	700	434	700	30	26	246	248	1,410	1,674
Donal Murphy	374	316	126	274	22	22	129	108	651	720
Fergal O'Dwyer	374	365	227	274	22	22	130	131	753	792
Total for executive Directors	1,448	1,381	787	1,248	74	70	505	487	2,814	3,186
Non-executive Directors										
Michael Buckley	190	225	-	-	-	-	-	-	190	225
Róisín Brennan	65	65	-	-	-	-	-	-	65	65
David Byrne	103	103	-	-	-	-	-	-	103	103
Maurice Keane ⁴	73	73	-	-	-	-	-	-	73	73
Kevin Melia	68	68	-	-	-	-	-	-	68	68
John Moloney	68	68	-	-	-	-	-	-	68	68
Bernard Somers	80	80	-	-	-	-	-	-	80	80
Leslie Van de Walle ⁵	26	-	-	-	-	-	-	-	26	-
Total for non-executive Directors	673	682	-	-	-	-	-	-	673	682
Ex gratia pension to dependant of retired Director									10	10
Total									3,497	3,878

Notes

1. Fees are payable only to non-executive Directors and include Board Committee fees.
2. In the case of the executive Directors, benefits relate principally to the use of a company car.
3. Executive Director pension contributions in the year ended 31 March 2011 were made to a defined benefit scheme.
4. Maurice Keane resigned as a Director on 5 April 2011.
5. Leslie Van de Walle was appointed as a Director on 8 November 2010.

Executive Directors' Defined Benefit Pensions

The table below sets out the increase in the accrued pension benefits to which executive Directors have become entitled during the year ended 31 March 2011 and the transfer value of the increase in accrued benefit, under the Company's defined benefit pension scheme:

	Increase in accrued pension benefit (excl inflation) during the year ¹	Transfer value equivalent to the increase in accrued pension benefit ²	Total accrued pension benefit at year end ³
	€'000	€'000	€'000
Executive Directors			
Tommy Breen	4	54	352
Donal Murphy	5	43	97
Fergal O'Dwyer	7	233	164
Total	16	330	613

Notes

1. Increases are after adjustment for inflation over the year, if applicable, and reflect additional pensionable service and salary.
2. The transfer value equivalent to the increase in accrued pension benefit has been calculated on the basis of actuarial advice in accordance with Actuarial Guidance Note GN11. The transfer values do not represent sums paid to or due to the Directors named, but are the amounts that would transfer to another pension scheme in respect of the increase in accrued pension benefit during the year.
3. Figures represent the total accrued pension payable from normal retirement date, based on pensionable service at 31 March 2011.

Executive Directors' and Company Secretary's Long Term Incentives

DCC plc Long Term Incentive Plan 2009

Details of the executive Directors' and the Company Secretary's awards, in the form of nominal cost options, under the DCC plc Long Term Incentive Plan 2009 are set out in the table below:

	At 31 March 2010	Number of options Granted in year	At 31 March 2011	Performance period	Earliest exercise date	Market price on award €
Executive Directors						
Tommy Breen	53,743		53,743	1 April 2009 – 31 March 2012	20 August 2012	15.63
		39,529	39,529	1 April 2010 – 31 March 2013	15 November 2013	21.25
	53,743	39,529	93,272			
Donal Murphy	21,113		21,113	1 April 2009 – 31 March 2012	20 August 2012	15.63
		18,894	18,894	1 April 2010 – 31 March 2013	15 November 2013	21.25
	21,113	18,894	40,007			
Fergal O'Dwyer	23,353		23,353	1 April 2009 – 31 March 2012	20 August 2012	15.63
		18,894	18,894	1 April 2010 – 31 March 2013	15 November 2013	21.25
	23,353	18,894	42,247			
Company Secretary						
Gerard Whyte	11,756		11,756	1 April 2009 – 31 March 2012	20 August 2012	15.63
		8,647	8,647	1 April 2010 – 31 March 2013	15 November 2013	21.25
	11,756	8,647	20,403			

DCC plc 1998 Employee Share Option Scheme

Details as at 31 March 2011 of the executive Directors' and the Company Secretary's options to subscribe for shares under the DCC plc 1998 Employee Share Option Scheme are set out in the table below.

Number of options							Options exercised in year	
	At 31 March 2010	Granted in year	Exercised in year	At 31 March 2011	Weighted average option price at 31 March 2011 €	Normal Exercise Period	Exercise price €	Market price at date of exercise €
Executive Directors								
Tommy Breen								
Basic Tier	170,000	-	-	170,000	15.53	Nov 2004 – May 2018		
Second Tier	95,000	-	-	95,000	10.31	Nov 2004 – Nov 2012		
Donal Murphy								
Basic Tier	65,000	-	(5,000)	60,000	16.24	Nov 2004 – May 2018	11.25	20.31
Second Tier	35,000	-	(5,000)	30,000	10.33	Nov 2004 – Nov 2012	11.25	20.31
Fergal O'Dwyer								
Basic Tier	117,500	-	-	117,500	15.37	Nov 2004 – May 2018		
Second Tier	70,000	-	-	70,000	10.32	Nov 2004 – Nov 2012		
Company Secretary								
Gerard Whyte								
Basic Tier	71,000	-	(11,000)	60,000	16.03	Nov 2004 – May 2018	11.25	20.31
Second Tier	41,000	-	(11,000)	30,000	10.34	Nov 2004 – Nov 2012	11.25	20.31

The market price of DCC shares on 31 March 2011 was €22.47 and the range during the year was €17.30 to €24.20.

Additional information in relation to the DCC plc Long Term Incentive Plan 2009 and the DCC plc 1998 Employee Share Option Scheme appears in note 10 on page 97.

Report on Directors' Remuneration and Interests (continued)

Executive and Non-Executive Directors' and Company Secretary's Interests

The interests of the Directors and the Company Secretary (including their respective family interests) in the share capital of DCC plc at 31 March 2011 (together with their interests at 31 March 2010) are set out below:

	No. of Ordinary Shares At 31 March 2011	No. of Ordinary Shares At 31 March 2010
Directors		
Michael Buckley	10,000	10,000
Tommy Breen	279,395	279,395
Róisín Brennan	-	-
David Byrne	-	-
Maurice Keane	5,000	5,000
Kevin Melia	1,250	1,250
John Moloney	2,000	2,000
Donal Murphy	82,313	80,113
Fergal O'Dwyer	254,889	254,889
Bernard Somers	1,000	1,000
Leslie Van de Walle	-	-
Company Secretary		
Gerard Whyte	142,200	137,200

All of the above interests were beneficially owned. Apart from the interests disclosed above, the Directors and the Company Secretary had no interests in the share capital or loan stock of the Company or any other Group undertaking at 31 March 2011.

The Company's Register of Directors Interests (which is open to inspection) contains full details of Directors' shareholdings and share options.

Leslie Van de Walle

Chairman, Remuneration Committee
9 May 2011

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year, which are required to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors have prepared the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Directors are also required by applicable law and the Listing Rules issued by the Irish Stock Exchange to prepare a Report of the Directors and reports relating to Directors' remuneration and corporate governance. In accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 ('the Transparency Regulations'), the Directors are required to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2009 and, as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Statement Pursuant to the Transparency Regulations

Each of the Directors, whose names and functions are listed on pages 4 and 5, confirms that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the Group; and
- the Report of the Directors includes a fair review of the development and performance of the Group's business and the position of the Company and Group, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board

Michael Buckley
Chairman

Tommy Breen
Chief Executive

Report of the Independent Auditors

For the year ended 31 March 2011

To the Members of DCC plc

We have audited the Group and Company financial statements (the 'financial statements') of DCC plc for the year ended 31 March 2011 which comprise the Group Income Statement, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements, the Group and Company Statements of Comprehensive Income, the Group and Company Statements of Changes in Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective Responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements, in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union, are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the Group financial statements give a true and fair view, in accordance with IFRS as adopted by the European Union. We report to you our opinion as to whether the Company financial statements give a true and fair view, in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Acts, 1963 to 2009. We also report to you whether the financial statements have been properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2009 and Article 4 of the IAS Regulation. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit, and whether the Company Balance Sheet is in agreement with the books of account. We also report to you our opinion as to:

- whether the Company has kept proper books of account;
- whether the Report of the Directors is consistent with the financial statements; and
- whether at the balance sheet date there existed a financial situation which may require the Company to convene an extraordinary general meeting of the Company; such a financial situation may exist if the net assets of the Company, as stated in the Company Balance Sheet, are not more than half of its called-up share capital.

We also report to you if, in our opinion, any information specified by law or the Listing Rules of the Irish Stock Exchange regarding Directors' remuneration and Directors' transactions is not disclosed and, where practicable, include such information in our report.

We are required by law to report to you our opinion as to whether the description in the Corporate Governance Statement of the main features of the internal control and risk management systems in relation to the process for preparing the Group financial statements is consistent with the Group financial statements. In addition, we review whether the Corporate Governance Statement reflects the Company's compliance with the nine provisions of the 2008 Combined Code specified for our review by the Listing Rules of the Irish Stock Exchange, and we report if it does not. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Highlights, Group at a Glance, Strategy, Chairman's Statement, Chief Executive's Review, Business Review, Financial Review, Sustainability Report, Report of the Directors, Principal Risks and Uncertainties, Corporate Governance, Report on Directors' Remuneration and Interests, Statement of Directors' Responsibilities and 5 Year Review. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with IFRS as adopted by the European Union, of the state of the Group's affairs as at 31 March 2011 and of its profit and cash flows for the year then ended;
- the Company financial statements give a true and fair view, in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Acts, 1963 to 2009, of the state of the Company's affairs as at 31 March 2011 and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009 and Article 4 of the IAS Regulation.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Company. The Company Balance Sheet is in agreement with the books of account.

In our opinion the information given in the Report of the Directors is consistent with the financial statements and the description in the Corporate Governance Statement of the main features of the internal control and risk management systems in relation to the process for preparing the Group financial statements is consistent with the Group financial statements.

The net assets of the Company, as stated in the Company Balance Sheet are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 March 2011 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the Company.

PricewaterhouseCoopers

Chartered Accountants and Registered Auditors
Dublin, Ireland
9 May 2011

Group Income Statement

For the year ended 31 March 2011

	Note	2011			2010		
		Pre exceptionals €'000	Exceptionals (note 11) €'000	Total €'000	Pre exceptionals €'000	Exceptionals (note 11) €'000	Total €'000
Revenue	4	8,680,573	-	8,680,573	6,724,971	-	6,724,971
Cost of sales		(7,925,798)	-	(7,925,798)	(6,054,577)	-	(6,054,577)
Gross profit		754,775	-	754,775	670,394	-	670,394
Administration expenses		(257,899)	-	(257,899)	(234,181)	-	(234,181)
Selling and distribution expenses		(289,748)	-	(289,748)	(251,118)	-	(251,118)
Other operating income	5	25,423	7,177	32,600	9,703	827	10,530
Other operating expenses	5	(2,931)	(19,827)	(22,758)	(1,965)	(10,591)	(12,556)
Operating profit before amortisation of intangible assets	4	229,620	(12,650)	216,970	192,833	(9,764)	183,069
Amortisation of intangible assets	4	(10,962)	-	(10,962)	(6,150)	-	(6,150)
Operating profit		218,658	(12,650)	206,008	186,683	(9,764)	176,919
Finance costs	12	(50,517)	(1,623)	(52,140)	(34,300)	(1,285)	(35,585)
Finance income	12	35,939	-	35,939	23,415	-	23,415
Share of associates' (loss)/profit after tax	14	(239)	-	(239)	152	-	152
Profit before tax		203,841	(14,273)	189,568	175,950	(11,049)	164,901
Income tax expense	15	(42,417)	(1,354)	(43,771)	(33,207)	-	(33,207)
Profit after tax for the financial year		161,424	(15,627)	145,797	142,743	(11,049)	131,694
Profit attributable to:							
Owners of the Parent				145,109			130,803
Non-controlling interests				688			891
				145,797			131,694
Earnings per ordinary share							
Basic	18			174.48c			158.76c
Diluted	18			173.90c			157.92c

Michael Buckley, Tommy Breen, Directors

Group Statement of Comprehensive Income

For the year ended 31 March 2011

	2011 €'000	2010 €'000
Group profit for the financial year	145,797	131,694
Other comprehensive income:		
Currency translation effects	4,636	23,353
Group defined benefit pension obligations:		
- actuarial loss	(2,590)	(1,595)
- movement in deferred tax asset	336	861
Gains relating to cash flow hedges	1,623	986
Movement in deferred tax liability on cash flow hedges	(341)	(107)
Other comprehensive income for the financial year, net of tax	3,664	23,498
Total comprehensive income for the financial year	149,461	155,192
Attributable to:		
Owners of the Parent	148,773	154,212
Non-controlling interests	688	980
	149,461	155,192

Michael Buckley, Tommy Breen, Directors

Group Balance Sheet

As at 31 March 2011

ASSETS

Non-current assets

	Note	2011 €'000	2010 €'000
Property, plant and equipment	19	395,485	358,096
Intangible assets	20	636,114	595,090
Investments in associates	21	2,281	2,393
Deferred income tax assets	31	9,328	12,166
Derivative financial instruments	28	84,376	101,921
		1,127,584	1,069,666

Current assets

Inventories	23	248,129	234,898
Trade and other receivables	24	1,034,275	922,019
Derivative financial instruments	28	3,562	1,343
Cash and cash equivalents	27	700,340	714,917
		1,986,306	1,873,177
		3,113,890	2,942,843

Total assets

EQUITY

Capital and reserves attributable to owners of the Parent

Share capital	36	22,057	22,057
Share premium	37	124,687	124,687
Other reserves - share options	38	10,537	9,148
Cash flow hedge reserve	38	987	(295)
Foreign currency translation reserve	38	(125,136)	(129,772)
Other reserves	38	1,400	1,400
Retained earnings	39	895,108	806,452
		929,640	833,677
Non-controlling interests	40	2,234	3,249
		931,874	836,926

Total equity

LIABILITIES

Non-current liabilities

Borrowings	29	762,244	793,663
Derivative financial instruments	28	30,142	19,331
Deferred income tax liabilities	31	25,434	23,479
Retirement benefit obligations	32	19,335	23,690
Provisions for liabilities and charges	34	14,256	11,429
Deferred and contingent acquisition consideration	33	65,188	49,351
Government grants	35	2,864	3,678
		919,463	924,621

Current liabilities

Trade and other payables	25	1,149,786	1,039,641
Current income tax liabilities		59,427	71,699
Borrowings	29	40,542	58,169
Derivative financial instruments	28	533	557
Provisions for liabilities and charges	34	3,109	6,372
Deferred and contingent acquisition consideration	33	9,156	4,858
		1,262,553	1,181,296

Total liabilities

Total equity and liabilities

	2,182,016	2,105,917
	3,113,890	2,942,843

Michael Buckley, Tommy Breen, Directors

Group Statement of Changes in Equity

For the year ended 31 March 2011

	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 38) €'000	Total €'000		
At 1 April 2010	22,057	124,687	806,452	(119,519)	833,677	3,249	836,926
Profit for the financial year	-	-	145,109	-	145,109	688	145,797
Other comprehensive income/(expense):							
Currency translation	-	-	-	4,636	4,636	-	4,636
Group defined benefit pension obligations:							
- actuarial loss	-	-	(2,590)	-	(2,590)	-	(2,590)
- movement in deferred tax asset	-	-	336	-	336	-	336
Gains relating to cash flow hedges	-	-	-	1,623	1,623	-	1,623
Movement in deferred tax liability on cash flow hedges	-	-	-	(341)	(341)	-	(341)
Total comprehensive income	-	-	142,855	5,918	148,773	688	149,461
Re-issue of treasury shares	-	-	3,835	-	3,835	-	3,835
Share based payment	-	-	-	1,389	1,389	-	1,389
Dividends	-	-	(58,034)	-	(58,034)	-	(58,034)
Other movements in non-controlling interests	-	-	-	-	-	(1,703)	(1,703)
At 31 March 2011	22,057	124,687	895,108	(112,212)	929,640	2,234	931,874

For the year ended 31 March 2010

	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 38) €'000	Total €'000		
At 1 April 2009	22,057	124,687	720,909	(145,003)	722,650	3,581	726,231
Profit for the financial year	-	-	130,803	-	130,803	891	131,694
Other comprehensive income/(expense):							
Currency translation	-	-	-	23,264	23,264	89	23,353
Group defined benefit pension obligations:							
- actuarial loss	-	-	(1,595)	-	(1,595)	-	(1,595)
- movement in deferred tax asset	-	-	861	-	861	-	861
Gains relating to cash flow hedges	-	-	-	986	986	-	986
Movement in deferred tax liability on cash flow hedges	-	-	-	(107)	(107)	-	(107)
Total comprehensive income	-	-	130,069	24,143	154,212	980	155,192
Re-issue of treasury shares	-	-	7,657	-	7,657	-	7,657
Share based payment	-	-	-	1,341	1,341	-	1,341
Dividends	-	-	(52,183)	-	(52,183)	-	(52,183)
Other movements in non-controlling interests	-	-	-	-	-	(1,312)	(1,312)
At 31 March 2010	22,057	124,687	806,452	(119,519)	833,677	3,249	836,926

Michael Buckley, Tommy Breen, Directors

Group Cash Flow Statement

For the year ended 31 March 2011

	Note	2011 €'000	2010 €'000
Cash generated from operations	41	269,572	297,757
Exceptionals		(8,935)	(12,842)
Interest paid		(43,276)	(32,297)
Income tax paid		(56,343)	(20,548)
Net cash flows from operating activities		161,018	232,070
Investing activities			
Inflows			
Proceeds from disposal of property, plant and equipment		5,586	9,831
Government grants received	35	626	1,799
Proceeds on disposal of subsidiaries		28,431	-
Proceeds on disposal of associate		-	827
Interest received		30,809	19,824
		65,452	32,281
Outflows			
Purchase of property, plant and equipment		(83,381)	(47,268)
Acquisition of subsidiaries	45	(74,614)	(129,515)
Deferred and contingent acquisition consideration paid		(3,709)	(4,127)
		(161,704)	(180,910)
Net cash flows from investing activities		(96,252)	(148,629)
Financing activities			
Inflows			
Re-issue of treasury shares		3,835	7,657
Increase in finance lease liabilities		-	1,035
Increase in interest-bearing loans and borrowings		658	293,568
		4,493	302,260
Outflows			
Repayment of interest-bearing loans and borrowings		(21,157)	(43,424)
Repayment of finance lease liabilities		(1,234)	(618)
Dividends paid to owners of the Parent	17	(58,034)	(52,183)
Dividends paid to non-controlling interests	40	(219)	(275)
		(80,644)	(96,500)
Net cash flows from financing activities		(76,151)	205,760
Change in cash and cash equivalents		(11,385)	289,201
Translation adjustment		2,552	10,243
Cash and cash equivalents at beginning of year		674,961	375,517
Cash and cash equivalents at end of year	30	666,128	674,961
Cash and cash equivalents consists of:			
Cash and short term bank deposits	27	700,340	714,917
Overdrafts	30	(34,212)	(39,956)
	30	666,128	674,961

Michael Buckley, Tommy Breen, Directors

Company Statement of Comprehensive Income

For the year ended 31 March 2011

	Note	2011 €'000	2010 €'000
Profit for the financial year	16	10,284	3,852
Total comprehensive income for the financial year		10,284	3,852
Attributable to:			
Owners of the Parent		10,284	3,852

Company Balance Sheet

As at 31 March 2011

	Note	2011 €'000	2010 €'000
ASSETS			
Non-current assets			
Investments in associates	21	1,244	1,244
Investments in subsidiary undertakings	22	168,065	168,065
		169,309	169,309
Current assets			
Trade and other receivables	24	414,314	421,462
Cash and cash equivalents	27	30	6,232
		414,344	427,694
Total assets		583,653	597,003
EQUITY			
Capital and reserves attributable to owners of the Parent			
Share capital	36	22,057	22,057
Share premium	37	124,687	124,687
Other reserves	38	344	344
Retained earnings	39	109,728	153,643
Total equity		256,816	300,731
LIABILITIES			
Non-current liabilities			
Amounts due to subsidiary undertakings		10,387	10,387
		10,387	10,387
Current liabilities			
Trade and other payables	25	316,450	285,885
		316,450	285,885
Total liabilities		326,837	296,272
Total equity and liabilities		583,653	597,003

Michael Buckley, Tommy Breen, Directors

Company Statement of Changes in Equity

For the year ended 31 March 2011

	Share capital €'000	Share premium €'000	Retained earnings €'000	Other reserves (note 38) €'000	Total equity €'000
At 1 April 2010	22,057	124,687	153,643	344	300,731
Profit for the financial year	-	-	10,284	-	10,284
Total comprehensive income	-	-	10,284	-	10,284
Re-issue of treasury shares	-	-	3,835	-	3,835
Dividends	-	-	(58,034)	-	(58,034)
At 31 March 2011	22,057	124,687	109,728	344	256,816

For the year ended 31 March 2010

	Share capital €'000	Share premium €'000	Retained earnings €'000	Other reserves (note 38) €'000	Total equity €'000
At 1 April 2009	22,057	124,687	194,317	344	341,405
Profit for the financial year	-	-	3,852	-	3,852
Total comprehensive income	-	-	3,852	-	3,852
Re-issue of treasury shares	-	-	7,657	-	7,657
Dividends	-	-	(52,183)	-	(52,183)
At 31 March 2010	22,057	124,687	153,643	344	300,731

Michael Buckley, Tommy Breen, Directors

Company Cash Flow Statement

For the year ended 31 March 2011

	Note	2011 €'000	2010 €'000
Cash generated from operations			
Interest paid	41	34,756	51,388
Income tax received		(1,052)	(965)
		-	2
Net cash flows from operating activities		33,704	50,425
Investing activities			
Inflows			
Interest received		14,293	6,518
		14,293	6,518
Outflows			
Acquisition of subsidiaries		-	(7,000)
		-	(7,000)
Net cash flows from investing activities		14,293	(482)
Financing activities			
Inflows			
Re-issue of treasury shares		3,835	7,657
		3,835	7,657
Outflows			
Dividends paid to owners of the Parent	17	(58,034)	(52,183)
		(58,034)	(52,183)
Net cash flows from financing activities		(54,199)	(44,526)
Change in cash and cash equivalents		(6,202)	5,417
Cash and cash equivalents at beginning of year		6,232	815
Cash and cash equivalents at end of year		30	6,232

Michael Buckley, Tommy Breen, Directors

Notes to the Financial Statements

1. Summary of Significant Accounting Policies

Statement of Compliance

The consolidated financial statements of DCC plc have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations approved by the International Accounting Standards Board (IASB) as adopted by the European Union (EU) and those parts of the Companies Acts, 1963 to 2009 applicable to companies reporting under IFRS. Both the Parent Company and the Group financial statements have been prepared in accordance with IFRS as adopted by the EU. In presenting the Parent Company financial statements together with the Group financial statements, the Company has availed of the exemption in Section 148(8) of the Companies Act 1963 not to present its individual Income Statement and related notes that form part of the approved Company financial statements. The Company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by Section 7(1A) of the Companies (Amendment) Act 1986.

