Resilience and Balance - focused activity with sectoral spread

DCC sells, markets and distributes leading own and third party brands in the energy, IT, food and healthcare markets, principally in Britain and Ireland.

Contents

Financials

Turnover continuing activities

€2,242.9 m up 11.0%

Profit operating profit - continuing activities

€111.1 m up 13.2%

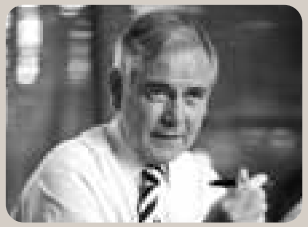
Earnings adjusted earnings per share

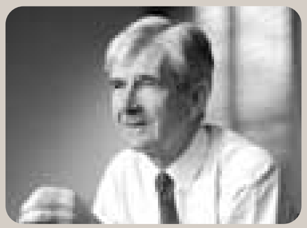
111.0 c up 12.9%

Dividends dividend per share

28.175 c up 15.0%

Board of directors





Alex Spain
Chairman

Alex Spain, B.Comm., F.C.A. (aged 70), is non-executive Chairman of DCC and is a director of a number of other companies. He was Managing Partner of KPMG in Ireland from 1977 to 1984. He is a former President of the Institute of Chartered Accountants in Ireland and a former Chairman of the Financial Services Industry Association in Ireland. Mr Spain joined the Board and became Chairman in 1976.

Jim Flavin
Chief Executive/Deputy Chairman

Jim Flavin, B.Comm., D.P.A., F.C.A. (aged 60), founded DCC in 1976 and is Chief Executive and Deputy Chairman. Prior to founding DCC, he was head of AIB Bank's venture capital unit. Mr Flavin was non-executive Deputy Chairman of eircom plc until its acquisition by Valentia Telecommunications Limited in November 2001.

Tony Barry

Tony Barry, Chartered Engineer (aged 68), non-executive Director. Mr Barry was a member of the Court of Directors of Bank of Ireland until January 2003 and was Chairman of Greencore Group plc until his retirement in February 2003. He was Chairman of CRH plc from 1994 to May 2000, having previously been Chief Executive. He is a past President of The Irish Business and Employers' Confederation. Mr Barry joined the Board in 1995.

Kevin Murray

Kevin Murray, B.E., F.C.A. (aged 44), executive Director, joined DCC in 1988, having previously worked with Shell Chemicals in London and Arthur Andersen in Dublin. He is Managing Director of DCC Energy and DCC Foods. Mr Murray joined the Board in 2000.

Morgan Crowe

Morgan Crowe, Dip. Eng., M.B.A. (aged 58), executive Director, joined DCC in 1976, having previously worked with the Boeing Company in Seattle and with IBM in Dublin. He is Managing Director of DCC Healthcare. Mr Crowe joined the Board in 1979.

Tommy Breen

Tommy Breen, B.Sc. (Econ), F.C.A. (aged 44), executive Director, joined DCC in 1985, having previously worked with KPMG. He is Managing Director of DCC SerCom. Mr Breen joined the Board in 2000.

Paddy Gallagher

Paddy Gallagher, B.L., D.P.A. (aged 63), non-executive Director, retired as Head of Legal and Pensions Administration at Guinness Ireland Group in 2000. He previously worked with Aer Lingus, the Irish national airline, and is a former Chairman of the Irish Association of Pension Funds. He is a member of the Committee of Management of Irish Pension Fund Property Unit Trust and is Chairman of the Trustees of the An Post Superannuation Scheme. Mr Gallagher joined the Board in 1976.

Fergal O'Dwyer

Fergal O'Dwyer, F.C.A. (aged 43), executive Director, joined DCC in 1989, having previously worked with KPMG in Johannesburg and Price Waterhouse in Dublin. He was appointed Chief Financial Officer in 1994. Mr O'Dwyer joined the Board in 2000.

Maurice Keane

Maurice Keane, B.Comm., M.Econ.Sc. (aged 62), non-executive Director, is a member of the Court of Directors of Bank of Ireland, having been Chief Executive up until February 2002. He is a director of Axis Capital Holdings Limited and is Chairman of Bristol & West plc and of BUPA Ireland. Mr Keane joined the Board in 2002.

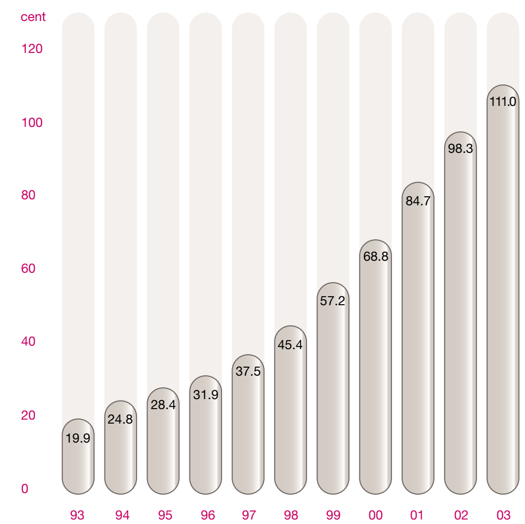
Audit Committee
Paddy Gallagher (Chairman)
Tony Barry
Maurice Keane
Alex Spain

Remuneration Committee
Tony Barry (Chairman)
Paddy Gallagher
Maurice Keane
Alex Spain

Nomination Committee
Alex Spain (Chairman)
Tony Barry
Jim Flavin
Paddy Gallagher
Maurice Keane

Senior Independent Director
Maurice Keane