DCC plc, the parent company, is a publicly traded limited company incorporated and domiciled in the Republic of Ireland.

Basis of Preparation

The consolidated financial statements, which are presented in euro, rounded to the nearest thousand, have been prepared under the historical cost convention, as modified by the measurement at fair value of share options and derivative financial instruments. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair values attributable to the risks that are being hedged.

The accounting policies applied in the preparation of the financial statements for the year ended 31 March 2011 are set out below. These policies have been applied consistently by the Group's subsidiaries, joint ventures and associates for all periods presented in these consolidated financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are documented in note 3.

Adoption of IFRS and International Financial Reporting Interpretations Committee ('IFRIC') Interpretations

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

- *Improvements to IFRS* (effective date: DCC financial year beginning 1 April 2010). The improvements include changes in presentation, recognition and measurement plus terminology and editorial changes. These improvements did not have a significant impact on the Group's financial statements.
- IFRS 1 Revised *First-time Adoption of International Financial Reporting Standards* (effective date: DCC financial year beginning 1 April 2010). This revised standard clarifies the requirements for first-time adoption of new and amended IFRS. This standard did not have a significant impact on the Group's financial statements.
- IFRS 3 Revised *Business Combinations* (effective date: DCC financial year beginning 1 April 2010). This standard establishes principles for how an acquirer recognises, measures and discloses in its financial statements the goodwill acquired in a business combination and the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. Contingent consideration is measured at fair value with subsequent changes recognised in the Income Statement and transaction costs, other than share and debt issue costs, are expensed as incurred.
- Amendment to IAS 27 *Consolidated and Separate Financial Statements* (effective date: DCC financial year beginning 1 April 2010). The objective of this amendment is to enhance the relevance, reliability and comparability of the information that a parent entity provides in its separate financial statements and in its consolidated financial statements for a group of entities under its control. The introduction of this amendment has not had a material impact on Group reporting in the current year.
- Amendment to IAS 39 *Eligible Hedged Items* (effective date: DCC financial year beginning 1 April 2010). This amendment clarifies how the principles that determine whether a hedged risk (or portions of cash flows) is eligible for designation should be applied. This amendment did not have a significant impact on the Group's financial statements.
- IFRIC Interpretation 17 *Distributions of Non-cash Assets to Owners* (effective date: DCC financial year beginning 1 April 2010). This interpretation gives guidance on measuring the distribution of assets, other than cash, when paying a dividend to the owners of the entity. This IFRIC had no effect on the Group's financial statements.
- IFRIC Interpretation 18 *Transfers of Assets from Customers* (effective date: DCC financial year beginning 1 April 2010). This interpretation gives guidance for utility companies on receipt from customers of property, plant and equipment that must be used to connect those customers to a utilities network. This IFRIC had no effect on the Group's financial statements.
- Amendment to IFRS 2 *Share-based Payment: Group Cash-Settled Share-based Payment Transactions* (effective date: DCC financial year beginning 1 April 2010). This amendment incorporates the changes previously applied under IFRIC 8 and IFRIC 11. This standard did not have a significant impact on the Group's financial statements.

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Standards, interpretations and amendments to published standards that are not yet effective

The Group has not applied certain new standards, amendments and interpretations to existing standards that have been issued but are not yet effective. These include the following:

- IFRIC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments* (effective date: DCC financial year beginning 1 April 2011). This interpretation addresses the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to extinguish all or part of the liability. This IFRIC will have no effect on the Group's financial statements.
- IAS 24 Revised *Related Party Disclosures* (effective date: DCC financial year beginning 1 April 2011). This revised standard simplifies the definition of related parties and provides a partial exemption from the disclosure requirements for government-related entities. This standard will not have a significant impact on the Group's financial statements.
- IFRS 9 *Financial Instruments* (effective date: DCC financial year beginning 1 April 2013). This standard will eventually replace IAS 39 *Financial Instruments: Recognition and Measurement*. It currently establishes principles for the financial reporting of financial assets in order for users of the financial statements to assess the amounts, timing and uncertainty of the entity's future cash flows. This standard will not have a significant impact on the Group's financial statements.

Basis of Consolidation

Subsidiaries

Subsidiaries are entities that are controlled by the Group. Control exists where the Group has the power, directly or indirectly, to govern the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The results of subsidiary undertakings acquired or disposed of during the year are included in the Group Income Statement from the date of their acquisition or up to the date of their disposal. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

Joint ventures

In accordance with IAS 31 *Interests in Joint Ventures*, the Group's share of results and net assets of joint ventures, which are entities in which the Group holds an interest on a long-term basis and which are jointly controlled by the Group and one or more other venturers under a contractual arrangement, are accounted for on the basis of proportionate consolidation from the date on which the contractual agreements stipulating joint control are finalised and are derecognised when joint control ceases. All of the Group's joint ventures are jointly controlled entities within the meaning of IAS 31. The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. Goodwill attributable to investments in associates is treated in accordance with the accounting policy for goodwill.

The Group's share of its associates' post-acquisition profits or losses is recognised in the Group Income Statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The results of associates are included from the effective date on which the Group obtains significant influence and are excluded from the effective date on which the Group ceases to have significant influence.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from such transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment.

Comparative Amounts

The Group uses derivative financial instruments to hedge its exposure to interest expense risks arising from financing activities. In previous years in the Income Statement, the Group disclosed the net expense arising on Group borrowings and related swaps in Finance Costs. In the current year in the Income Statement, the Group has disclosed the interest expense on Group borrowings in Finance Costs and the net income receivable on swaps relating to those Group borrowings in Finance Income. Similarly in the Group Cash Flow Statement, disclosures reflect interest paid on Group borrowings and amounts received from swap counterparties. The comparative amounts have been presented on a consistent basis. This adjustment has no impact on the operating profit, net finance cost, profit before taxation, earnings per share or net cash flows previously reported for the year ended 31 March 2010.

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenue comprises the fair value of the sale of goods and services to external customers net of value added tax, rebates and discounts. Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer, which generally arises on delivery, or in accordance with specific terms and conditions agreed with customers. Revenue from the rendering of services is recognised in the period in which the services are rendered.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when shareholders' rights to receive payment have been established.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments. The Group has determined that it has five reportable operating segments: DCC Energy, DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage.

Foreign Currency Translation

Functional and presentation currency

The consolidated financial statements are presented in euro which is the Company's functional and the Group's presentation currency. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates.

Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Currency translation differences on monetary assets and liabilities are taken to the Group Income Statement except when cash flow or net investment hedge accounting is applied.

Group companies

Results and cash flows of subsidiaries, joint ventures and associates which do not have the euro as their functional currency are translated into euro at average exchange rates for the year. Average exchange rates are a reasonable approximation of the cumulative effect of the rates on the transaction dates. The related balance sheets are translated at the rates of exchange ruling at the balance sheet date. Adjustments arising on translation of the results of such subsidiaries, joint ventures and associates at average rates, and on the restatement of the opening net assets at closing rates, are dealt with in a separate translation reserve within equity, net of differences on related currency instruments designated as hedges of such investments.

On disposal of a foreign operation, such cumulative currency translation differences are recognised in the Income Statement as part of the overall gain or loss on disposal. In accordance with IFRS 1, cumulative currency translation differences arising prior to the transition date to IFRS (1 April 2004) have been set to zero for the purposes of ascertaining the gain or loss on disposal of a foreign operation.

Goodwill and fair value adjustments arising on acquisition of a foreign operation are regarded as assets and liabilities of the foreign operation, are expressed in the functional currency of the foreign operation and are recorded at the exchange rate at the date of the transaction and subsequently retranslated at the applicable closing rates.

Exceptional Items

The Group has adopted an Income Statement format which seeks to highlight significant items within the Group results for the year. Such items may include restructuring, profit or loss on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, profit or loss on disposal of property, plant and equipment, IAS 39 ineffective mark to market movements together with gains or losses arising from currency swaps offset by gains or losses on related fixed rate debt, acquisition costs, profit or loss on defined benefit pension scheme restructuring and impairment of assets. Judgement is used by the Group in assessing the particular items, which by virtue of their scale and nature, should be presented in the Income Statement and disclosed in the related notes as exceptional items.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided on a straight-line basis at the rates stated below, which are estimated to reduce each item of property, plant and equipment to its residual value level by the end of its useful life:

	Annual Rate
Freehold and long term leasehold buildings	2%
Plant and machinery	5 - 33 $\frac{1}{3}$ %
Cylinders	6 $\frac{2}{3}$ %
Motor vehicles	10 - 33 $\frac{1}{3}$ %
Fixtures, fittings & office equipment	10 - 33 $\frac{1}{3}$ %

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Land is not depreciated. The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

In accordance with IAS 36 *Impairment of Assets*, the carrying amounts of items of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in the Income Statement. Following the recognition of an impairment loss, the depreciation charge applicable to the asset or cash-generating unit is adjusted prospectively in order to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the replaced item can be measured reliably. All other repair and maintenance costs are charged to the Income Statement during the financial period in which they are incurred.

Borrowing costs directly attributable to the construction of property, plant and equipment are capitalised as part of the cost of those assets.

Business Combinations

Business combinations from 1 April 2010

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

When the Group acquires a business it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through the Income Statement.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IAS39 in the Income Statement.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised in the Statement of Comprehensive Income.

Business combinations prior to 1 April 2010

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Any additional acquired share of interest did not affect previously recognised goodwill.

Contingent consideration was recognised if the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

Goodwill

Goodwill arising in respect of acquisitions completed prior to 1 April 2004 (being the transition date to IFRS) is included at its carrying amount, which equates to its net book value recorded under previous GAAP. In accordance with IFRS 1, the accounting treatment of business combinations undertaken prior to the transition date was not reconsidered and goodwill amortisation ceased with effect from the transition date.

Goodwill on acquisitions is initially measured at cost being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill acquired in a business combination is allocated, from the acquisition date, to the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

The carrying amount of goodwill in respect of associates, net of any impairment, is included in investments in associates under the equity method in the Group Balance Sheet.

Goodwill is subject to impairment testing on an annual basis and at any time during the year if an indicator of impairment is considered to exist; the goodwill impairment tests are undertaken at a consistent time in each annual period. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Impairment losses arising in respect of goodwill are not reversed following recognition.

Where a subsidiary is sold, any goodwill arising on acquisition, net of any impairments, is included in determining the profit or loss arising on disposal.

Where goodwill forms part of a cash-generating unit and part of the operations within that unit are disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the proportion of the cash-generating unit retained.

Intangible Assets (other than Goodwill)

Intangible assets acquired separately are capitalised at cost. Intangible assets acquired in the course of a business combination are capitalised at fair value being their deemed cost as at the date of acquisition.

Following initial recognition, intangible assets which have a finite life are carried at cost less any applicable accumulated amortisation and any accumulated impairment losses. Where amortisation is charged on assets with finite lives this expense is taken to the Income Statement.

The amortisation of intangible assets is calculated to write off the book value of intangible assets over their useful lives on a straight-line basis on the assumption of zero residual value. In general, finite-lived intangible assets are amortised over periods ranging from two to six years, depending on the nature of the intangible asset.

The carrying amount of finite-lived intangible assets are reviewed for indicators of impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised as assets of the Group at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a short, medium or long term lease obligation as appropriate. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Income Statement.

Rentals payable under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on a straight line basis over the term of the relevant lease.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost is determined on a first in first out basis and in the case of raw materials, bought-in goods and expense inventories, comprises purchase price plus transport and handling costs less trade discounts and subsidies. Cost, in the case of products manufactured by the Group, consists of direct material and labour costs together with the relevant production overheads based on normal levels of activity. Net realisable value represents the estimated selling price less costs to completion and appropriate selling and distribution costs.

Provision is made, where necessary, for slow moving, obsolete and defective inventories.

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the provision is recognised in the Income Statement.

Trade and Other Payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost, which approximates to fair value given the short-dated nature of these liabilities.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

For the purpose of the Group Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above net of bank overdrafts.

Derivative Financial Instruments

The Group uses derivative financial instruments (principally interest rate, currency and cross currency interest rate swaps and forward foreign exchange and commodity contracts) to hedge its exposure to interest rate and foreign exchange risks and to changes in the prices of certain commodity products arising from operational, financing and investment activities.

Derivative financial instruments are recognised at inception at fair value, being the present value of estimated future cash flows. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Changes in the fair value of currency swaps that are hedging borrowings and for which the Group have not elected to apply hedge accounting are reflected in the Income Statement in 'Finance Costs' and presented in note 12.

Changes in the fair value of other derivative financial instruments for which the Group have not elected to apply hedge accounting are reflected in the Income Statement, in 'Other Operating Income' or 'Other Operating Expenses' and presented in note 5.

Hedging

For the purposes of hedge accounting, hedges are designated either as fair value hedges (which hedge the exposure to movements in the fair value of a recognised asset or liability or a firm commitment that are attributable to hedged risks) or cash flow hedges (which hedge exposure to fluctuations in future cash flows derived from a particular risk associated with a recognised asset or liability or a highly probable forecast transaction).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments are disclosed in note 28 and the movements on the hedging reserve in shareholders' equity are shown in note 38. The full fair value of a derivative is classified as a non-current asset or non-current liability if the remaining maturity of the derivative is more than twelve months, and as a current asset or current liability if the remaining maturity of the derivative is less than twelve months.

Fair value hedge

In the case of fair value hedges which satisfy the conditions for hedge accounting, any gain or loss arising from the re-measurement of the fair value of the hedging instrument is reported in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. As a result, the gain or loss on interest rate swaps and cross currency interest rate swaps that are in hedge relationships with borrowings are included within 'Finance Income' or 'Finance Costs'. In the case of the related hedged borrowings any gain or loss on the hedged item which is attributable to the hedged risk is adjusted against the carrying amount of the hedged item and reflected in the Income Statement within 'Finance Costs' or 'Finance Income'. The gain or loss on commodity derivatives that are fair value hedges of firm commitments are recognised in revenue. Any change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability on the balance sheet with a corresponding gain or loss in Revenue.

If a hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to the Income Statement over the period to maturity.

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Cash flow hedge

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised as a separate component of equity with the ineffective portion being reported in the Income Statement in 'Other Operating Income' or 'Other Operating Expenses'. When a forecast transaction results in the recognition of an asset or a liability, the cumulative gain or loss is removed from equity and included in the initial measurement of the asset or liability. Otherwise, the associated gains or losses that had previously been recognised in equity are transferred to the Income Statement in the same reporting period as the hedged transaction in Revenue or Costs of Sales (depending on whether the hedge related to a forecasted sale or purchase).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

Interest-Bearing Loans and Borrowings

All loans and borrowings are initially recorded at fair value, net of transaction costs incurred. Loans and borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Provisions

A provision is recognised in the Balance Sheet when the Group has a present obligation (either legal or constructive) as a result of a past event, and it is probable that a transfer of economic benefits will be required to settle the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and announced its main provisions.

Provisions arising on business combinations are only recognised to the extent that they would have qualified for recognition in the financial statements of the acquiree prior to the acquisition.

A contingent liability is not recognised but is disclosed where the existence of the obligation will only be confirmed by future events or where it is not probable that an outflow of resources will be required to settle the obligation or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable.

Environmental Provisions

The Group's waste management and recycling activities are subject to various laws and regulations governing the protection of the environment. Full provision is made for the net present value of the Group's estimated costs in relation to restoration liabilities at its landfill sites. The net present value of the estimated costs is capitalised as property, plant and equipment and the unwinding of the discount element on the restoration provision is reflected in the Income Statement.

Finance Costs

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method, gains and losses on hedging instruments that are recognised in the Income Statement and the unwinding of discounts on provisions. The interest expense component of finance lease payments is recognised in the Income Statement using the effective interest rate method. The finance cost on defined benefit pension scheme liabilities is recognised in the Income Statement in accordance with IAS 19.

Finance Income

Interest income is recognised in the Income Statement as it accrues, using the effective interest method. The expected return on defined benefit pension scheme assets is recognised in the Income Statement in accordance with IAS 19.

Income Tax

Current tax

Current tax represents the expected tax payable or recoverable on the taxable profit for the year using tax rates enacted or substantively enacted at the balance sheet date and taking into account any adjustments stemming from prior years.

1. Summary of Significant Accounting Policies (continued)

Deferred tax

Deferred tax is provided using the liability method on all temporary differences at the balance sheet date which is defined as the difference between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that have been enacted or substantially enacted by the balance sheet date in which the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences with the exception of the following:

- (i) where the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and
- (ii) where, in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, the timing of the reversal of the temporary difference is subject to control by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets are recognised in respect of all deductible temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which to offset these items except:

- (i) where the deferred tax asset arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and
- (ii) where, in respect of deductible temporary differences associated with investment in subsidiaries, joint ventures and associates, a deferred tax asset is recognised only if it is probable that the deductible temporary difference will reverse in the foreseeable future and that sufficient taxable profits will be available against which the temporary difference can be utilised.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that sufficient taxable profits would be available to allow all or part of the deferred tax asset to be utilised.

Pension and other Post Employment Obligations

The Group operates defined contribution and defined benefit pension schemes.

The costs arising in respect of the Group's defined contribution schemes are charged to the Income Statement in the period in which they are incurred. The Group has no legal or constructive obligation to pay further contributions after payment of fixed contributions.

The Group operates a number of defined benefit pension schemes which require contributions to be made to separately administered funds. The liabilities and costs associated with the Group's defined benefit pension schemes are assessed on the basis of the projected unit credit method by professionally qualified actuaries and are arrived at using actuarial assumptions based on market expectations at the balance sheet date. The Group's net obligation in respect of defined benefit pension schemes is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan asset is deducted. Plan assets are measured at bid values.

The discount rate employed in determining the present value of the schemes' liabilities is determined by reference to market yields at the balance sheet date on high quality corporate bonds of a currency and term consistent with the currency and term of the associated post-employment benefit obligations.

The net surplus or deficit arising in the Group's defined benefit pension schemes are shown within either non-current assets or liabilities on the face of the Group Balance Sheet. The deferred tax impact of pension scheme surpluses and deficits is disclosed separately within deferred tax liabilities or assets as appropriate. In accordance with IAS 19 *Employee Benefits* the Group recognises actuarial gains and losses immediately in the Group Statement of Comprehensive Income.

When the benefits of a defined benefit plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the Income Statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the Income Statement.

Share-Based Payment Transactions

Employees (including Directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render service in exchange for shares or rights over shares.

The fair value of share entitlements granted is recognised as an employee expense in the Income Statement with a corresponding increase in equity. The fair value at the grant date is determined using a Monte Carlo simulation technique for the DCC plc Long Term Incentive Plan 2009, a binomial model for the DCC plc 1998 Employee Share Option Scheme and the Black Scholes option valuation model for the DCC Sharesave Scheme.

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The DCC plc Long Term Incentive Plan 2009 contains market based vesting conditions and accordingly, the fair value assigned to the related equity instrument on initial application of IFRS 2 *Share-based Payment* is adjusted to reflect the anticipated likelihood at the grant date of achieving the market based vesting conditions.

The DCC plc 1998 Employee Share Option Scheme and the DCC Sharesave Scheme 2001 contain non-market based vesting conditions which are not taken into account when estimating the fair value of entitlements as at the grant date. The expense in the Income Statement represents the product of the total number of options anticipated to vest and the fair value of those options. This amount is allocated on a straight-line basis over the vesting period to the Income Statement with a corresponding credit to 'Other Reserves - Share Options'. The cumulative charge to the Income Statement is only reversed where entitlements do not vest because non-market performance conditions have not been met or where an employee in receipt of share entitlements relinquishes service before the end of the vesting period.

The proceeds received by the Company on the exercise of share entitlements are credited to Share Capital (nominal value) and Share Premium when the share entitlements are exercised. When the share-based payments give rise to the re-issue of shares from treasury shares, the proceeds of issue are credited to shareholders equity.

The measurement requirements of IFRS 2 have been implemented in respect of share options entitlements granted after 7 November 2002. In accordance with the standard, the disclosure requirements of IFRS 2 have been applied to all outstanding share-based payments regardless of their grant date. The Group does not operate any cash-settled share-based payment schemes or share-based payment transactions with cash alternatives as defined in IFRS 2.

Government Grants

Grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and all attaching conditions have been complied with.

Capital grants received and receivable by the Group are credited to government grants and are amortised to the Income Statement on a straight-line basis over the expected useful lives of the assets to which they relate.

Revenue grants are recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Shareholders' Equity

Treasury Shares

Where the Company purchases the Company's equity share capital, the consideration paid is deducted from total shareholders' equity and classified as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in total shareholders' equity.

Dividends

Dividends on Ordinary Shares are recognised as a liability in the Group's financial statements in the period in which they are approved by the shareholders of the Company. Proposed dividends that are approved after the balance sheet date are not recognised as a liability at that balance sheet date, but are disclosed in the dividends note.

2. Financial Risk Management

Financial Risk Factors

The Group uses derivative financial instruments (principally interest rate, currency and cross currency interest rate swaps and forward foreign exchange and commodity contracts) to hedge certain risk exposures, as detailed below, arising from operational, financing and investment activities. The Group does not trade in financial instruments nor does it enter into any leveraged derivative transactions.

Financial risk management within the Group is governed by policies and guidelines reviewed and approved annually by the Board of Directors. These policies and guidelines primarily cover foreign exchange risk, commodity price risk, credit risk, liquidity risk and interest rate risk. Monitoring of compliance with the policies and guidelines is managed by the Group Risk Management function.

The Group's financial risks are detailed in note 46.

Fair Value Estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

Notes to the Financial Statements (continued)

2. Financial Risk Management (continued)

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of techniques and makes assumptions that are based on market conditions existing at each balance sheet date.

The fair value of interest rate and cross currency swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date. The fair value of forward commodity contracts is determined using quoted forward commodity prices at the balance sheet date. The fair values of borrowings (none of which are listed) are measured by discounting cash flows at prevailing interest and exchange rates.

The nominal value less impairment provision of trade receivables and payables approximate to their fair values, largely due to their short-term maturities.

Fair values of the Group's financial assets and financial liabilities are summarised in note 46.

3. Critical Accounting Estimates and Judgements

The Group's main accounting policies affecting its results of operations and financial condition are set out on pages 80 to 88. In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Group should it later be determined that a different choice would be more appropriate. Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and judgements:

Goodwill

The Group has capitalised goodwill of €597.6 million at 31 March 2011. Goodwill is required to be tested for impairment at least annually or more frequently if changes in circumstances or the occurrence of events indicating potential impairment exist. The Group uses the present value of future cash flows to determine recoverable amount. In calculating the value in use, management judgement is required in forecasting cash flows of cash generating units, in determining terminal growth values and in selecting an appropriate discount rate. Sensitivities to changes in assumptions are detailed in note 20.

Post-Retirement Benefits

The Group operates a number of defined benefit retirement plans. The Group's total obligation in respect of defined benefit plans is calculated by independent, qualified actuaries, updated at least annually and totals €103.0 million at 31 March 2011. At 31 March 2011 the Group also has plan assets totalling €83.7 million, giving a net pension liability of €19.3 million. The size of the obligation is sensitive to actuarial assumptions. These include demographic assumptions covering mortality and longevity, and economic assumptions covering price inflation, benefit and salary increases together with the discount rate used. The size of the plan assets is also sensitive to asset return levels and the level of contributions from the Group. Sensitivities to changes in assumptions are detailed in note 32.

Taxation

The Group is subject to income taxes in a number of jurisdictions. Provisions for tax liabilities require management to make judgements and estimates in relation to tax issues and exposures. Amounts provided are based on management's interpretation of country specific tax laws and the likelihood of settlement. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The Group estimates the most probable amount of future taxable profits, using assumptions consistent with those employed in impairment calculations, and taking into account applicable tax legislation in the relevant jurisdiction. These calculations require the use of estimates.

Business Combinations

Business combinations are accounted for using the acquisition method which requires that the assets and liabilities assumed are recorded at their respective fair values at the date of acquisition. The application of this method requires certain estimates and assumptions particularly concerning the determination of the fair values of the acquired assets and liabilities assumed at the date of acquisition.

For intangible assets acquired, the Group bases valuations on expected future cash flows. This method employs a discounted cash flow analysis using the present value of the estimated after-tax cash flows expected to be generated from the purchased intangible asset using risk adjusted discount rates and revenue forecasts as appropriate. The period of expected cash flows is based on the expected useful life of the intangible asset acquired.

Notes to the Financial Statements (continued)

3. Critical Accounting Estimates and Judgements (continued)

Provision for Impairment of Trade Receivables

The Group trades with a large and varied number of customers on credit terms. Some debts due will not be paid through the default of a small number of customers. The Group uses estimates based on historical experience and current information in determining the level of debts for which a provision for impairment is required. The level of provision required is reviewed on an ongoing basis.

Useful Lives for Property, Plant and Equipment and Intangible Assets

Long-lived assets comprising primarily of property, plant and equipment and intangible assets represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. Management regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the period.

4. Segment Information

Analysis by operating segment and by geography

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. The Group is organised into five main operating segments: DCC Energy, DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage.

DCC Energy markets and sells oil products for commercial/industrial, transport and domestic use in Britain, Ireland and Continental Europe. DCC Energy markets and sells liquefied petroleum gas for similar uses in Britain and Ireland. DCC Energy also includes a fuel card services business.

DCC SerCom markets and sells a broad range of IT and consumer electronic products in Britain, Ireland and Continental Europe to computer resellers, high street retailers, computer superstores, on-line retailers and mail order companies. DCC SerCom also includes a supply chain management business.

DCC Healthcare markets and sells medical, surgical, laboratory and intravenous pharmaceutical products and provides related value added services to the acute care, community care and scientific sectors in Ireland and Britain. DCC Healthcare is also a provider of outsourced services to the health and beauty industry 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.

DCC Food & Beverage markets and sells food and beverages in Ireland to a broad range of customers and wine in Britain. DCC Food & Beverage also has a frozen and chilled food distribution business in Ireland.

The chief operating decision maker monitors the operating results of segments separately in order to allocate resources between segments and to assess performance. Segment performance is predominantly evaluated based on operating profit before amortisation of intangible assets and net operating exceptional items. As performance is also evaluated based on return on capital employed, supplemental information on net tangible capital employed is also provided below. 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.

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

Notes to the Financial Statements (continued)

4. Segment Information (continued)

The segment results for the year ended 31 March 2011 are as follows:

Income Statement items

	Year ended 31 March 2011					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment revenue	6,129,786	1,868,877	323,291	106,442	252,177	8,680,573
Operating profit*	137,307	46,029	23,203	11,589	11,492	229,620
Amortisation of intangible assets	(7,145)	(944)	(800)	(2,073)	-	(10,962)
Net operating exceptionals (note 11)	(6,475)	(2,120)	(2,129)	(6)	(1,920)	(12,650)
Operating profit	123,687	42,965	20,274	9,510	9,572	206,008
Finance costs						(52,140)
Finance income						35,939
Share of associates' loss after tax						(239)
Profit before income tax						189,568
Income tax expense						(43,771)
Profit for the year						145,797

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

	Year ended 31 March 2010					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment revenue	4,420,122	1,618,455	334,044	77,366	274,984	6,724,971
Operating profit*	113,105	40,835	21,143	9,297	8,453	192,833
Amortisation of intangible assets	(4,510)	(318)	(394)	(799)	(129)	(6,150)
Net operating exceptionals (note 11)	(4,195)	(1,051)	(897)	-	(3,621)	(9,764)
Operating profit	104,400	39,466	19,852	8,498	4,703	176,919
Finance costs						(35,585)
Finance income						23,415
Share of associates' profit after tax						152
Profit before income tax						164,901
Income tax expense						(33,207)
Profit for the year						131,694

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

Notes to the Financial Statements (continued)

4. Segment Information (continued)

Balance Sheet items

	As at 31 March 2011					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment assets	1,170,278	674,449	191,136	151,474	126,666	2,314,003

Reconciliation to total assets as reported in the Group Balance Sheet

Investments in associates	2,281
Derivative financial instruments (current and non-current)	87,938
Deferred income tax assets	9,328
Cash and cash equivalents	700,340
Total assets as reported in the Group Balance Sheet	3,113,890

Segment liabilities	666,423	366,487	61,102	29,091	63,256	1,186,359
----------------------------	----------------	----------------	---------------	---------------	---------------	------------------

Reconciliation to total liabilities as reported in the Group Balance Sheet

Interest-bearing loans and borrowings (current and non-current)	802,786
Derivative financial instruments (current and non-current)	30,675
Income tax liabilities (current and deferred)	84,861
Deferred and contingent acquisition consideration (current and non-current)	74,344
Government grants (current and non-current)	2,991
Total liabilities as reported in the Group Balance Sheet	2,182,016

	As at 31 March 2010					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment assets	1,062,927	539,656	231,622	147,677	128,221	2,110,103

Reconciliation to total assets as reported in the Group Balance Sheet

Investments in associates	2,393
Derivative financial instruments (current and non-current)	103,264
Deferred income tax assets	12,166
Cash and cash equivalents	714,917
Total assets as reported in the Group Balance Sheet	2,942,843

Segment liabilities	622,331	294,337	69,842	26,622	68,000	1,081,132
---------------------	---------	---------	--------	--------	--------	-----------

Reconciliation to total liabilities as reported in the Group Balance Sheet

Interest-bearing loans and borrowings (current and non-current)	851,832
Derivative financial instruments (current and non-current)	19,888
Income tax liabilities (current and deferred)	95,178
Deferred and contingent acquisition consideration (current and non-current)	54,209
Government grants (current and non-current)	3,678
Total liabilities as reported in the Group Balance Sheet	2,105,917

Notes to the Financial Statements (continued)

4. Segment Information (continued)

Net tangible capital employed

The denominator in the Group's return on tangible capital employed calculations is the average of the Group's opening and closing net tangible capital employed. The following tables provide an analysis of the net tangible capital employed positions at 31 March 2011 and 31 March 2010.

As at 31 March 2011						
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment assets	1,170,278	674,449	191,136	151,474	126,666	2,314,003
Intangible assets	(336,191)	(113,672)	(87,526)	(64,252)	(34,473)	(636,114)
Deferred income tax assets	2,122	3,319	2,211	234	1,442	9,328
Assets employed	836,209	564,096	105,821	87,456	93,635	1,687,217
Segment liabilities	666,423	366,487	61,102	29,091	63,256	1,186,359
Income tax liabilities (current and deferred)	29,852	28,636	11,068	9,968	5,337	84,861
Government grants	191	143	1,876	781	-	2,991
Liabilities employed	696,466	395,266	74,046	39,840	68,593	1,274,211
Net tangible capital employed	139,743	168,830	31,775	47,616	25,042	413,006

As at 31 March 2010						
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment assets	1,062,927	539,656	231,622	147,677	128,221	2,110,103
Intangible assets	(322,850)	(79,359)	(98,380)	(65,128)	(29,373)	(595,090)
Deferred income tax assets	4,062	2,004	3,985	155	1,960	12,166
Assets employed	744,139	462,301	137,227	82,704	100,808	1,527,179
Segment liabilities	622,331	294,337	69,842	26,622	68,000	1,081,132
Income tax liabilities (current and deferred)	28,382	33,220	14,336	12,618	6,622	95,178
Government grants	300	137	2,526	715	-	3,678
Liabilities employed	651,013	327,694	86,704	39,955	74,622	1,179,988
Net tangible capital employed	93,126	134,607	50,523	42,749	26,186	347,191

Notes to the Financial Statements (continued)

4. Segment Information (continued)

Other segment information

	Year ended 31 March 2011					Total €'000
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	
Capital expenditure	44,645	20,389	4,910	11,556	2,523	84,023
Depreciation	30,858	5,141	4,526	8,427	3,954	52,906
Intangible assets acquired	19,025	35,230	1,743	797	5,063	61,858
Impairment of goodwill	-	-	-	-	-	-

	Year ended 31 March 2010					Total €'000
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	
Capital expenditure	23,097	4,220	11,643	6,708	1,261	46,929
Depreciation	26,804	4,101	4,959	6,599	4,493	46,956
Intangible assets acquired	107,438	6,279	8,407	26,358	(57)	148,425
Impairment of goodwill	-	-	-	-	1,908	1,908

Geographical analysis

The following is a geographical analysis of the segment information presented above.

	Year ended 31 March							Total 2010 €'000
	Republic of Ireland		UK		Rest of the World		2011 €'000	
	2011 €'000	2010 €'000	2011 €'000	2010 €'000	2011 €'000	2010 €'000	2011 €'000	
Income Statement items								
Revenue	919,966	1,107,364	6,388,742	4,748,268	1,371,865	869,339	8,680,573	6,724,971
Operating profit*	34,236	34,191	164,541	133,361	30,843	25,281	229,620	192,833
Amortisation of intangible assets	(470)	(962)	(8,773)	(4,317)	(1,719)	(871)	(10,962)	(6,150)
Net operating exceptionals	(3,076)	(3,175)	(8,582)	(5,429)	(992)	(1,160)	(12,650)	(9,764)
Segment result	30,690	30,054	147,186	123,615	28,132	23,250	206,008	176,919
Balance Sheet items								
Segment assets	393,223	404,043	1,600,302	1,397,514	320,478	308,546	2,314,003	2,110,103
Segment liabilities	177,859	182,011	778,365	696,349	230,135	202,772	1,186,359	1,081,132
Other segment information								
Capital expenditure	9,641	9,245	70,672	34,213	3,710	3,471	84,023	46,929
Depreciation	14,091	15,385	36,391	30,145	2,424	1,426	52,906	46,956
Intangible assets acquired	5,848	10,363	45,739	106,281	10,271	31,781	61,858	148,425
Impairment of goodwill	-	-	-	1,908	-	-	-	1,908

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

Notes to the Financial Statements (continued)

5. Other Operating Income/Expense

	2011 €'000	2010 €'000
Other operating income and expense comprise the following credits/(charges):		
<i>Other income</i>		
Fair value gains on non-hedge accounted derivative financial instruments - commodities	-	300
Fair value gains on non-hedge accounted derivative financial instruments - forward exchange contracts	206	-
Throughput	6,612	2,751
Haulage	7,139	2,444
Rental income	3,675	1,968
Other operating income	7,791	2,240
	25,423	9,703
<i>Other expenses</i>		
Expensing of employee share options (note 10)	(1,389)	(1,341)
Fair value losses on non-hedge accounted derivative financial instruments - forward exchange contracts	(742)	(26)
Other operating expenses	(800)	(598)
	(2,931)	(1,965)

6. Group Operating Profit

Group operating profit has been arrived at after charging/(crediting) the following amounts (including the Group's share of joint ventures accounted for on the basis of proportionate consolidation):

	2011 €'000	2010 €'000
Provision for impairment of trade receivables (note 46)	5,317	8,946
Directors' fees and salaries	2,121	2,063
Amortisation of government grants (note 35)	(730)	(800)
Operating lease rentals		
- land and buildings	13,247	12,665
- plant and machinery	873	717
- motor vehicles	11,390	11,017
	25,510	24,399
During the year the Group obtained the following services from the Group's auditors (PricewaterhouseCoopers):		
Audit fees	1,378	1,487
Acquisition related due diligence and litigation support	58	326
Tax compliance and advisory services	1,118	1,507
	2,554	3,320

Auditor statutory disclosure

The audit fee for the Parent Company is €20,000 (2010: €20,000). This amount is paid to PricewaterhouseCoopers, Ireland, the statutory auditor.

7. Directors' Emoluments and Interests

Directors' emoluments (which are included in operating costs) and interests are presented in the Report on Directors' Remuneration and Interests on pages 62 to 68.

Notes to the Financial Statements (continued)

8. Proportionate Consolidation of Joint Ventures

Impact on Group Income Statement

Year ended 31 March
Group share of:

	2011 €'000	2010 €'000
Revenue	15,119	33,635
Cost of sales	(9,311)	(22,466)
Gross profit	5,808	11,169
Operating costs	(4,693)	(7,523)
Exceptional items	159	(821)
Amortisation of intangible assets	-	(300)
Operating profit	1,274	2,525
Finance costs (net)	(1)	(24)
Profit before income tax	1,273	2,501
Income tax expense	(179)	(884)
Profit for the financial year	1,094	1,617

Impact on Group Balance Sheet

As at 31 March
Group share of:

	2011 €'000	2010 €'000
Non-current assets	6,828	6,957
Current assets	3,171	2,731
Total assets	9,999	9,688
Total equity	6,508	6,452
Non-current liabilities	8	6
Current liabilities	3,483	3,230
Total liabilities	3,491	3,236
Total equity and liabilities	9,999	9,688

Impact on Group Cash Flow Statement

Year ended 31 March
Group share of:

	2011 €'000	2010 €'000
Net cash flow from operating activities	1,000	4,356
Net cash flow from investing activities	(536)	(3,039)
Net cash flow from financing activities	-	(64)
Net increase in cash and cash equivalents	464	1,253
Joint venture becoming a subsidiary	-	(2,324)
Cash acquired on acquisition	-	65
Translation adjustment	-	107
Cash and cash equivalents at beginning of year	1,139	2,038
Cash and cash equivalents at end of year	1,603	1,139

Reconciliation of cash and cash equivalents to net cash

Cash and cash equivalents as above	1,603	1,139
Interest-bearing loans and borrowings (current and non-current)	-	-
Net cash at 31 March	1,603	1,139

The Group's share of its joint ventures' capital commitments for property, plant and equipment at 31 March 2011 is €0.371 million (2010: €0.415 million).

Details of the Group's principal joint ventures are shown in the Group directory on pages 132 to 135.

Notes to the Financial Statements (continued)

9. Employment

The average weekly number of persons (including executive Directors and the Group's share of employees of joint ventures, applying proportionate consolidation) employed by the Group during the year analysed by class of business was:

	2011 Number	2010 Number
DCC Energy	3,513	3,098
DCC SerCom	1,554	1,421
DCC Healthcare	1,131	1,324
DCC Environmental	759	550
DCC Food & Beverage	968	1,003
	7,925	7,396

The employee benefit expense (excluding termination payments - note 11) for the above were:

	2011 €'000	2010 €'000
Wages and salaries	284,042	250,928
Social welfare costs	32,132	29,058
Share based payment expense (note 10)	1,389	1,341
Pension costs - defined contribution plans	6,884	6,899
Pension costs - defined benefit plans (note 32)	2,383	2,662
	326,830	290,888

10. Employee Share Options

The Group's employee share options are equity-settled share-based payments as defined in IFRS 2 *Share-based Payment*. The IFRS requires that a recognised valuation methodology be employed to determine the fair value of share options granted. The expense reported in the Income Statement of €1.389 million (2010: €1.341 million) has been arrived at by applying a Monte Carlo simulation technique for share awards issued under the DCC plc Long Term Incentive Plan 2009, a binomial model, which is a lattice option-pricing model, for options issued under the DCC plc 1998 Employee Share Option Scheme, and the Black Scholes option valuation model for options issued under the DCC Sharesave Scheme 2001.

Impact on Income Statement

In compliance with IFRS 2 *Share-based Payment*, the Group has implemented the measurement requirements of the IFRS in respect of share options that were granted after 7 November 2002 and had not vested by 1 April 2004.

The total share option expense is analysed as follows:

Date of grant	Grant price €	Duration of vesting period	Number of share awards/ options granted	Weighted average fair value €	Expense in Income Statement	
					2011 €'000	2010 €'000
DCC plc Long Term Incentive Plan 2009						
20 August 2009	15.63	3 years	255,406	8.97	742	439
15 November 2010	21.25	3 years	212,525	12.00	283	-
					1,025	439
DCC Sharesave Scheme 2001						
10 December 2004	12.63	3 and 5 years	716,010	4.67	(161)	90
DCC plc 1998 Employee Share Option Scheme						
12 November 2002	10.38	3 and 5 years	609,500	2.81	(6)	(43)
18 May 2004	12.75	3 and 5 years	162,500	3.42	(7)	(5)
9 November 2004	15.65	3 and 5 years	219,500	4.15	-	18
15 December 2005	16.70	3 and 5 years	215,000	4.52	-	(44)
23 June 2006	18.05	3 years	223,500	4.54	(9)	13
23 July 2007	23.35	3 years	323,000	6.35	126	435
20 December 2007	19.50	3 years	25,000	5.22	33	44
20 May 2008	15.68	3 years	315,500	4.32	388	394
					525	812
Total expense					1,389	1,341

Notes to the Financial Statements (continued)

10. Employee Share Options (continued)

Share options

DCC plc Long Term Incentive Plan 2009

At 31 March 2011, under the DCC plc Long Term Incentive Plan 2009, Group employees hold options to subscribe for 462,058 ordinary shares.

The general terms of the DCC plc Long Term Incentive Plan 2009 are set out in the Report on Directors' Remuneration and Interests on pages 62 to 68.

A summary of activity under the DCC plc Long Term Incentive Plan 2009 over the year is as follows:

	2011 Number of share awards	2010 Number of share awards
At 1 April	251,887	-
Granted	212,525	255,406
Lapsed	(2,354)	(3,519)
At 31 March	462,058	251,887

The share awards outstanding at the year end have a weighted average remaining contractual life of 6.0 years (2010: 6.4 years).

The weighted average fair values assigned to share awards granted under the DCC plc Long Term Incentive Plan 2009, which were computed in accordance with the Monte Carlo valuation methodology, were as follows:

	€
Granted during the year ended 31 March 2011	12.00
Granted during the year ended 31 March 2010	8.97

The fair values of share awards granted under the DCC plc Long Term Incentive Plan 2009 were determined taking account of peer group total share return volatilities and correlations together with the following assumptions:

	2011	2010
Risk-free interest rate (%)	1.91	2.57
Dividend yield (%)	2.50	2.50
Expected volatility (%)	30.0	30.0
Expected life in years	5.0	5.0

The expected volatility is based on historic volatility over the past 5 years. The expected life is the average expected period to exercise. The risk free rate of return is the yield on zero coupon government bonds of a term consistent with the assumed option life.

Analysis of closing balance - outstanding at end of year

Date of grant	Date of expiry	2011 Number of share awards	2010 Number of share awards
20 August 2009	20 August 2016	249,533	251,887
15 November 2010	15 November 2017	212,525	-
Total outstanding at 31 March		462,058	251,887

Analysis of closing balance - exercisable at end of year

As at 31 March 2011, none of the outstanding share awards under the DCC plc Long Term Incentive Plan 2009 were exercisable.

DCC plc 1998 Employee Share Option Scheme

At 31 March 2011, under the DCC plc 1998 Employee Share Option Scheme, Group employees hold basic tier options to subscribe for 1,235,000 ordinary shares and second tier options to subscribe for 661,000 ordinary shares.

The general terms of the DCC plc 1998 Employee Share Option Scheme are set out in the Report on Directors' Remuneration and Interests on pages 62 to 68.

Notes to the Financial Statements (continued)

10. Employee Share Options (continued)

A summary of activity under the DCC plc 1998 Employee Share Option Scheme over the year is as follows:

	2011		2010	
	Average exercise price in € per share	Options	Average exercise price in € per share	Options
At 1 April	14.14	2,213,000	12.75	3,033,000
Exercised	12.21	(279,000)	8.06	(718,500)
Lapsed	14.01	(38,000)	15.76	(101,500)
At 31 March	14.42	<u>1,896,000</u>	14.14	<u>2,213,000</u>
Total exercisable at 31 March	16.44	<u>953,500</u>	12.58	<u>801,500</u>

The weighted average share price at the dates of exercise for share options exercised during the year under the DCC plc 1998 Employee Share Option Scheme was €20.15 (2010: €18.53). The share options outstanding at the year end have a weighted average remaining contractual life of 3.8 years (2010: 4.4 years).

Analysis of closing balance - outstanding at end of year

Date of grant	Date of expiry	2011		2010	
		Exercise price in € per share	Options	Exercise price in € per share	Options
16 May 2000	7 June 2010	-	-	10.65	25,000
21 November 2000	21 November 2010	-	-	11.25	128,500
13 November 2001	13 November 2011	10.25	395,500	10.25	431,500
12 November 2002	12 November 2012	10.38	339,500	10.38	350,000
22 December 2003	22 December 2013	10.70	84,000	10.70	114,000
18 May 2004	18 May 2014	12.75	119,500	12.75	133,000
9 November 2004	9 November 2014	15.65	140,500	15.65	160,500
15 December 2005	15 December 2015	16.70	122,500	16.70	143,500
23 June 2006	23 June 2016	18.05	162,000	18.05	177,500
23 July 2007	23 July 2017	23.35	226,000	23.35	232,000
20 December 2007	20 December 2017	19.50	25,000	19.50	25,000
20 May 2008	20 May 2018	15.68	281,500	15.68	292,500
Total outstanding at 31 March			<u>1,896,000</u>		<u>2,213,000</u>

Analysis of closing balance - exercisable at end of year

Date of grant	Date of expiry	2011		2010	
		Exercise price in € per share	Options	Exercise price in € per share	Options
16 May 2000	7 June 2010	-	-	10.65	25,000
21 November 2000	21 November 2010	-	-	11.25	128,500
13 November 2001	13 November 2011	10.25	173,000	10.25	191,000
12 November 2002	12 November 2012	10.38	78,000	10.38	86,500
22 December 2003	22 December 2013	10.70	16,500	10.70	46,500
18 May 2004	18 May 2014	12.75	60,000	12.75	70,000
9 November 2004	9 November 2014	15.65	90,500	15.65	110,500
15 December 2005	15 December 2015	16.70	122,500	16.70	143,500
23 June 2006	23 June 2016	18.05	162,000	-	-
23 July 2007	23 July 2017	23.35	226,000	-	-
20 December 2007	20 December 2017	19.50	25,000	-	-
Total exercisable at 31 March			<u>953,500</u>		<u>801,500</u>

Notes to the Financial Statements (continued)

10. Employee Share Options (continued)

DCC Sharesave Scheme 2001

There are no remaining options to subscribe for ordinary shares under the DCC Sharesave Scheme 2001 (2010: Group employees held options to subscribe for 45,791 ordinary shares). Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2011		2010	
	Average exercise price in € per share	Options	Average exercise price in € per share	Options
At 1 April	12.63	45,791	12.63	223,398
Exercised	12.63	(33,432)	12.63	(147,554)
Lapsed	12.63	(12,359)	12.63	(30,053)
At 31 March	-	-	12.63	45,791

The weighted average share price at the dates of exercise for share options exercised during the year under the DCC Sharesave Scheme 2001 was €19.21 (2010: €19.18). There were no share options outstanding at the year end (2010: share options outstanding at the year end had a weighted average remaining contractual life of 0.9 years).

Analysis of closing balance - outstanding at end of year

Date of grant	Date of expiry	2011		2010	
		Exercise price in € per share	Options	Exercise price in € per share	Options
10 December 2004	1 March 2011	-	-	12.63	45,791
Total outstanding at 31 March			-		45,791

Analysis of closing balance - exercisable at end of year

As at 31 March 2011 there were no outstanding options under the DCC Sharesave Scheme 2001 (2010: 45,791 outstanding options were exercisable).

11. Exceptionals

	2011 €'000	2010 €'000
Net profit on disposal of subsidiaries	894	-
Cumulative foreign exchange translation losses relating to subsidiaries disposed of	(3,145)	-
Restructuring of Group defined benefit pension schemes	4,976	-
Impairment of property, plant and equipment	(6,074)	-
Acquisition related fees	(3,566)	-
Restructuring costs and other	(5,735)	(8,683)
Impairment of goodwill	-	(1,908)
Profit on disposal of associate	-	827
Operating exceptional items	(12,650)	(9,764)
Mark to market losses (included in interest)	(1,623)	(1,285)
Net exceptional items before taxation	(14,273)	(11,049)
Exceptional taxation charge	(1,354)	-
Net exceptional items after taxation	(15,627)	(11,049)

During the first half of the financial year, DCC Healthcare disposed of its Mobility & Rehabilitation businesses and DCC Food & Beverage disposed of one of its smaller Irish businesses. The net cash impact of these transactions (€28.431 million) resulted in a pre-tax gain on their book carrying values, including goodwill, of €0.894 million. These businesses accounted for less than 1% of DCC's operating profit for the year ended 31 March 2010.

IAS 21 requires that any foreign exchange translation differences which have been written off directly to reserves in prior years be recycled through the Income Statement on the disposal of the related asset. The amount of such differences relating to the above disposals, which did not have any impact on the Group's total equity, was €3.145 million.

Notes to the Financial Statements (continued)

11. Exceptionals (continued)

Restructuring of certain of the Group's pension arrangements during the year gave rise to a net reduction in pension liabilities and an exceptional gain of €4.976 million.

The Group made a provision of €6.074 million against the carrying value of one of its buildings.

IFRS 3 Revised requires that the professional (legal and financial due diligence) and tax costs (such as stamp duty) relating to the evaluation and completion of an acquisition are expensed in the Income Statement whereas previously they were capitalised as part of the acquisition cost. During the year these costs amounted to €3.566 million.

Most of the Group's debt has been raised in the US Private Placement market and swapped, using long term interest, currency and cross currency derivatives, to floating rate sterling and euro. The level of ineffectiveness calculated under IAS 39 by marking to market swaps designated as fair value hedges and the related fixed rate debt, together with gains or losses arising from marking to market swaps not designated as fair value hedges offset by gains or losses on that related fixed rate debt, is charged or credited as an exceptional item. In the year to 31 March 2011 this amounted to a total exceptional charge of €1.623 million.

The balance of the net exceptional charge relates primarily to restructuring costs arising from the integration of recently acquired businesses.

12. Finance Costs and Finance Income

	2011 €'000	2010 €'000
Finance costs		
On bank loans, overdrafts and Unsecured Notes		
- repayable within 5 years, not by instalments	(16,950)	(13,381)
- repayable within 5 years, by instalments	(87)	(146)
- repayable wholly or partly in more than 5 years	(26,174)	(13,255)
On loan notes		
- repayable within 5 years, not by instalments	(30)	(23)
On finance leases	(122)	(147)
Other interest	(861)	(1,901)
	(44,224)	(28,853)
Other finance costs:		
Interest on defined benefit pension scheme liabilities (note 32)	(5,347)	(4,997)
Unwinding of discount applicable to deferred and contingent acquisition consideration (note 33)	(946)	(450)
Mark-to-market of swaps and related debt* (note 11)	(1,623)	(1,285)
	(52,140)	(35,585)
Finance income		
Interest on cash and term deposits	4,306	3,537
Net income on interest rate and currency swaps	26,813	16,317
Other income receivable	129	105
Expected return on defined benefit pension scheme assets (note 32)	4,691	3,456
	35,939	23,415
Net finance cost	(16,201)	(12,170)
 * Mark-to-market of swaps and related debt		
- interest rate swaps designated as fair value hedges	(986)	(3,962)
- cross currency interest rate swaps designated as fair value hedges	(19,821)	(22,465)
- adjusted hedged fixed rate debt	26,733	27,066
- currency swaps not designated as hedges	(7,549)	(1,924)
	(1,623)	(1,285)

13. Foreign Currency

The exchange rates used in translating sterling Balance Sheets and Income Statement amounts were as follows:

	2011 €1=Stg£	2010 €1=Stg£
Balance Sheet (closing rate)	0.884	0.889
Income Statement (average rate)	0.852	0.887

Notes to the Financial Statements (continued)

14. Share of Associates' (Loss)/Profit after Tax

The Group's share of associates' (loss)/profit after tax is equity-accounted and is presented as a single line item in the Group Income Statement. The (loss)/profit after tax generated by the Group's associates is analysed as follows:

	2011 €'000	2010 €'000
Group share of:		
Revenue	10,977	10,778
(Loss)/profit before finance costs	(225)	203
Finance costs (net)	(45)	(46)
(Loss)/profit before income tax	(270)	157
Income tax credit/(charge)	31	(5)
(Loss)/profit after tax	(239)	152

15. Income Tax Expense

(i) Income tax expense recognised in the Income Statement

Current taxation

	2011 €'000	2010 €'000
Irish corporation tax at 12.5%	4,395	9,097
Manufacturing relief	(113)	(165)
Exceptional taxation charge (note 11)	1,354	-
United Kingdom corporation tax at 28%	29,153	15,332
Other overseas tax	9,444	7,778
(Over)/under provision in respect of prior years	(401)	3,870
Total current taxation	43,832	35,912

Deferred tax

	2011 €'000	2010 €'000
Irish at 12.5%	(3,329)	(1,196)
United Kingdom at 26%	1,797	3,321
Other overseas deferred tax	(1,140)	85
Under/(over) provision in respect of prior years	2,611	(4,915)
Total deferred tax credit	(61)	(2,705)

Total income tax expense

43,771 33,207

(ii) Deferred tax recognised directly in Equity

	2011 €'000	2010 €'000
Defined benefit pension obligations	(336)	(861)
Cash flow hedges	341	107
	5	(754)

(iii) Reconciliation of effective tax rate

	2011 %	2010 %
Profit on ordinary activities before taxation	189,568	164,901
Share of associates' profit after tax	239	(152)
Amortisation of intangible assets	10,962	6,150
	200,769	170,899
Total income tax expense	43,771	33,207
Deferred tax attaching to amortisation of intangible assets	2,742	1,363
	46,513	34,570
Taxation as a percentage of profit before share of associates' (loss)/profit after tax, amortisation of intangible assets and net exceptionals	21.0%	19.0%
Impact of net exceptionals	2.2%	1.2%
Taxation as a percentage of profit before share of associates' (loss)/profit after tax and amortisation of intangible assets	23.2%	20.2%

Notes to the Financial Statements (continued)

15. Income Tax Expense (continued)

The following table relates the applicable Republic of Ireland statutory tax rate to the effective tax rate of the Group:

	2011 %	2010 %
Irish corporation tax rate	12.5	12.5
Manufacturing relief	(0.1)	(0.1)
Effect of earnings taxed at different rates and other	10.8	7.8
	23.2	20.2

(iv) Factors that may affect future tax rates and other disclosures

No significant change is expected to the standard rate of corporation tax in the Republic of Ireland which is currently 12.5%. The standard rate of corporation tax in the UK reduced from 28% to 26% on 1 April 2011 and will reduce by a further 1% per annum up to April 2014 when the tax rate will be 23%.

No provision for tax has been recognised in respect of the unremitted earnings of subsidiaries as there is no commitment to remit earnings. Similarly, no deferred tax assets or liabilities have been recognised in respect of temporary differences associated with investments in subsidiaries.

16. Profit Attributable to DCC plc

Profit after taxation for the year attributable to equity shareholders amounting to €10.284 million (2010: €3.852 million) has been accounted for in the financial statements of the Company. In accordance with Section 148(8) of the Companies Act 1963, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting. The Company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by Section 7(1A) of the Companies (Amendment) Act 1986.

17. Dividends

	2011 €'000	2010 €'000
Dividends paid per Ordinary Share are as follows:		
Final - paid 43.70 cent per share on 22 July 2010 (2010: paid 39.73 cent per share on 23 July 2009)	36,296	32,657
Interim - paid 26.11 cent per share on 3 December 2010 (2010: paid 23.74 cent per share on 4 December 2009)	21,738	19,526
	58,034	52,183

The Directors are proposing a final dividend in respect of the year ended 31 March 2011 of 48.07 cent per ordinary share (€40.051 million). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

Notes to the Financial Statements (continued)

18. Earnings per Ordinary Share

	2011 €'000	2010 €'000
Profit attributable to owners of the Parent	145,109	130,803
Amortisation of intangible assets after tax	8,220	4,787
Exceptionals after tax (note 11)	15,627	11,049
Adjusted profit after taxation and non-controlling interests	168,956	146,639

Basic earnings per ordinary share

	2011 cent	2010 cent
Basic earnings per ordinary share	174.48c	158.76c
Amortisation of intangible assets after tax	9.88c	5.81c
Exceptionals after tax	18.79c	13.41c
Adjusted basic earnings per ordinary share	203.15c	177.98c

Weighted average number of ordinary shares in issue (thousands)

83,167 82,391

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

Diluted earnings per ordinary share

	2011 cent	2010 cent
Diluted earnings per ordinary share	173.90c	157.92c
Amortisation of intangible assets after tax	9.85c	5.78c
Exceptionals after tax	18.73c	13.34c
Adjusted diluted earnings per ordinary share	202.48c	177.04c

Weighted average number of ordinary shares in issue (thousands)

83,445 82,830

The earnings used for the purposes of the diluted earnings per share calculations were €145.109 million (2010: €130.803 million) and €168.956 million (2010: €146.639 million) for the purposes of the adjusted diluted earnings per share calculations.

The weighted average number of ordinary shares used in calculating the diluted earnings per share for the year ended 31 March 2011 was 83.445 million (2010: 82.830 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:

	2011 '000	2010 '000
Weighted average number of ordinary shares in issue	83,167	82,391
Dilutive effect of options	278	439
Weighted average number of ordinary shares for diluted earnings per share	83,445	82,830

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 are the Company's only category of dilutive potential ordinary shares.

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

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

19. Property, Plant and Equipment

Group	Land & buildings €'000	Plant & machinery & cylinders €'000	Fixtures & fittings & office equipment €'000	Motor vehicles €'000	Total €'000
Year ended 31 March 2011					
Opening net book amount	138,740	138,665	27,751	52,940	358,096
Exchange differences	(134)	(54)	(125)	(60)	(373)
Acquisition of subsidiaries (note 45)	1,281	13,778	6,378	1,271	22,708
Disposal of subsidiaries	(3,445)	(719)	(383)	(674)	(5,221)
Additions	15,929	28,984	12,332	26,778	84,023
Disposals	(783)	(1,583)	(325)	(2,077)	(4,768)
Depreciation charge	(3,097)	(25,036)	(9,849)	(14,924)	(52,906)
Impairment charge (note 11)	(5,401)	(673)	-	-	(6,074)
Reclassifications	2,272	(2,382)	184	(74)	-
Closing net book amount	145,362	150,980	35,963	63,180	395,485
At 31 March 2011					
Cost	173,732	392,678	106,014	135,954	808,378
Accumulated depreciation	(28,370)	(241,698)	(70,051)	(72,774)	(412,893)
Net book amount	145,362	150,980	35,963	63,180	395,485
Year ended 31 March 2010					
Opening net book amount	118,352	119,924	29,364	51,661	319,301
Exchange differences	2,657	3,894	901	2,031	9,483
Acquisition of subsidiaries (note 45)	18,539	8,929	800	10,264	38,532
Additions	3,661	30,580	7,033	5,655	46,929
Disposals	(1,926)	(2,631)	(884)	(3,752)	(9,193)
Depreciation charge	(2,564)	(21,353)	(9,642)	(13,397)	(46,956)
Reclassifications	21	(678)	179	478	-
Closing net book amount	138,740	138,665	27,751	52,940	358,096
At 31 March 2010					
Cost	159,466	362,245	91,022	124,548	737,281
Accumulated depreciation	(20,726)	(223,580)	(63,271)	(71,608)	(379,185)
Net book amount	138,740	138,665	27,751	52,940	358,096

Assets held under finance leases

The net carrying amount and the depreciation charge during the year in respect of assets held under finance leases and accordingly capitalised in property, plant and equipment are as follows:

	2011 €'000	2010 €'000
Cost	54,712	55,712
Accumulated depreciation	(53,215)	(52,784)
Net book amount	1,497	2,928
Depreciation charge for the year	607	1,119

Notes to the Financial Statements (continued)

20. Intangible Assets

Group	Goodwill €'000	Customer relationships €'000	Total €'000
Year ended 31 March 2011			
Opening net book amount	561,077	34,013	595,090
Exchange differences	2,170	391	2,561
Arising on acquisition (note 45)	46,783	15,075	61,858
Disposal of subsidiaries	(9,394)	-	(9,394)
Other movements (note 33)	(3,039)	-	(3,039)
Amortisation charge	-	(10,962)	(10,962)
Closing net book amount	597,597	38,517	636,114
At 31 March 2011			
Cost	624,397	81,143	705,540
Accumulated amortisation	(26,800)	(42,626)	(69,426)
Net book amount	597,597	38,517	636,114
Year ended 31 March 2010			
Opening net book amount	429,299	13,889	443,188
Exchange differences	11,012	943	11,955
Arising on acquisition (note 45)	123,094	25,331	148,425
Revisions to prior year acquisitions	(420)	-	(420)
Impairment charge	(1,908)	-	(1,908)
Amortisation charge	-	(6,150)	(6,150)
Closing net book amount	561,077	34,013	595,090
At 31 March 2010			
Cost	588,695	66,687	655,382
Accumulated amortisation	(27,618)	(32,674)	(60,292)
Net book amount	561,077	34,013	595,090

Goodwill acquired in business combinations is allocated, at acquisition, to the cash-generating units (CGUs) that are expected to benefit from that business combination. A summary of the allocation of the carrying value of goodwill by segment is as follows:

	2011 €'000	2010 €'000
DCC Energy	312,460	294,850
DCC SerCom	105,003	77,719
DCC Healthcare	86,296	96,378
DCC Environmental	63,865	62,757
DCC Food & Beverage	29,973	29,373
	597,597	561,077

In accordance with IAS 36 *Impairment of Assets*, the cash generating units to which significant amounts of goodwill have been allocated are as follows:

	2011 €'000	2010 €'000
GB Oils Group	214,120	197,556
Fannin Healthcare Group	68,924	71,845

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to CGUs for the purpose of impairment testing. Goodwill is tested for impairment by review of profit and cash flow forecasts and budgets.

The CGUs represent the lowest level within the Group at which the associated goodwill is monitored for management purposes and are not larger than the operating segments determined in accordance with IFRS 8 *Operating Segments*.

Notes to the Financial Statements (continued)

20. Intangible Assets (continued)

The recoverable amount of each CGU is based on a value in use computation. The cash flow forecasts employed for this computation are extracted from a three year plan and specifically exclude future acquisition activity. Cash flows for a further two years are based on the assumptions underlying the three year plan. A terminal value reflecting inflation (2011: 2.5%; 2010: 2.5%) is applied to the year five cash flows. A present value of the future cash flows is calculated using a before-tax discount rate representing the Group's estimated before-tax average cost of capital (2011: 8.0%; 2010: 8.0%). Applying these techniques, no impairment charge arose in 2011 (2010: €1.908 million).

Key assumptions include management's estimates of future profitability, capital expenditure requirements, working capital investment and tax considerations. Forecasts are generally based on historical performance together with management's expectation of future trends affecting the industry and other developments and initiatives in the business.

Sensitivity analysis was performed using a discount rate of 10.0% and a terminal growth rate of 1.5% and resulted in an excess in the recoverable amount of all CGUs over their carrying amount. Management believes that any reasonable change in any of the key assumptions would not cause the carrying value of goodwill to exceed the recoverable amount.

21. Investments in Associates

	2011 €'000	2010 €'000
At 1 April	2,393	2,208
Acquisition of subsidiaries (note 45)	127	-
Share of (loss)/profit less dividends	(239)	152
Exchange adjustments and other	-	33
At 31 March	2,281	2,393

Investments in associates at 31 March 2011 includes goodwill of €0.534 million (2010: €0.534 million).

The Group's geographical share of the assets (including goodwill) and liabilities of its associates is as follows:

	Non-current assets €'000	Current assets €'000	Non-current liabilities €'000	Current liabilities €'000	Net assets €'000
As at 31 March 2011					
Ireland	787	3,338	(1,808)	(148)	2,169
France	7	769	(534)	(130)	112
	794	4,107	(2,342)	(278)	2,281
As at 31 March 2010					
Ireland	873	3,351	(1,609)	(222)	2,393
France	-	-	-	-	-
	873	3,351	(1,609)	(222)	2,393

Details of the Group's associates are as follows:

Name and Registered Office	Nature of Business	% Shareholding	Relevant Share Capital
John Hinde International Limited, IDA Business Park, Southern Cross Road, Bray, Co Wicklow.	Sale of tourism, gift and novelty products.	32.6%	10,726 ordinary shares of €1.25 each.
Lee Oil (Cork) Limited, Clonminam Industrial Estate, Portlaoise, Co Laois.	Sale and distribution of oil products.	50.0%	100 ordinary shares of €1.26 each.
SAS Blue Stork Industry 300, rue du Président Salvador Allende, 92700 Colombes, France.	Sales and distribution of computer hardware, software and peripherals.	20.0%	740 ordinary shares of €10 each.

Company	2011 €'000	2010 €'000
At 31 March	1,244	1,244

Notes to the Financial Statements (continued)

22. Investments in Subsidiary Undertakings

Company	2011 €'000	2010 €'000
At 1 April	168,065	161,065
Additions	-	7,000
At 31 March	168,065	168,065

Details of the Group's principal operating subsidiaries are shown on pages 132 to 135. Non-wholly owned subsidiaries comprises DCC Environmental Britain Limited (70%) (which owns 100% of Wastecycle Limited and William Tracey Limited) where put and call options exist to acquire the remaining 30%, Comtrade SA (74%) where a deferred purchase agreement is in place to acquire the remaining 26% and Virtus Limited (51%).

The Group's principal overseas holding company subsidiaries are DCC Limited, a company operating, incorporated and registered in England and Wales and DCC International Holdings B.V., a company operating, incorporated and registered in The Netherlands. The registered office of DCC Limited is at Hill House, 1 Little New Street, London EC4A 3TR, England. The registered office of DCC International Holdings B.V. is Teleport Boulevard 140, 1043 EJ Amsterdam, The Netherlands.

23. Inventories

Group	2011 €'000	2010 €'000
Raw materials	9,601	9,073
Work in progress	1,842	2,047
Finished goods	236,686	223,778
	248,129	234,898

24. Trade and Other Receivables

Group	2011 €'000	2010 €'000
Trade receivables	979,553	877,575
Provision for impairment of trade receivables (note 46)	(31,202)	(30,590)
Prepayments and accrued income	43,708	47,156
Value added tax recoverable	19,410	10,464
Other debtors	22,806	17,414
	1,034,275	922,019

Company	2011 €'000	2010 €'000
Amounts owed by subsidiary undertakings	414,312	421,444
Prepayments and accrued income	2	1
Value added tax recoverable	-	17
	414,314	421,462

25. Trade and Other Payables

Group	2011 €'000	2010 €'000
Trade payables	934,004	852,794
Other creditors and accruals	156,628	139,706
PAYE and National Insurance	15,240	11,744
Value added tax	38,142	31,167
Government grants (note 35)	127	175
Interest payable	4,950	4,002
Amounts due in respect of property, plant and equipment	695	53
	1,149,786	1,039,641

Company	2011 €'000	2010 €'000
Amounts due to subsidiary undertakings	315,322	284,734
Other creditors and accruals	1,128	1,151
	316,450	285,885

Notes to the Financial Statements (continued)

26. Movement in Working Capital

Group	Inventories €'000	Trade and other receivables €'000	Trade and other payables €'000	Total €'000
Year ended 31 March 2011				
At 1 April 2010	234,898	922,019	(1,039,641)	117,276
Translation adjustment	926	1,130	(2,202)	(146)
Arising on acquisition (note 45)	19,214	47,272	(44,224)	22,262
Disposal of subsidiaries	(11,578)	(12,147)	7,436	(16,289)
Exceptional items, interest accruals and other	-	439	(1,792)	(1,353)
Increase/(decrease) in working capital (note 41)	4,669	75,562	(69,363)	10,868
At 31 March 2011	248,129	1,034,275	(1,149,786)	132,618
Year ended 31 March 2010				
At 1 April 2009	208,759	672,782	(696,294)	185,247
Translation adjustment	6,131	21,462	(20,908)	6,685
Arising on acquisition (note 45)	9,917	86,765	(102,869)	(6,187)
Exceptional items, interest accruals and other	(959)	477	3,827	3,345
Increase/(decrease) in working capital (note 41)	11,050	140,533	(223,397)	(71,814)
At 31 March 2010	234,898	922,019	(1,039,641)	117,276
Company		Trade and other receivables €'000	Trade and other payables €'000	Total €'000
Year ended 31 March 2011				
At 1 April 2010		421,462	(296,272)	125,190
Decrease in working capital (note 41)		(7,148)	(30,565)	(37,713)
At 31 March 2011		414,314	(326,837)	87,477
Year ended 31 March 2010				
At 1 April 2009		452,817	(274,536)	178,281
Decrease in working capital (note 41)		(31,355)	(21,736)	(53,091)
At 31 March 2010		421,462	(296,272)	125,190

27. Cash and Cash Equivalents

Group	2011 €'000	2010 €'000
Cash at bank and in hand	185,106	178,746
Short-term bank deposits	515,234	536,171
	700,340	714,917

Cash at bank earns interest at floating rates based on daily bank deposit rates. The short-term deposits are for periods up to three months and earn interest at the respective short-term deposit rates.

Cash and cash equivalents include the following for the purposes of the Group Cash Flow Statement:

	2011 €'000	2010 €'000
Cash and short-term bank deposits	700,340	714,917
Bank overdrafts	(34,212)	(39,956)
	666,128	674,961

Bank overdrafts are included within current borrowings (note 29) in the Group Balance Sheet.

Company	2011 €'000	2010 €'000
Cash at bank and in hand	30	6,232

Notes to the Financial Statements (continued)

28. Derivative Financial Instruments

Group	2011 €'000	2010 €'000
Non-current assets		
Interest rate swaps - fair value hedges	19,778	20,343
Cross currency interest rate swaps - fair value hedges	64,598	81,578
	84,376	101,921
Current assets		
Forward contracts - cash flow hedges	161	38
Commodity contracts - cash flow hedges	3,076	137
Commodity contracts - fair value hedges	319	-
Forward contracts - not designated as hedges	6	409
Commodity contracts - not designated as hedges	-	759
	3,562	1,343
Total assets	87,938	103,264
Non-current liabilities		
Currency swaps - not designated as hedges	(26,845)	(19,296)
Cross currency interest rate swaps - fair value hedges	(2,875)	(34)
Interest rate swaps - fair value hedges	(422)	(1)
	(30,142)	(19,331)
Current liabilities		
Forward contracts - cash flow hedges	(375)	(231)
Commodity contracts - cash flow hedges	(38)	(293)
Forward contracts - not designated as hedges	(120)	(33)
	(533)	(557)
Total liabilities	(30,675)	(19,888)
Net asset arising on derivative financial instruments	57,263	83,376

The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than twelve months and as a current asset or liability if the maturity of the hedged item is less than twelve months.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts designated as fair value hedges under IAS 39 at 31 March 2011 total US\$200.0 million, Stg£55.0 million and €20.0 million. At 31 March 2011, the fixed interest rates vary from 4.58% to 6.18% and the floating rates are based on US\$ LIBOR, sterling LIBOR and EURIBOR.

Currency swaps

The Group utilises currency swaps in conjunction with interest rate swaps designated as fair value hedges (as noted above) to swap fixed rate US\$ denominated debt into floating rate euro debt. The currency swaps (which swap floating US\$ denominated debt based on US\$ LIBOR into floating euro denominated debt based on EURIBOR) have notional principal amounts of US\$200.0 million/€167.113 million and are not designated as hedges under IAS 39.

Cross currency interest rate swaps

The Group utilises cross currency interest rate swaps to swap fixed rate US\$ denominated debt of US\$683.0 million into floating rate sterling debt of Stg£306.967 million and floating rate euro debt of €110.051 million. At 31 March 2011 the fixed interest rates vary from 4.37% to 6.19%. These swaps are designated as fair value hedges under IAS 39.

Forward foreign exchange contracts

The notional principal amounts of outstanding forward foreign exchange contracts at 31 March 2011 total €33.841 million (2010: €25.283 million). Gains and losses recognised in the cash flow hedge reserve in equity (note 38) at 31 March 2011 on forward foreign exchange contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to twelve months after the balance sheet date.

Commodity price forward contracts

The notional principal amounts of outstanding forward commodity contracts at 31 March 2011 total €12.879 million (2010: €3.535 million). Gains and losses recognised in the cash flow hedge reserve in equity (note 38) at 31 March 2011 on forward commodity contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to twelve months after the balance sheet date.

29. Borrowings

Group	2011 €'000	2010 €'000
Non-current		
Bank borrowings	350	1,776
Finance leases*	413	732
Unsecured Notes due 2013 to 2022	761,481	791,155
	762,244	793,663
Current		
Bank borrowings	34,668	47,318
Finance leases*	475	1,341
Loan notes	120	9,510
Unsecured Notes due 2011	5,279	-
	40,542	58,169
Total borrowings	802,786	851,832

*Secured on specific plant and equipment

	2011 €'000	2010 €'000
The maturity of non-current borrowings is as follows:		
Between 1 and 2 years	317	6,503
Between 2 and 5 years	297,940	293,301
Over 5 years	463,987	493,859
	762,244	793,663

Bank borrowings, finance leases and loan notes

Interest on bank borrowings, finance leases and loan notes is at floating rates set in advance for periods ranging from overnight to six months by reference to inter-bank interest rates (EURIBOR, sterling LIBOR and US\$ LIBOR) and consequently fair value approximates carrying amounts.

The Group had various bank borrowing facilities available at 31 March 2011.

Unsecured Notes due 2011 to 2022

The Group's Unsecured Notes due 2011 to 2022 is comprised of fixed rate debt of US\$7.5 million issued in 1996 and maturing in 2011 (the '2011 Notes'), fixed rate debt of US\$200.0 million and Stg£30.0 million issued in 2004 and maturing in 2014 and 2016 (the '2014/16 Notes'), fixed rate debt of US\$200.0 million and Stg£25.0 million issued in 2007 and maturing in 2017 and 2019 (the '2017/19 Notes'), fixed rate debt of US\$120.0 million issued in 2008 and maturing in 2013 and 2015 (the '2013/15 Notes') and fixed rate debt of US\$363.0 million and €20.0 million issued in 2010 and maturing in 2015, 2017, 2020 and 2022 (the '2015/17/20/22 Notes').

The 2013/15 Notes which are all denominated in US\$ have been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US\$ to floating sterling rates, repricing quarterly based on sterling LIBOR.

The 2014/16 Notes denominated in US\$ have been swapped from fixed to floating US\$ rates (using interest rate swaps designated as fair value hedges under IAS 39) and further swapped (using currency swaps not designated as hedges under IAS 39) from floating US\$ to floating euro rates, repricing semi-annually based on EURIBOR. The 2014/16 Notes denominated in sterling have been swapped from fixed to floating sterling rates (using an interest rate swap designated as a fair value hedge under IAS 39), repricing semi-annually based on sterling LIBOR.

The 2017/19 Notes denominated in US\$ have been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US\$ to floating sterling rates, repricing quarterly based on sterling LIBOR. The 2017/19 Notes denominated in sterling have been swapped from fixed to floating sterling rates (using an interest rate swap designated as a fair value hedge under IAS 39), repricing quarterly based on sterling LIBOR.

Of the 2015/17/20/22 Notes denominated in US\$, \$213.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US\$ to floating sterling rates, repricing quarterly based on sterling LIBOR and \$150.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US\$ to floating euro rates, repricing quarterly based on EURIBOR. The 2015/17/20/22 Notes denominated in euro have been swapped from fixed to floating euro rates (using an interest rate swap designated as a fair value hedge under IAS 39), repricing quarterly based on EURIBOR.

Notes to the Financial Statements (continued)

29. Borrowings (continued)

The maturity and interest profile of the Unsecured Notes is as follows:

	2011	2010
Average maturity	6.0 years	7.0 years
Average fixed interest rates*		
- US\$ denominated	5.56%	5.56%
- sterling denominated	5.95%	5.95%
- euro denominated	4.58%	4.58%
Average floating rate including swaps		
- sterling denominated	2.08%	1.94%
- euro denominated	2.24%	2.02%

* Issued and repayable at par

30. Analysis of Net Debt

Reconciliation of opening to closing net debt

The reconciliation of opening to closing net debt for the year ended 31 March 2011 is as follows:

	At 1 April 2010 €'000	Cash flow €'000	Fair value adjustment €'000	Translation adjustment €'000	At 31 March 2011 €'000
Cash and short term bank deposits	714,917	(17,536)	-	2,959	700,340
Overdrafts	(39,956)	6,151	-	(407)	(34,212)
Cash and cash equivalents	674,961	(11,385)	-	2,552	666,128
Bank loans and loan notes	(18,648)	18,168	-	(446)	(926)
Finance leases	(2,073)	1,234	-	(49)	(888)
Unsecured Notes due 2011 to 2022	(791,155)	-	26,733	(2,338)	(766,760)
Derivative financial instruments (net)	83,376	2,331	(28,356)	(88)	57,263
Group net debt (including share of net cash in joint ventures)	(53,539)	10,348	(1,623)	(369)	(45,183)
Group net debt (excluding share of net cash in joint ventures)	(54,678)	9,884	(1,623)	(369)	(46,786)

The reconciliation of opening to closing net debt for the year ended 31 March 2010 is as follows:

	At 1 April 2009 €'000	Cash flow €'000	Fair value adjustment €'000	Translation adjustment €'000	At 31 March 2010 €'000
Cash and short term bank deposits	426,789	276,773	-	11,355	714,917
Overdrafts	(51,272)	12,428	-	(1,112)	(39,956)
Cash and cash equivalents	375,517	289,201	-	10,243	674,961
Bank loans and loan notes	(50,614)	31,886	-	80	(18,648)
Finance leases	(1,599)	(417)	-	(57)	(2,073)
Unsecured Notes due 2011 to 2022	(523,577)	(284,031)	27,066	(10,613)	(791,155)
Derivative financial instruments (net)	109,603	2,001	(28,351)	123	83,376
Group net debt (including share of net cash in joint ventures)	(90,670)	38,640	(1,285)	(224)	(53,539)
Group net debt (excluding share of net cash in joint ventures)	(92,647)	39,582	(1,285)	(328)	(54,678)

Currency profile

The currency profile of net debt at 31 March 2011 is as follows:

	Euro €'000	Sterling €'000	US Dollar €'000	Other €'000	Total €'000
Cash and cash equivalents	199,599	482,660	17,708	373	700,340
Borrowings	(287,803)	(509,523)	(5,460)	-	(802,786)
Derivatives	(16,073)	71,732	1,604	-	57,263
	(104,277)	44,869	13,852	373	(45,183)

Notes to the Financial Statements (continued)

30. Analysis of Net Debt (continued)

The currency profile of net debt at 31 March 2010 is as follows:

	Euro €'000	Sterling €'000	US Dollar €'000	Other €'000	Total €'000
Cash and cash equivalents	198,437	500,337	14,885	1,258	714,917
Borrowings	(305,228)	(538,923)	(5,732)	(1,949)	(851,832)
Derivatives	(6,028)	88,398	1,006	-	83,376
	<u>(112,819)</u>	<u>49,812</u>	<u>10,159</u>	<u>(691)</u>	<u>(53,539)</u>

Interest rate profile

Cash and cash equivalents at 31 March 2011 and 31 March 2010 have maturity periods up to three months (note 27).

Bank borrowings are at floating interest rates for periods less than six months while the Group's Unsecured Notes due 2013 to 2022 have been swapped to floating rates which reset on a quarterly or semi-annual basis (note 29). The Group's Unsecured Notes due 2011 are at a fixed US Dollar rate and the majority of finance leases are at fixed rates.

31. Deferred Income Tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

Group	2011 €'000	2010 €'000
Deferred income tax assets (deductible temporary differences):		
Deficits on Group defined benefit pension obligations	3,180	3,961
Employee share options	515	515
Other deductible temporary differences	5,633	7,690
	9,328	12,166
Deferred income tax liabilities (taxable temporary differences):		
Accelerated tax depreciation and fair value adjustments arising on acquisition	25,224	23,266
Rolled-over capital gains	210	213
	25,434	23,479
The gross movement on the deferred income tax account is as follows:	2011 €'000	2010 €'000
At 1 April	11,313	6,392
Exchange differences	(248)	(348)
Arising on acquisition	4,536	8,728
Disposal of subsidiaries	561	-
Income Statement credit (note 15)	(61)	(2,705)
Tax recognised directly in equity (note 15)	5	(754)
At 31 March	16,106	11,313

32. Retirement Benefit Obligations

Group

The Group operates defined benefit and defined contribution schemes. The pension scheme assets are held in separate trustee administered funds.

The Group operates eight defined benefit pension schemes in the Republic of Ireland and three in the UK. The projected unit credit method has been employed in determining the present value of the defined benefit obligation arising, the related current service cost and, where applicable, past service cost.

Full actuarial valuations were carried out between 1 April 2007 and 1 May 2010. In general, actuarial valuations are not available for public inspection, although the results of valuations are advised to the members of the various pension schemes. Actuarial valuations have been updated to 31 March 2011 for IAS 19 by a qualified actuary.

Notes to the Financial Statements (continued)

32. Retirement Benefit Obligations (continued)

The principal actuarial assumptions used were as follows:

	2011	2010
Republic of Ireland schemes		
Rate of increase in salaries	2.25% - 4.00%	4.00%
Rate of increase in pensions in payment	0.00% - 3.00%	2.00% - 3.00%
Discount rate	5.50%	5.40%
Inflation assumption	2.25%	2.00%
UK schemes		
Rate of increase in salaries	3.60% - 4.60%	4.65%
Rate of increase in pensions in payment	3.60%	3.65%
Discount rate	5.45%	5.55%
Inflation assumption	3.60%	3.65%

The expected long term rates of return on the assets of the schemes were as follows:

	2011	2010
Republic of Ireland schemes		
Equities	7.25%	7.50%
Bonds	3.75%	4.00%
Property	5.75%	6.00%
Cash	2.00%	2.00%
UK schemes		
Equities	7.85%	8.05%
Bonds	4.35%	4.55%
Property	6.85%	7.05%
Cash	0.50%	0.50%

The expected rate of return for equities and property has been calculated assuming that equities and property will outperform bonds by 3.5% and 2.0% per annum respectively over the long term in the Republic of Ireland schemes and 3.5% and 2.5% per annum respectively over the long term in the UK schemes. The expected rate of return for bonds has been based on bond indices as at 31 March.

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in both geographic regions. The average life expectancy in years of a pensioner retiring at age 65 is as follows:

	2011	2010
Current pensioners		
Male	23.2	22.0
Female	25.0	25.1
Future pensioners		
Male	26.3	23.3
Female	27.7	26.4

The Group does not operate any post-employment medical benefit schemes.

The net pension liability recognised in the Balance Sheet is analysed as follows:

	2011		
	ROI €'000	UK €'000	Total €'000
Equities	27,273	5,168	32,441
Bonds	37,719	7,051	44,770
Property	1,691	1,064	2,755
Cash	3,523	234	3,757
Total market value at 31 March 2011	70,206	13,517	83,723
Present value of scheme liabilities	(83,885)	(19,173)	(103,058)
Net pension liability at 31 March 2011	(13,679)	(5,656)	(19,335)

32. Retirement Benefit Obligations (continued)

	2010		
	ROI €'000	UK €'000	Total €'000
Equities	36,754	6,103	42,857
Bonds	17,028	6,220	23,248
Property	1,659	980	2,639
Cash	10,491	718	11,209
Total market value at 31 March 2010	65,932	14,021	79,953
Present value of scheme liabilities	(83,188)	(20,455)	(103,643)
Net pension liability at 31 March 2010	(17,256)	(6,434)	(23,690)

The amounts recognised in the Group Income Statement in respect of defined benefit pension schemes is as follows:

	2011 €'000	2010 €'000
Current service cost	(2,383)	(2,662)
Total, included in employee benefit expenses (note 9)	(2,383)	(2,662)
Curtailment and settlement gains	4,976	-
Total, included in exceptional items (note 11)	4,976	-
Interest cost, included in finance costs (note 12)	(5,347)	(4,997)
Expected return on plan assets, included in finance income (note 12)	4,691	3,456
Total	(656)	(1,541)

Based on the assumptions employed for the valuation of assets and liabilities at 31 March 2011, the net charge in the Group Income Statement in the year ending 31 March 2012 is expected to be marginally lower than the current year figures.

The actuarial gain recognised in the Group Statement of Comprehensive Income is as follows:

	2011 €'000	2010 €'000
Actual return less expected return on pension scheme assets	(2,030)	13,178
Experience gains and losses arising on the scheme liabilities	1,344	2,231
Changes in assumptions underlying the present value of the scheme liabilities	(1,904)	(17,004)
Total, included in the Group Statement of Comprehensive Income	(2,590)	(1,595)

The movement in the fair value of plan assets is as follows:

	2011 €'000	2010 €'000
At 1 April	79,953	52,265
Expected return on assets	4,691	3,456
Actuarial (loss)/gain	(2,030)	13,178
Contributions by employers	5,080	11,665
Contributions by members	468	368
Benefits paid	(4,551)	(2,445)
Acquisition of subsidiary	-	1,011
Exchange	112	455
At 31 March	83,723	79,953

The actual return on plan assets was a gain of €2.661 million (2010: gain of €16.634 million).

Notes to the Financial Statements (continued)

32. Retirement Benefit Obligations (continued)

The movement in the present value of defined benefit obligations is as follows:

	2011 €'000	2010 €'000
At 1 April	103,643	81,763
Current service cost	2,383	2,662
Interest cost	5,347	4,997
Actuarial loss	560	14,773
Contributions by members	468	368
Benefits paid	(4,551)	(2,445)
Acquisition of subsidiary	-	954
Curtailment and settlement gains	(4,976)	-
Exchange	184	571
At 31 March	103,058	103,643

The level of contributions for the forthcoming financial year are expected to be broadly in line with the current year amounts.

History of scheme assets, liabilities and actuarial gains and losses

The five-year history in respect of assets, liabilities and actuarial gains and losses for the Group are as follows:

	2011 €'000	2010 €'000	2009 €'000	2008 €'000	2007 €'000
Fair value of assets	83,723	79,953	52,265	67,907	74,980
Present value of liabilities	(103,058)	(103,643)	(81,763)	(89,758)	(91,352)
Net pension liability	(19,335)	(23,690)	(29,498)	(21,851)	(16,372)
Difference between the expected and actual return on scheme assets	(2,030)	13,178	(21,904)	(13,935)	904
As a percentage of scheme assets	(2.4%)	16.5%	(41.9%)	(20.5%)	1.2%
Experience gains and losses on scheme liabilities	1,344	2,231	(589)	(3,737)	884
As a percentage of the present value of the scheme liabilities	(1.3%)	(2.2%)	0.7%	4.2%	(1.0%)
Total recognised in the Group Statement of Comprehensive Income	(2,590)	(1,595)	(9,517)	(9,086)	1,576
As a percentage of the present value of the scheme liabilities	2.5%	1.5%	11.6%	10.1%	(1.7%)

Cumulatively since transition to IFRS on 1 April 2004, €27.175 million has been recognised as a charge in the Group Statement of Comprehensive Income as follows:

	€'000
Recognised in the financial year ended 31 March 2005	(7,742)
Recognised in the financial year ended 31 March 2006	1,779
Recognised in the financial year ended 31 March 2007	1,576
Recognised in the financial year ended 31 March 2008	(9,086)
Recognised in the financial year ended 31 March 2009	(9,517)
Recognised in the financial year ended 31 March 2010	(1,595)
Recognised in the financial year ended 31 March 2011	(2,590)
	(27,175)

Sensitivity analysis for principal assumptions used to measure scheme liabilities

There are inherent uncertainties surrounding the financial assumptions adopted in calculating the actuarial valuation of the Group's defined benefit pension schemes. The following table analyses, for the Group's Irish and UK pension schemes, the estimated impact on plan liabilities resulting from changes to key actuarial assumptions, whilst holding all other assumptions constant.

Assumption	Change in assumption	Impact on Irish plan liabilities	Impact on UK plan liabilities
Discount rate	Increase/decrease by 0.25%	Decrease/increase by 5.4%	Decrease/increase by 5.9%
Price inflation	Increase/decrease by 0.25%	Increase/decrease by 3.4%	Increase/decrease by 5.5%
Mortality	Increase/decrease by one year	Increase/decrease by 2.1%	Increase/decrease by 2.5%

33. Deferred and Contingent Acquisition Consideration**Group**

The Group's deferred and contingent acquisition consideration of €74.344 million (2010: €54.209 million) as stated on the Balance Sheet consists of €14.797 million of € floating rate provisions (2010: €12.885 million) and €59.547 million of Stg£ floating rate provisions (2010: €41.324 million) payable as follows:

	2011 €'000	2010 €'000
Within one year	9,156	4,858
Between one and two years	9,843	5,059
Between two and five years	55,345	44,292
	74,344	54,209
Analysed as:		
Non-current liabilities	65,188	49,351
Current liabilities	9,156	4,858
	74,344	54,209

The movement in the Group's deferred and contingent acquisition consideration is as follows:

	2011 €'000	2010 €'000
At 1 April	54,209	21,147
Arising on acquisition	27,050	36,198
Unwinding of discount applicable to deferred and contingent acquisition consideration	946	450
Disposal of subsidiaries	(1,106)	-
Amounts no longer required (note 20)	(3,039)	-
Paid during the year	(3,709)	(4,127)
Exchange	(7)	541
At 31 March	74,344	54,209

34. Provisions for Liabilities and Charges

The reconciliation of the movement in provisions for liabilities and charges for the year ended 31 March 2011 is as follows:

Group	Environmental and remediation €'000	Insurance and other €'000	Rationalisation, restructuring and redundancy €'000	Total €'000
At 1 April 2010	8,545	4,220	5,036	17,801
Provided during the year	300	698	2,119	3,117
Utilised during the year	(655)	(259)	(2,401)	(3,315)
Arising on acquisition (note 45)	-	36	34	70
Disposal of subsidiaries	-	(52)	(348)	(400)
Exchange and other	68	62	(38)	92
At 31 March 2011	8,258	4,705	4,402	17,365
Analysed as:				
Non-current liabilities	7,955	4,158	2,143	14,256
Current liabilities	303	547	2,259	3,109
	8,258	4,705	4,402	17,365

Notes to the Financial Statements (continued)

34. Provisions for Liabilities and Charges (continued)

The reconciliation of the movement in provisions for liabilities and charges for the year ended 31 March 2010 is as follows:

Group	Environmental and remediation €'000	Insurance and other €'000	Rationalisation, restructuring and redundancy €'000	Total €'000
At 1 April 2009	4,231	4,168	10,664	19,063
Provided during the year	(189)	30	6,843	6,684
Utilised during the year	-	(1,087)	(12,609)	(13,696)
Arising on acquisition (note 45)	4,317	1,082	-	5,399
Exchange and other	186	27	138	351
At 31 March 2010	8,545	4,220	5,036	17,801
Analysed as:				
Non-current liabilities	8,120	1,294	2,015	11,429
Current liabilities	425	2,926	3,021	6,372
	8,545	4,220	5,036	17,801

Environmental and remediation

This provision relates to obligations governing site remediation and improvement costs to be incurred in compliance with environmental regulations. The net present value of the estimated costs is capitalised as property, plant and equipment. The unwinding of the discount element on the provision is reflected in the Income Statement. Provision is made for the net present value of post closure costs based on the quantity of waste input into the landfill during the year. Ongoing costs incurred during the operating life of the sites are written off directly to the Income Statement and are not charged to the provision. The majority of the obligations will unwind over a 30-year timeframe.

Insurance and other

The insurance provision relates to employers liability and public and products liability and reflects an estimation of the excess not recoverable from insurers arising from claims against Group companies. A significant element of the provision is subject to external assessments. The claims triangles applied in valuation indicate that these provisions have an average life of four years (2010: four years).

Rationalisation and redundancy

This provision relates to various rationalisation and restructuring programs across the Group. The majority of this provision falls due within one year.

35. Government Grants

Group	2011 €'000	2010 €'000
At 1 April	3,853	2,136
Amortisation in year	(730)	(800)
Received in year	626	1,799
Arising on acquisition (note 45)	-	650
Disposal of subsidiaries	(788)	-
Exchange and other adjustments	30	68
At 31 March	2,991	3,853
Disclosed as due within one year (note 25)	(127)	(175)
	2,864	3,678

36. Share Capital

Group and Company

Authorised

152,368,568 ordinary shares of €0.25 each

38,092 38,092

Issued

88,229,404 ordinary shares (including 4,911,407 ordinary shares held as Treasury Shares) of €0.25 each, fully paid (2010: 88,229,404 ordinary shares (including 5,224,345 ordinary shares held as Treasury Shares) of €0.25 each, fully paid)

22,057 22,057

Notes to the Financial Statements (continued)

36. Share Capital (continued)

As at 31 March 2011, the total authorised number of ordinary shares is 152,368,568 shares (2010: 152,368,568 shares) with a par value of €0.25 per share (2010: €0.25 per share).

During the year the Company re-issued 312,938 Treasury Shares for a consideration (net of expenses) of €3.835 million.

All shares, whether fully or partly paid, carry equal voting rights and rank for dividends to the extent to which the total amount payable on each share is paid up.

Details of share options granted under the Company's share option schemes and the terms attaching thereto are provided in note 10 to the financial statements and in the Report on Directors' Remuneration and Interests on pages 62 to 68.

37. Share Premium

Group and Company

	2011 €'000	2010 €'000
At 31 March	124,687	124,687

38. Other Reserves

Group	Share options ¹ €'000	Cash flow hedge reserve ² €'000	Foreign currency translation reserve ³ €'000	Other reserves ⁴ €'000	Total €'000
At 31 March 2009	7,807	(1,174)	(153,036)	1,400	(145,003)
Currency translation	-	-	23,264	-	23,264
Cash flow hedges					
- fair value gains in year	-	4,062	-	-	4,062
- tax on fair value gains	-	(926)	-	-	(926)
- transfers to sales	-	(180)	-	-	(180)
- transfers to cost of sales	-	(2,896)	-	-	(2,896)
- tax on transfers	-	819	-	-	819
Share based payment	1,341	-	-	-	1,341
At 31 March 2010	9,148	(295)	(129,772)	1,400	(119,519)
Currency translation	-	-	4,636	-	4,636
Cash flow hedges					
- fair value gains in year	-	9,038	-	-	9,038
- tax on fair value gains	-	(1,935)	-	-	(1,935)
- transfers to sales	-	(116)	-	-	(116)
- transfers to cost of sales	-	(7,299)	-	-	(7,299)
- tax on transfers	-	1,594	-	-	1,594
Share based payment	1,389	-	-	-	1,389
At 31 March 2011	10,537	987	(125,136)	1,400	(112,212)

Company

	Other reserves ⁵ €'000
At 31 March 2011 and 31 March 2010	344

¹ The share option reserve comprises the amounts expensed in the Income Statement in connection with share based payments.

² The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

³ The foreign currency translation reserve represents all foreign exchange differences from 1 April 2004 arising from the translation of the net assets of the Group's non-euro denominated operations, including the translation of the profits and losses of such operations from the average rate for the year to the closing rate at the balance sheet date.

⁴ The Group's other reserves comprise a capital conversion reserve fund and an unrealised gain on the disposal of an associate.

⁵ The Company's other reserves is a capital conversion reserve fund.

Notes to the Financial Statements (continued)

39. Retained Earnings

Group	2011 €'000	2010 €'000
At 1 April	806,452	720,909
Net income recognised in Income Statement	145,109	130,803
Net income recognised directly in equity		
- actuarial loss on Group defined benefit pension schemes	(2,590)	(1,595)
- deferred tax on actuarial loss	336	861
Re-issue of treasury shares (net of expenses)	3,835	7,657
Dividends	(58,034)	(52,183)
At 31 March	895,108	806,452
Company	2011 €'000	2010 €'000
At 1 April	153,643	194,317
Total comprehensive income for the financial year	10,284	3,852
Re-issue of treasury shares (net of expenses)	3,835	7,657
Dividends	(58,034)	(52,183)
At 31 March	109,728	153,643

The cost to the Group and the Company of €64.489 million to acquire the 4,911,407 shares held in Treasury has been deducted from the Group and Company Retained Earnings. These shares were acquired at prices ranging from €10.50 to €17.90 each (average: €13.13) between 12 November 2003 and 19 June 2006.

40. Non-Controlling Interests

Group	2011 €'000	2010 €'000
At 1 April	3,249	3,581
Acquisition of non-controlling interests in subsidiary undertaking (note 45)	-	(1,037)
Share of profit for the financial year	688	891
Dividends to non-controlling interests	(219)	(275)
Disposal of subsidiaries	(1,457)	-
Exchange and other adjustments	(27)	89
At 31 March	2,234	3,249

Notes to the Financial Statements (continued)

41. Cash Generated from Operations

Group	2011 €'000	2010 €'000
Profit for the financial year	145,797	131,694
Add back non-operating (income)/expense		
- tax (note 15)	43,771	33,207
- share of loss/(profit) from associates (note 14)	239	(152)
- net operating exceptionals (note 11)	12,650	9,764
- net finance costs (note 12)	16,201	12,170
Operating profit before exceptionals	218,658	186,683
- share-based payments expense (note 10)	1,389	1,341
- depreciation (note 19)	52,906	46,956
- amortisation (note 20)	10,962	6,150
- profit on sale of property, plant and equipment	(818)	(1,515)
- amortisation of government grants (note 35)	(730)	(800)
- other	(1,927)	(12,872)
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):		
- inventories (note 26)	(4,669)	(11,050)
- trade and other receivables (note 26)	(75,562)	(140,533)
- trade and other payables (note 26)	69,363	223,397
Cash generated from operations	269,572	297,757
Company	2011 €'000	2010 €'000
Profit for the financial year	10,284	3,852
Add back non-operating income		
- tax	-	(2)
- net finance costs	(13,241)	(5,553)
Operating profit	(2,957)	(1,703)
Changes in working capital:		
- trade and other receivables (note 26)	7,148	31,355
- trade and other payables (note 26)	30,565	21,736
Cash generated from operations	34,756	51,388

42. Contingencies

Guarantees

The Company and certain subsidiaries have given guarantees of €1,173.393 million (2010: €1,042.033 million) in respect of borrowings and other obligations arising in the ordinary course of business of the Company and other Group undertakings.

Other

Pursuant to the provisions of Section 17, Companies (Amendment) Act, 1986, the Company has guaranteed the liabilities of the following subsidiaries; Altimate Ireland Limited, Alvalbay Limited, Arc Telecom Limited, DCC Business Expansion Fund Limited, DCC Corporate 2007 Limited, DCC Corporate Partners Limited, DCC Energy Limited, DCC Finance Limited, DCC Funding 2007 Limited, DCC Healthcare Limited, DCC Management Services Limited, DCC Nominees Limited, DCC SerCom Limited, Emo Oil Limited, Fannin Limited, Fannin Compounding Limited, Flogas Ireland Limited, Great Gas Petroleum (Ireland) Limited, Lotus Green Limited, SerCom (Holdings) Limited, SerCom Property Limited, Shannon Environmental Holdings Limited and Sharptext Limited. As a result, these companies will be exempted from the filing provisions of Section 7, Companies (Amendment) Act, 1986.

Notes to the Financial Statements (continued)

43. Capital Expenditure Commitments

Group	2011 €'000	2010 €'000
Capital expenditure on property, plant and equipment that has been contracted for but has not been provided for in the financial statements	4,109	2,665
Capital expenditure on property, plant and equipment that has been authorised by the Directors but has not yet been contracted for	75,024	60,487
	79,133	63,152

44. Commitments under Operating and Finance Leases

Group

Operating leases

Future minimum rentals payable under non-cancellable operating leases at 31 March are as follows:

	2011 €'000	2010 €'000
Within one year	12,962	18,154
After one year but not more than five years	41,050	42,223
More than five years	77,094	79,130
	131,106	139,507

The Group leases a number of properties under operating leases. The leases typically run for a period of 10 to 25 years. Rents are generally reviewed every five years.

During the year ended 31 March 2011, €25.510 million (2010: €24.399 million) was recognised as an expense in the Income Statement in respect of operating leases.

Finance leases

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	2011		2010	
	Minimum payments €'000	Present value of payments €'000	Minimum payments €'000	Present value of payments €'000
Within one year	478	475	1,347	1,341
After one year but not more than five years	423	413	752	732
	901	888	2,099	2,073
Less: amounts allocated to future finance costs	(13)	-	(26)	-
Present value of minimum lease payments	888	888	2,073	2,073

45. Business Combinations

The principal acquisitions completed by the Group during the year, together with percentages acquired were as follows:

- F. Peart (100%): a medium sized oil distribution business which operates from four locations in the north of England, announced on 4 May 2010;
- the acquisition of two oil importation and storage terminals in Scotland, announced on 16 July 2010;
- Comtrade SA (74%): a distributor of consumer electronic and audio visual products to the retail sector in France, announced on 23 August 2010; and
- Advent Data Limited (100%): a UK based distributor of electronic office supplies, announced on 9 March 2011.

Notes to the Financial Statements (continued)

45. Business Combinations (continued)

The carrying amounts of the assets and liabilities acquired (excluding net debt/cash acquired), determined in accordance with IFRS before completion of the business combinations, together with the fair value adjustments made to those carrying values were as follows:

	2011 €'000	2010 €'000
Assets		
Non-current assets		
Property, plant and equipment (note 19)	22,708	38,532
Intangible assets - other intangible assets (note 20)	15,075	25,331
Investments in associates (note 21)	127	-
Deferred income tax assets	47	479
Total non-current assets	37,957	64,342
Current assets		
Inventories (note 26)	19,214	9,917
Trade and other receivables (note 26)	47,272	86,765
Total current assets	66,486	96,682
Equity		
Non-controlling interests (note 40)	-	1,037
Total equity	-	1,037
Liabilities		
Non-current liabilities		
Deferred income tax liabilities	(4,583)	(9,207)
Retirement benefit obligations	-	57
Provisions for liabilities and charges (note 34)	(70)	(5,399)
Deferred and contingent acquisition consideration	-	(450)
Government grants (note 35)	-	(650)
Total non-current liabilities	(4,653)	(15,649)
Current liabilities		
Trade and other payables (note 26)	(44,224)	(102,869)
Current income tax liabilities	(685)	(1,374)
Total current liabilities	(44,909)	(104,243)
Identifiable net assets acquired	54,881	42,169
Intangible assets - goodwill (note 20)	46,783	123,094
Total consideration (enterprise value)	101,664	165,263
Satisfied by:		
Cash	73,503	142,439
Net debt/(cash) acquired	1,111	(12,924)
Net cash outflow	74,614	129,515
Deferred and contingent acquisition consideration	27,050	35,748
Total consideration	101,664	165,263

None of the business combinations completed during the year were considered sufficiently material to warrant separate disclosure of the fair values attributable to those combinations. The carrying amounts of the assets and liabilities acquired, determined in accordance with IFRS, before completion of the combination together with the adjustments made to those carrying values disclosed above were as follows:

Total	Book value €'000	Fair value adjustments €'000	Fair value €'000
Non-current assets (excluding goodwill)	22,882	15,075	37,957
Current assets	68,945	(2,459)	66,486
Non-current liabilities and non-controlling interests	(717)	(3,936)	(4,653)
Current liabilities	(44,909)	-	(44,909)
Identifiable net assets acquired	46,201	8,680	54,881
Goodwill arising on acquisition	55,463	(8,680)	46,783
Total consideration (enterprise value)	101,664	-	101,664

Notes to the Financial Statements (continued)

45. Business Combinations (continued)

The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis in respect of a number of the business combinations above given the timing of closure of these transactions. Any amendments to these fair values within the twelve month timeframe from the date of acquisition will be disclosable in the 2012 Annual Report as stipulated by IFRS 3.

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

None of the goodwill recognised in respect of acquisitions completed during the financial year is expected to be deductible for tax purposes.

The acquisition related costs for these acquisitions included in the Group Income Statement amounted to €3.566 million.

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

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to €49.731 million. The fair value of these receivables is €47.272 million (all of which is expected to be recoverable) and is inclusive of an aggregate allowance for impairment of €1.523 million.

The fair value of contingent consideration recognised at the date of acquisition is calculated by discounting the expected future payment to present value at the acquisition date. In general, for contingent consideration to become payable, pre-defined profit thresholds must be exceeded. On an undiscounted basis, the future payments for which the Group may be liable for acquisitions in the current year range from nil to €45.851 million.

There were no adjustments processed during the year to the fair value of business combinations completed during the year ended 31 March 2010 where those fair values were not readily determinable as at 31 March 2010.

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

	2011 €'000	2010 €'000
Revenue	255,142	454,841
Cost of sales	(234,710)	(415,701)
Gross profit	20,432	39,140
Operating costs	(9,560)	(22,606)
	10,872	16,534
Operating exceptional items	-	(117)
Operating profit	10,872	16,417
Finance costs (net)	(54)	(512)
Profit before tax	10,818	15,905
Income tax expense	(2,943)	(3,891)
Profit for the financial year	7,875	12,014

The revenue and profit of the Group for the financial year determined in accordance with IFRS as though the acquisition date for all business combinations effected during the year had been the beginning of that year would be as follows:

	2011 €'000	2010 €'000
Revenue	8,867,654	7,559,862
Group profit for the financial year	150,412	139,020

46. Financial Risk and Capital Management

Capital risk management

The Group's objectives when managing its capital structure are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, while maintaining a strong balance sheet to support the continued organic and acquisitive growth of its businesses and to maintain investor, creditor and market confidence.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or buy back existing shares, increase or reduce debt or sell assets.

The policy for net debt is to ensure a structure of longer term debt funding and cash balances with deposit maturities up to three months.

The capital structure of the Group, which comprises capital and reserves attributable to the owners of the Parent, net debt and deferred and contingent acquisition consideration, may be summarised as follows:

Group	2011 €'000	2010 €'000
Capital and reserves attributable to the owners of the Parent	929,640	833,677
Net debt (note 30)	45,183	53,539
Deferred and contingent acquisition consideration (note 33)	74,344	54,209
At 31 March	1,049,167	941,425

Financial risk management

Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board of Directors, most recently in November 2010. These policies and guidelines primarily cover credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. The Group does not trade in financial instruments nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange and commodity price exposures within approved policies and guidelines.

There are no significant concentrations of risk and there has been no significant change during the financial year, or since the end of the year, to the types of financial risks faced by the Group or the Group's approach to the management of those risks.

(i) Credit risk management

Credit risk arises from credit exposure to trade debtors, cash and cash equivalents including deposits with banks and financial institutions and derivative and financial instruments.

Trade receivables arise from a wide and varied customer base spread throughout the Group's operations and as such there is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilisation of credit limits is regularly monitored and a significant element of credit risk is covered by credit insurance.

Risk of counterparty default arising on cash and cash equivalents and derivative financial instruments is controlled within a framework of dealing with high quality institutions and, by policy, limiting the amount of credit exposure to any one bank or institution. DCC transacts with a variety of high credit quality financial institutions for the purpose of placing deposits and entering into derivative contracts. The Group actively monitors its credit exposure to each counterparty to ensure compliance with the counterparty risk limits of the Board approved treasury policy. Of the total cash and cash equivalents at 31 March 2011 of €700.340 million, 94.7% (€662.976 million) was with financial institutions with a minimum rating in the P-1 (short-term) category of Moodys. As at 31 March 2011 derivative transactions were with counterparties with ratings ranging from A- to BB (long-term) with Standard and Poors or Baa3 to Aa3 (long-term) with Moodys. In the normal course of business, the Group operates notional cash pooling systems, where a legal right of set-off applies.

Management does not expect any significant counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each asset.

Notes to the Financial Statements (continued)

46. Financial Risk and Capital Management (continued)

Included in the Group's trade and other receivables as at 31 March 2011 are balances of €96.191 million (2010: €94.127 million) which are past due at the reporting date but not impaired in the majority of cases. The aged analysis of these balances is as follows:

Group	2011 €'000	2010 €'000
Less than 1 month overdue	63,213	69,087
1 - 3 months overdue	27,940	16,055
3 - 6 months overdue	3,173	5,130
Over 6 months overdue	1,865	3,855
	96,191	94,127

The movement in the provision for impairment of trade receivables during the year is as follows:

Group	2011 €'000	2010 €'000
At 1 April	30,590	30,753
Provision for impairment recognised in the year	5,317	8,946
Amounts recovered during the year	237	343
Amounts written off during the year	(6,159)	(12,861)
Arising on acquisition	1,523	1,522
Disposal of subsidiaries	(392)	-
Exchange differences	86	1,887
At 31 March	31,202	30,590

Company

There were no past due or impaired trade receivables in the Company at 31 March 2011 (31 March 2010: none).

(ii) Liquidity risk management

The Group maintains a strong balance sheet with long term debt funding and cash balances with deposit maturities up to three months. Wherever possible, surplus funds in the Group are transferred to the centralised treasury department through the repayment of borrowings, deposits and dividends. These are then lent to Group companies or contributed as equity to fund Group operations, used to retire external debt or invested externally. The Group does not use off-balance sheet special purpose entities as a source of liquidity or for other financing purposes. In addition, the Group maintains significant uncommitted credit lines with its relationship banks. Compliance with the Group's biannual debt covenants is monitored continuously based on the management accounts. Sensitivity analyses using various scenarios are applied to forecasts to assess their impact on covenants and net debt. During the year to 31 March 2011 all covenants have been complied with and based on current forecasts it is expected that all covenants will continue to be complied with for the foreseeable future.

The tables below show the projected contractual undiscounted total cash outflows (principal and interest) arising from the Group's trade and other payables, gross debt and derivative financial instruments. The tables also include the gross cash inflows projected to arise from derivative financial instruments. These projections are based on the interest and foreign exchange rates applying at the end of the relevant financial year.

Notes to the Financial Statements (continued)

46. Financial Risk and Capital Management (continued)

Group

As at 31 March 2011

Financial liabilities - cash outflows

	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Trade and other payables	(1,149,786)	-	-	-	(1,149,786)
Interest bearing loans and borrowings	(40,542)	(317)	(278,640)	(425,569)	(745,068)
Interest payments on interest bearing loans and borrowings	(40,117)	(39,061)	(89,959)	(68,357)	(237,494)
Cross currency swaps - gross cash outflows	(14,896)	(14,896)	(292,480)	(391,456)	(713,728)
Other derivative financial instruments	(533)	-	-	-	(533)
	(1,245,874)	(54,274)	(661,079)	(885,382)	(2,846,609)

Derivative financial instruments - cash inflows

	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Interest rate swaps - net cash inflows	3,070	3,070	6,582	357	13,079
Cross currency swaps - gross cash inflows	34,428	34,428	324,135	444,249	837,240
	37,498	37,498	330,717	444,606	850,319

Group

As at 31 March 2010

Financial liabilities - cash outflows

	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Trade and other payables	(1,039,641)	-	-	-	(1,039,641)
Interest bearing loans and borrowings	(58,169)	(6,503)	(276,099)	(462,549)	(803,320)
Interest payments on interest bearing loans and borrowings	(42,895)	(41,161)	(94,771)	(99,535)	(278,362)
Cross currency swaps - gross cash outflows	(12,610)	(12,610)	(277,614)	(409,687)	(712,521)
Other derivative financial instruments	(557)	-	-	-	(557)
	(1,153,872)	(60,274)	(648,484)	(971,771)	(2,834,401)

Derivative financial instruments - cash inflows

	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Interest rate swaps - net cash inflows	3,301	3,301	6,909	4,148	17,659
Cross currency swaps - gross cash inflows	36,296	36,296	325,511	508,201	906,304
	39,597	39,597	332,420	512,349	923,963

The Group has sufficient cash resources and liquid assets to enable it to meet its current borrowing obligations and trade and other payables.

Company

As at 31 March 2011

Financial liabilities - cash outflows

	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Trade and other payables	316,450	-	10,387	-	326,837

Company

As at 31 March 2010

Financial liabilities - cash outflows

	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Trade and other payables	285,885	-	10,387	-	296,272

The Company has sufficient cash resources and liquid assets to enable it to meet its trade and other payables.

Notes to the Financial Statements (continued)

46. Financial Risk and Capital Management (continued)

(iii) Market risk management

Foreign exchange risk management

DCC's reporting currency and that in which its share capital is denominated is the euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations giving rise to exposure to other currencies, primarily sterling and the US dollar.

Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign currency exposures within approved policies and guidelines using forward currency contracts.

The portion of the Group's operating profits which are sterling denominated are offset to a limited degree by certain natural economic hedges that exist within the Group in that a proportion of the purchases by certain of its Irish businesses are sterling denominated. The Group does not hedge the remaining translation exposure on the translation of the profits of foreign currency subsidiaries on the basis that they are not intended to be repatriated.

The Group has investments in sterling operations which are highly cash generative. Although the Group holds significant borrowings denominated or swapped into sterling, these sterling borrowings have been offset by the strong ongoing cash flow generated by the Group's sterling operations leaving the Group with a net position in sterling assets. The marginal increase of 0.6% in the value of sterling against the euro during the year ended 31 March 2011 gave rise to a gain of €4.6 million on the translation of the Group's sterling denominated net asset position at 31 March 2011 as set out in the Statement of Comprehensive Income. Included in this figure is €2.6 million relating to the Group's sterling denominated intangible assets.

The Group has a moderate level of transactional currency exposure arising from sales or purchases by operating units in currencies other than their functional currencies. Where sales or purchases are invoiced in other than the local currency and there is not a natural hedge with other activities within the Group, DCC generally hedges between 50% and 90% of those transactions for the subsequent two months. The Group also hedges a proportion of anticipated transactions in certain subsidiaries for periods ranging up to fifteen months with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes.

Sensitivity to currency movements

Group

A change in the value of other currencies by 10% against the euro would have a €14.7 million (2010: €12.4 million) impact on the Group's profit before tax, would change the Group's equity by €65.2 million and change the Group's net debt by €6.0 million (2010: €58.4 million and €5.9 million respectively). These amounts include an insignificant amount of transactional currency exposure.

Company

The Company does not have any material assets or liabilities denominated in any currency other than euro at 31 March 2011 or at 31 March 2010 and consequently has no exposure to currency movements at 31 March 2011 (31 March 2010: nil).

Interest rate risk management

On a net debt basis, the Group is exposed to changes in interest rates, primarily changes in EURIBOR and sterling LIBOR. Having borrowed at both fixed and floating rates of interest, DCC has swapped its fixed rate borrowings to floating interest rates, using interest rate and cross currency interest rate swaps. Overall interest rate risk on gross borrowings is mitigated by matching, to the extent possible, the maturity of its cash balances with the interest rate reset periods on the swaps related to its borrowings.

Sensitivity of interest charges to interest rate movements

Group

Based on the composition of net debt at 31 March 2011 a one percentage point (100 basis points) change in average floating interest rates would have a €1.5 million (2010: €1.5 million) impact on the Group's profit before tax.

Further information on Group borrowings and the management of related interest rate risk is set out in notes 29 and 28 respectively.

46. Financial Risk and Capital Management (continued)

Company

The effective interest rates earned during the year on cash at bank ranged from 0.4% to 1.5%. Generally the Company holds very low levels of cash or debt throughout the year and consequently has a negligible exposure to movements in interest rates.

Commodity price risk management

The Group is exposed to commodity cost price risk in its oil distribution and LPG businesses. Market dynamics are such that these commodity cost price movements are immediately reflected in oil commodity sales prices and, within a short period, in LPG commodity sales prices. Fixed price oil supply contracts are occasionally provided to certain customers for periods of less than one year. To manage this exposure, the Group enters into matching forward commodity contracts which are designated as hedges under IAS 39. The Group hedges a proportion of its anticipated LPG commodity exposure, with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes. In addition, to cover certain customer segments for whom it is commercially beneficial to avoid price increases, a proportion of LPG commodity price and related foreign exchange exposure is hedged. All commodity hedging counterparties are approved by the Board.

Sensitivity to commodity price movements

Group

Due to pricing dynamics in the oil distribution market, an increase or decrease of 10% in the commodity cost price of oil would have a nil impact on the Group's profit before tax (2010: nil) and a nil impact on the Group's equity (2010: nil).

The impact on the Group's profit before tax and on the Group's equity of an increase or decrease of 10% in the commodity cost price of LPG would be dependant on seasonal variations, competitive pressures and the underlying absolute cost of the commodity at the time and, as such, is difficult to quantify but would not be material.

Company

The Company has no exposure to commodity price risk.

Fair values of financial assets and financial liabilities

The fair values of borrowings (none of which are listed) and derivative financial instruments are measured by discounting cash flows at prevailing interest and exchange rates. The carrying value of non-interest bearing financial assets and financial liabilities and cash and cash equivalents approximates their fair values, largely due to their short-term maturities. The following is a comparison by category of book values and fair values of the Group's and Company's financial assets and financial liabilities:

Group

	2011		2010	
	Book value €'000	Fair value €'000	Book value €'000	Fair value €'000
Financial assets				
Derivative financial instruments	87,938	87,938	103,264	103,264
Trade and other receivables	1,034,275	1,034,275	922,019	922,019
Cash and cash equivalents	700,340	700,340	714,917	714,917
	1,822,553	1,822,553	1,740,200	1,740,200
Financial liabilities				
Borrowings	802,786	778,222	(851,832)	(821,022)
Derivative financial instruments	30,675	30,675	(19,888)	(19,888)
Trade and other payables	1,149,786	1,149,786	(1,039,641)	(1,039,641)
	1,983,247	1,958,683	(1,911,361)	(1,880,551)

Company

Financial assets

Trade and other receivables	414,314	414,314	421,462	421,462
Cash and cash equivalents	30	30	6,232	6,232
	414,344	414,344	427,694	427,694

Financial liabilities

Trade and other payables	(326,837)	(326,837)	(296,272)	(296,272)
	(326,837)	(326,837)	(296,272)	(296,272)

Notes to the Financial Statements (continued)

46. Financial Risk and Capital Management (continued)

Group

The Group has adopted the following fair value measurement hierarchy in relation to its financial assets and financial liabilities that are carried in the Balance Sheet at fair value as at the year end:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs, other than quoted prices included within level 1, that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Group

Fair value measurement as at 31 March 2011

	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial assets				
Derivative financial instruments	-	87,938	-	87,938
	-	87,938	-	87,938
Financial liabilities				
Derivative financial instruments	-	30,675	-	30,675
	-	30,675	-	30,675

Group

Fair value measurement as at 31 March 2010

	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial assets				
Derivative financial instruments	-	103,264	-	103,264
	-	103,264	-	103,264
Financial liabilities				
Derivative financial instruments	-	19,888	-	19,888
	-	19,888	-	19,888

Company

As at 31 March 2011 and 31 March 2010 the Company had no financial assets or financial liabilities which were carried at fair value.

47. Related Party Transactions

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group under IAS 24 *Related Party Disclosures* relate to the existence of subsidiaries, joint ventures and associates and transactions with these entities entered into by the Group and the identification and compensation of key management personnel as addressed in more detail below:

Group

Subsidiaries, joint ventures and associates

The consolidated financial statements include the financial statements of the Company and its subsidiaries, joint ventures and associates as documented in the accounting policies on pages 80 to 88. A listing of the principal subsidiaries, joint ventures and associates is provided in the Group Directory on pages 132 to 135 of this Annual Report.

Transactions are entered into in the normal course of business on an arm's length basis.

Sales to and purchases from, together with outstanding payables and receivables to and from subsidiaries and joint ventures are eliminated in the preparation of the consolidated financial statements.

Compensation of key management personnel

For the purposes of the disclosure requirements under IAS 24, the term 'key management personnel' (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Company) comprises the Board of Directors which manages the business and affairs of the Company. Full disclosure in relation to the compensation entitlements of the Board of Directors is provided in the Report on Directors' Remuneration and Interests on pages 62 to 68 of this Annual Report.

Company

Subsidiaries, joint ventures and associates

During the year the Company did not receive dividends from its subsidiaries or associates (2010: nil). Details of loan balances to/from subsidiaries are provided in the Company Balance Sheet on page 77, in note 24 'Trade and Other Receivables' and in note 25 'Trade and Other Payables'.

During the year the Company was charged a management fee of €3.486 million (2010: €2.892 million) by its subsidiary, DCC Management Services Limited.

48. Events after the Balance Sheet Date

There have been no material events subsequent to 31 March 2011 which would require disclosure in this report.

49. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 9 May 2011.

Group Directory

Principal Subsidiaries and Joint Ventures

DCC Energy

Company name & address	Principal activity	Contact details
DCC Energy Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: energy@dcc.ie www.dcc.ie
Oil		
GB Oils Limited 302 Bridgewater Place, Birchwood Park, Warrington WA3 6XG, England	Procurement, sales, marketing and distribution of petroleum products	Tel: +44 1925 858 500 Fax: +44 1925 858 501 Email: info@gb-oils.co.uk www.gb-oils.co.uk
Emo Oil Limited Clonminam Industrial Estate, Portlaoise, Co. Laois, Ireland	Procurement, sales, marketing and distribution of petroleum products	Tel: +353 578 674 700 Fax: +353 578 674 775 Email: info@emo.ie www.emo.ie
Great Gas Petroleum (Ireland) Limited Market House Churchtown, Mallow, Co Cork, Ireland	Procurement, sales, marketing and distribution of petroleum products	Tel: +353 22 23 989 Fax: +353 22 23 980 Email: info@greatgas.com www.greatgas.com
DCC Energy Limited 40 - 48 Airport Road West, Sydenham, Belfast BT3 9ED, Northern Ireland	Procurement, sales, marketing and distribution of petroleum products	Tel: +44 28 9073 2611 Fax: +44 28 9045 0243 Email: enquiries@emooil.com www.emooil.com
DCC Energi Danmark A/S Naerum Hovedgade 8, 2850 Naerum, Danmark	Procurement, sales, marketing and distribution of petroleum products	Tel: +45 7010 2010-04-21 Fax: +45 4558 0190 Email: info@kundeservice.dccenergi.dk www.dccenergi.dk
Energie Direct MineralölhandelsgesmbH Alte Poststraße 400, A-8055 Graz, Austria	Procurement, sales, marketing and distribution of petroleum products	Tel: +43 316 210 Fax: +43 316 210 20 Email: info@energiedirect.at www.energiedirect.at
LPG		
Flogas UK Limited 81 Raynsway, Syston, Leicester LE7 1PF, England	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +44 116 2649 000 Fax: +44 116 2649 001 Email: enquiries@flogas.co.uk www.flogas.co.uk
Flogas Ireland Limited Knockbrack House, Matthews Lane, Donore Road, Drogheda, Co. Louth, Ireland	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +353 41 9831 041 Fax: +353 41 9834 652 Email: info@flogas.ie www.flogas.ie
Fuel Card		
Fuel Card Services Limited Alexandra House, Lawnswood Business Park, Redvers Close, Leeds LS16 6QY, England	Sale of motor fuels through fuel cards	Tel: +44 113 384 6264 Fax: +44 844 870 9827 Email: info@fuelcardservices.com www.fuelcardservices.com

DCC SerCom

Company name & address	Principal activity	Contact details
SerCom Distribution Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: sercom@dcc.ie www.sercomdistribution.com
Retail		
Gem Distribution Limited St. George House, Parkway, Harlow Business Park, Harlow, Essex CM19 5QF, England	Procurement, sales, marketing and distribution of computer software and peripherals	Tel: +44 1279 822 800 Fax: +44 1279 416 228 Email: info@gem.co.uk www.gem.co.uk
Multichannel Solutions for Entertainment (MSE) Limited Unit 2, Loughlinstown Industrial Estate, Ballybrack, Co. Dublin, Ireland	Procurement, sales, marketing and distribution of DVDs and computer games and accessories	Tel: +353 1 2826 444 Fax: +353 1 2826 532 www.msigroup.ie
Banque Magnetique SAS Paris Nord 2, Parc des Reflets, 99 Avenue de la Pyramide, 95700, Roissy en France	Procurement, sales, marketing and distribution of computer peripherals and accessories	Tel: +33 1 49 90 93 93 Fax: + 33 1 49 90 93 07 Email: c.dupont@banquemagnetique.fr www.banquemagnetique.fr
Comtrade SAS 300 rue du Président Salvador Allende, 92700 Colombes, France	Procurement, sales, marketing and distribution of audio visual and consumer electronics products	Tel: +33 1 56 47 04 70 www.comtrade.fr
Reseller		
Micro Peripherals Limited Shorten Brook Way, Altham Business Park, Altham, Accrington, Lancashire BB5 5YJ, England	Procurement, sales, marketing and distribution of computer products	Tel: +44 1282 776 776 Fax: +44 1282 770 001 Email: enquiries@micro-p.com www.micro-p.com
Advent Data Limited Unit H4 Premier Way, Lowfields Business Park, Elland HX5 9HF, England	Procurement, sales, marketing and distribution of electronic office supplies	Tel: +44 871 222 3844 Fax: +44 871 222 3855 Email: sales@adventdata.co.uk www.adventdata.co.uk
Sharptext Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Procurement, sales, marketing and distribution of computer products	Tel: +353 1 4087 171 Fax: +353 1 4193 111 Email: sharptext@sharptext.com www.sharptext.com
Enterprise		
Altimate Group SAS Energy Park IV, 34 Avenue de l'Europe 78140 Velizy, France	Distribution of enterprise infrastructure products in France, Iberia & Benelux	Tel: +33 1 34 58 47 00 Fax: + 33 1 34 58 47 27 Email: info@altimate-group.com www.altimate-group.com
Supply Chain Management		
SerCom Solutions Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Provision of supply chain management and procurement services	Tel: +353 1 4056 500 Fax: +353 1 4056 555 Email: kevin.vaughan@sercomsolutions.com www.sercomsolutions.com

Group Directory (continued)

DCC Healthcare

Company name & address	Principal activity	Contact details
DCC Healthcare Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: healthcare@dcc.ie www.dcc.ie
Hospital Supplies & Services		
Fannin Limited Fannin House, South County Business Park, Leopardstown, Dublin 18, Ireland	Sales, marketing, distribution and other services to healthcare providers and medical and pharma brand owners/manufacturers	Tel: +353 1 2907 000 Fax: +353 1 2954 777 Email: information@fannin.ie www.fannin.ie
Fannin (UK) Limited 42-46 Booth Drive, Park Farm South, Wellingborough, Northamptonshire, NN8 6GT	Sales, marketing, distribution and other services to healthcare providers and medical and pharma brand owners/manufacturers	Tel: +44 1189 305333 Fax: +44 1189 305111 Email: enquiries@fanninuk.com www.fanninuk.com
Squadron Medical Limited Unit A, Griffen Close Ireland Industrial Estate, Staveley, Chesterfield S43 3LJ, England	Provision of value-added distribution services to healthcare providers and brand owners/manufacturers	Tel: +44 1246 470 999 Fax: +44 1246 284 030
The TPS Healthcare Group Limited 27-35 Napier Place, Wardpark, North Cumbernauld, Glasgow G68 0LL, Scotland	Provision of value-added distribution services to healthcare providers and brand owners/manufacturers	Tel: +44 1236 739 668 Fax: +44 1236 738 376 Email: corporate@tpshealthcare.com www.tpshealthcare.com
Virtus Inc. 1896 Lammers Pike, Batesville, IN 47006-8637, United States	Manufactures fabric health care products, primarily mattresses	Tel: +1 812 933 1121
Health & Beauty Solutions		
DCC Health & Beauty Solutions 9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Outsourced solutions for the health and beauty industry	Tel: +44 1928 573 734 Fax: +44 1420 566 566 Email: enquiries@dcchealthandbeauty.com www.dcchealthandbeauty.com
Laleham Healthcare Limited Sycamore Park, Mill Lane, Alton, Hampshire GU34 2PR, England	Development, contract manufacture and packing of liquids and creams for the beauty and consumer healthcare sectors	Tel: +44 1420 566 500 Fax: +44 1420 566 566 Email: reception@laleham-healthcare.com www.laleham-healthcare.com
Thompson & Capper Limited 9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Development, contract manufacture and packing of tablet and hard gel capsule nutraceuticals	Tel: +44 1928 573 734 Fax: +44 1928 580 694 Email: enquiries@tablets2buy.com www.tablets2buy.com
EuroCaps Limited Crown Business Park, Dukes Town, Tredegar, Gwent NP22 4EF, Wales	Development and contract manufacture of soft gel capsule nutraceuticals	Tel: +44 1495 308 900 Fax: +44 1495 308 990 Email: info@softgels.co.uk www.softgels.co.uk

DCC Environmental

Company name & address	Principal activity	Contact details
DCC Environmental Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: environmental@dcc.ie www.dcc.ie

DCC Environmental (continued)

Company name & address	Principal activity	Contact details
Envia Ireland Limited Clonminam Industrial Estate, Portlaoise, Co. Laois, Ireland	Specialist waste treatment/management services	Tel: +353 578 678 600 Fax: +353 578 678 699 Email: info@envia.ie www.envia.ie
Wastecycle Limited Enviro Building, Private Road No. 4, Colwick Industrial Estate, Nottingham NG4 2JT, England	Recycling and waste management company	Tel: +44 115 9403 111 Fax: +44 115 940 4141 Email: enquiries@wastecycle.co.uk www.wastecycle.co.uk
William Tracey Limited 49 Burnbrae Road, Linwood Industrial Estate, Linwood, Renfrewshire, PA3 3BD, Scotland	Recycling and waste management company	Tel: +44 1505 321 000 Fax: + 44 1505 335 555 Email: info@wmtracey.co.uk www.wmtracey.co.uk

DCC Food & Beverage

Company name & address	Principal activity	Contact details
DCC Food & Beverage Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: foods@dcc.ie www.dcc.ie
Healthfoods		
Kelkin Limited Unit 1, Crosslands Industrial Park, Ballymount Cross, Dublin 12, Ireland	Procurement, sales, marketing and distribution of branded healthy foods, beverages and vms products	Tel: +353 1 4600 400 Fax: +353 1 4600 411 Email: info@kelkin.ie www.kelkin.ie
Indulgence		
Robert Roberts Limited 79 Broomhill Road, Tallaght, Dublin 24, Ireland	Procurement, sales, marketing and distribution of food and beverages	Tel: +353 1 4047 300 Fax: +353 1 4047 311 Email: info@robert-roberts.ie www.robert-roberts.ie
Bottle Green Limited 19 New Street, Horsforth, Leeds LS18 4BH, England	Procurement, sales, marketing and distribution of wine	Tel: +44 113 2054 500 Fax: +44 113 2054 501 Email: info@bottlegreen.com www.bottlegreen.com
KP (Ireland) Limited * 79 Broomhill Road, Tallaght, Dublin 24, Ireland	Manufacture of snack foods	Tel: +353 1 4047 300 Fax: +353 1 4047 311
Logistics		
Allied Foods Limited Second Avenue, Cookstown Industrial Estate, Dublin 24, Ireland	Chilled and frozen food distribution	Tel: +353 1 466 2600 Fax: +353 1 466 2688 Email: info@alliedfoods.ie
Other		
Kylemore Foods Group * McKee Avenue, Finglas, Dublin 11, Ireland	Operation of restaurants and contract catering	Tel: +353 1 814 0600 Fax: + 353 1 814 0601 Email: info@kylemore.ie www.kylemore.ie

* 50% owned joint venture

Shareholder Information

Share Price Data

	2011 €	2010 €
Share price at 9 May	22.25	
Market capitalisation at 9 May	1,854m	
Share price at 31 March	22.47	19.20
Market capitalisation at 31 March	1,872m	1,594m
Share price movement during the year		
- High	24.20	21.10
- Low	17.30	11.65

Shareholdings as at 31 March 2011

Range of shares held	Number of accounts	% of accounts	Number of shares ¹	% of shares
Over 250,000	44	1.5	66,362,786	79.7
100,001 – 250,000	45	1.5	7,335,523	8.8
10,000 – 100,000	188	6.2	6,536,181	7.8
Less than 10,000	2,730	90.8	3,083,507	3.7
Total	3,007	100.0	83,317,997	100.0

Geographic division ²	Number of Shares ¹	% of shares
Ireland	7,767,171	9.3
UK	27,094,593	32.5
North America	24,649,166	29.6
Europe/Other	6,703,261	8.1
Retail ³	17,103,806	20.5
Total	83,317,997	100.0

¹ Excludes 4,911,407 shares held as Treasury Shares

² This represents the best estimate of the number of shares controlled by fund managers resident in the relevant geographic regions

³ Retail includes private shareholders, management and broker holdings

Share listings

DCC plc is an Irish registered company whose shares are traded on the Irish Stock Exchange and the London Stock Exchange.

CREST

DCC is a member of the CREST share settlement system. Shareholders have the choice of holding their shares in electronic form or in the form of paper share certificates. Shareholders should consult their stockbroker if they wish to hold shares in electronic form.

Dividends

DCC normally pays dividends twice yearly, in July and in December. Dividends are paid in euro to all shareholders (other than shareholders with addresses in the United Kingdom who may elect to receive dividends in sterling). Shareholders may also elect to receive dividend payments by electronic funds transfer directly into their bank accounts, rather than by

cheque. Shareholders should contact the Company's Registrar for details of these options.

The Company is obliged to deduct Dividend Withholding Tax ("DWT") at the standard rate of income tax in Ireland (currently 20%) from dividends paid to its shareholders, unless a particular shareholder is entitled to an exemption from DWT and has completed and returned to the Company's Registrar a declaration form claiming entitlement to the particular exemption. Exemption from DWT may be available to shareholders resident in another EU Member State or in a country with which the Republic of Ireland has a double taxation agreement in place and to non-individual shareholders resident in Ireland (for example companies, pension funds and charities).

An explanatory leaflet entitled "Dividend Withholding Tax – General Information Leaflet" has been published by the Irish

Revenue Commissioners and can be obtained by contacting the Company's Registrar. This leaflet can also be downloaded from the Irish Revenue Commissioners' website at www.revenue.ie. Declaration forms for claiming an exemption are available from the Company's Registrar.

Website

Through DCC's website, www.dcc.ie, stakeholders and other interested parties can access information on DCC in an easy-to-follow and user-friendly format. As well as information on the Group's activities, users can keep up to date on DCC's financial results and share price performance through downloadable reports and interactive share price tools. The site also provides access to archived financial data, annual reports, stock exchange announcements and investor presentations.

Electronic communications

Following the introduction of the Transparency Regulations 2007, and in order to adopt a more environmentally friendly and cost-effective approach, the Company provides information concerning the Company (such as the Annual Report, Interim Report and Notice of Annual General Meeting) to shareholders electronically via DCC's website, www.dcc.ie, and only sends a printed copy to those shareholders who specifically request a copy. Shareholders who receive information electronically will continue to receive certain communications by post (such as share certificates, dividend cheques, dividend payment vouchers and tax vouchers). Shareholders who wish to alter the method by which they receive communications should contact the Company's Registrar.

Financial calendar

- Preliminary results announced – 10 May 2011
- Ex-dividend date for the final dividend – 18 May 2011
- Record date for the final dividend – 20 May 2011
- Interim Management Statement – 15 July 2011
- Annual General Meeting - 15 July 2011
- Proposed payment date for final dividend – 21 July 2011
- Interim results to be announced – 8 November 2011
- Proposed payment date for the interim dividend – December 2011
- Interim Management Statement – February 2012

Annual General Meeting, electronic proxy voting and CREST voting

The 2011 Annual General Meeting will be held at The Four Seasons Hotel, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland on Friday 15 July 2011 at 11.00 a.m. The Notice of Meeting together with an explanatory letter from the Chairman and a Form of Proxy accompany this Report.

Shareholders may lodge a Form of Proxy for the 2011 Annual General Meeting via the internet. Shareholders who wish to submit their proxy in this manner may do so by accessing the Company's Registrar's website at www.eproxyappointment.com and following the instructions which are set out on the Form of Proxy.

CREST members who wish to appoint a proxy or proxies via the CREST electronic proxy appointment service should refer to the notes in the Notice of Annual General Meeting or on the Form of Proxy.

Registrar

All administrative queries about the holding of DCC shares should be addressed to the Company's Registrar, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland.

Tel: + 353 1 247 5698

Fax: + 353 1 216 3151

www.investorcentre.com/ie/contactus

Investor relations

For investor enquiries please contact Redmond McEvoy, Investor Relations Manager, DCC plc, DCC House, Brewery Road, Stillorgan, Blackrock, Co Dublin, Ireland.

Tel: + 353 1 2799 400

Fax: + 353 1 2831 017

email: investorrelations@dcc.ie

Corporate Information

Registered and Head Office

DCC House
Brewery Road
Stillorgan
Blackrock
Co. Dublin
Ireland

Auditors

PricewaterhouseCoopers
Chartered Accountants
& Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Registrar

Computershare Investor Services (Ireland)
Limited
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18
Ireland

Bankers

Allied Irish Banks
Bank of Ireland
Barclays
BNP Paribas
Danske Bank A/S
Deutsche Bank
ING Bank N.V.
KBC Bank
Lloyds Banking Group
National Westminster Bank plc
Rabobank
Royal Bank of Scotland
Ulster Bank

Solicitors

William Fry
Fitzwilton House
Wilton Place
Dublin 2
Ireland

Stockbrokers

Davy
49 Dawson Street
Dublin 2
Ireland

Goodbody Stockbrokers
Ballsbridge Park
Ballsbridge
Dublin 4
Ireland

JPMorgan Cazenove Limited
10 Aldermanbury
London
EC2V 7RF
England

Index

Accounting Policies	38, 80	Earnings per Ordinary Share	104	Nomination and Governance Committee	59
Accounting Records	53	Employee Share Options	97	Non-Controlling Interests	120
Acquisitions and Capital Expenditure	12	Employment	97	Non-Executive Directors' Remuneration	65
Adjusted Earnings per Share	42	Environmental Provisions	86	Notes to the Financial Statements	80
Analysis of Net Debt	112	Events After the Balance Sheet Date	131	Operational Risks and Uncertainties	55
Appointment of Directors	56	Exceptional Items	82	Other Operating Income/Expense	95
Approval of Financial Statements	131	Exceptionals	100	Other Reserves	119
Attendance at Meetings	59	External Audit	9	Outlook	9, 13
Audit Committee	58	Fair Value Estimation	88	Overview of Results	39
Auditors	53	Finance Costs	86	Pension and Other Post Employment Obligations	87
Balance Sheet and Group Financing	44	Finance Costs (Net)	41	Performance Evaluation	60
Basis of Consolidation	81	Finance Costs and Finance Income	101	Political Contributions	53
Basis of Preparation	80	Finance Income	86	Post-Retirement Benefits	89
Board of Directors	4, 56	Financial Calendar	137	Principal Risks and Uncertainties	54
Board Committees	5, 58	Financial Review	38	Principal Subsidiaries and Joint Ventures	132
Board Meetings	57	Financial Risk and Capital Management	44, 125	Profit Attributable to DCC plc	103
Board Membership	56	Financial Risk Factors	88	Profit before Net Exceptional Items,	
Board Procedures	57	Financial Risk Management	88	Amortisation of Intangible Assets and Tax	41
Borrowings	111	Financial Risks	38, 55	Property, Plant and Equipment	82, 105
Business Combinations	83, 89, 122	Financial Strength	12	Proportionate Consolidation of Joint Ventures	96
Business Ethics	50	Five Year Review	140	Provision for Impairment of Trade Receivables	90
Business Reviews		Foreign Currency	101	Provisions	86
DCC Energy	18	Foreign Currency Translation	82	Provisions for Liabilities and Charges	117
DCC Environmental	30	Foreign Exchange Risk Management	44	Registrar	137
DCC Food & Beverage	34	Free Cash Flow	43	Related Party Transactions	131
DCC Healthcare	26	General Meetings	60	Relations with Shareholders	60
DCC SerCom	22	Going Concern	61	Remuneration Committee	59, 62
Capital Expenditure Commitments	122	Goodwill	83, 89	Remuneration Policy	62
Cash and Cash Equivalents	85, 109	Government Grants	88, 118	Report of the Directors	52
Cash Flow	43	Graduate Recruitment Programme	46	Report of the Independent Auditors	70
Cash Generated from Operations	121	Group at a Glance	2	Report on Directors' Remuneration and Interests	62
Chairman	56	Group Balance Sheet	74	Research and Development	53
Chairman's Statement	6	Group Cash Flow Statement	76	Results Highlights	10
Chief Executive's Review	10	Group Directory	132	Retained Earnings	120
Climate Change	47	Group Income Statement	72	Retirement Benefit Obligations	113
Combined Code	9	Group Operating Profit	95	Return on Capital Employed	42
Commitments Under Operating and Finance Leases	122	Group Statement of Changes in Equity	75	Revenue Recognition	82
Commodity Price Risk Management	45	Group Statement of Comprehensive Income	73	Review of Activities and Events Since Year End	52
Company Balance Sheet	77	Health & Safety	49	Review of Remuneration Policy and Structures	62
Company Cash Flow Statement	79	Hedging	85	Segment Information	90
Company Statement of Changes in Equity	78	Highlights	1	Segment Reporting	82
Company Statement of Comprehensive Income	77	Income Tax	86	Senior Management	14
Compliance Risks	55	Income Tax Expense	102	Share Capital	118
Compliance Statement	61	Independence of Non-Executive Directors	57	Share Capital and Treasury Shares	52
Contents	Inside Front Cover	Intangible Assets	106	Share of Associates' (Loss)/Profit after Tax	102
Contingencies	121	Intangible Assets (other than Goodwill)	84	Share Premium	119
Corporate Giving	47	Interest Rate Risk and Debt/Liquidity Management	45	Share-Based Payment Transactions	87
Corporate Governance	56	Interest-Bearing Loans and Borrowings	86	Shareholder Information	136
Corporate Information	138	Internal Control	61	Shareholders' Equity	88
Credit Risk Management	45	Investor Relations	137	Statement of Compliance	80
Critical Accounting Estimates and Judgments	89	Inventories	84, 108	Statement of Directors' Responsibilities	69
Deferred and Contingent Acquisition Consideration	117	Investments In Associates	107	Strategic Risks and Uncertainties	54
Deferred Income Tax	113	Investments In Subsidiary Undertakings	108	Strategy	3
Deputy Chairman and Senior Independent Director	56	Key Financial Performance Indicators	38	Substantial Shareholdings	53
Derivative Financial Instruments	85, 110	Key Performance Indicators		Summary of Significant Accounting Policies	80
Direct Economic Value Added	46	DCC Energy	20	Sustainability Report	46
Directors	4	DCC Environmental	32	Takeover Regulations	53
Directors' and Company Secretary's Interests	68	DCC Food & Beverage	36	Taxation	42, 89
Directors' Emoluments and Interests	95	DCC Healthcare	28	Trade and Other Payables	85, 108
Directors' Remuneration	63	DCC SerCom	24	Trade and Other Receivables	85, 108
Directors' Service Agreements	65	Leases	84	Useful Lives for Property, Plant and Equipment and Intangible Assets	90
Directors' Statement pursuant to the Transparency Regulations	69	Memorandum and Articles of Association	61	Website	136
Dividend	42	Movement in Working Capital	109		
Dividend Increase	7	Net Exceptional Charge	41		
Dividends	52, 103				
Divisional Highlights	11				

5 Year Review

Group Income Statement Year ended 31 March

	2007 €'m	2008 €'m	2009 €'m	2010 €'m	2011 €'m
Revenue	4,046.1	5,532.0	6,400.1	6,725.0	8,680.6
Operating profit before exceptional items and amortisation of intangible assets	140.1	167.2	180.4	192.8	229.6
Exceptional items	24.5	39.6	(19.9)	(9.8)	(12.6)
Amortisation of intangible assets	(6.7)	(7.9)	(5.7)	(6.1)	(11.0)
Operating profit	157.9	198.9	154.8	176.9	206.0
Finance costs (net)	(10.8)	(17.8)	(17.2)	(12.2)	(16.2)
Share of associates' profit/(loss) after tax	14.7	0.6	0.2	0.2	(0.2)
Profit before tax	161.8	181.7	137.8	164.9	189.6
Income tax expense	(20.7)	(16.5)	(20.9)	(33.2)	(43.8)
Minority interests	(0.9)	(0.7)	(0.6)	(0.9)	(0.7)
Profit attributable to owners of the Parent	140.2	164.5	116.3	130.8	145.1
Earnings per share					
- basic (cent)	174.59	204.28	142.36	158.76	174.48
- basic adjusted (cent)	160.02	165.06	169.13	177.98	203.15
Dividend per share (cent)	49.28	56.67	62.34	67.44	74.18
Dividend cover (times)	3.2	2.9	2.7	2.6	2.7
Interest cover (times)*	12.9	9.4	8.5	17.7	15.8

* excludes exceptional items

Group Balance Sheet As at 31 March

	2007 €'m	2008 €'m	2009 €'m	2010 €'m	2011 €'m
Non-current and current assets					
Property, plant and equipment	319.6	337.1	319.3	358.1	395.5
Intangible assets	321.4	416.9	443.2	595.1	636.1
Investments in associates	90.3	4.7	2.2	2.4	2.3
Cash/derivatives	340.2	512.7	555.4	818.2	788.3
Other assets	783.1	1,037.3	891.0	1,169.0	1,291.7
Total assets	1,854.6	2,308.7	2,211.1	2,942.8	3,113.9
Equity	687.7	742.4	726.2	836.9	931.9
Non-current and current liabilities					
Borrowings/derivatives	440.7	636.4	646.1	871.7	833.5
Retirement benefit obligations	16.4	21.9	29.5	23.7	19.3
Other liabilities	709.8	908.0	809.3	1,210.5	1,329.2
Total liabilities	1,166.9	1,566.3	1,484.9	2,105.9	2,182.0
Total equity and liabilities	1,854.6	2,308.7	2,211.1	2,942.8	3,113.9
Net debt included above	(100.5)	(123.7)	(90.7)	(53.5)	(45.2)

Group Cash Flow Year ended 31 March

	2007 €'m	2008 €'m	2009 €'m	2010 €'m	2011 €'m
Operating cash flow	127.4	129.0	304.9	297.8	269.6
Capital expenditure	60.7	87.5	57.0	47.3	83.4
Acquisitions	105.7	176.6	101.7	133.6	78.3

Other Information

	2007	2008	2009	2010	2011
Return on total capital employed (%)	17.9%	17.5%	17.8%	18.4%	19.9%
Working capital (days)	14.0	16.4	11.9	4.6	4.9
Average number of employees	5,653	6,638	7,182	7,396	7,925





DCC plc
DCC House, Brewery Road,
Stillorgan, Blackrock,
Co. Dublin, Ireland.
Tel: + 353 1 279 9400
Fax: + 353 1 283 1017
Email: info@dcc.ie
www.dcc.ie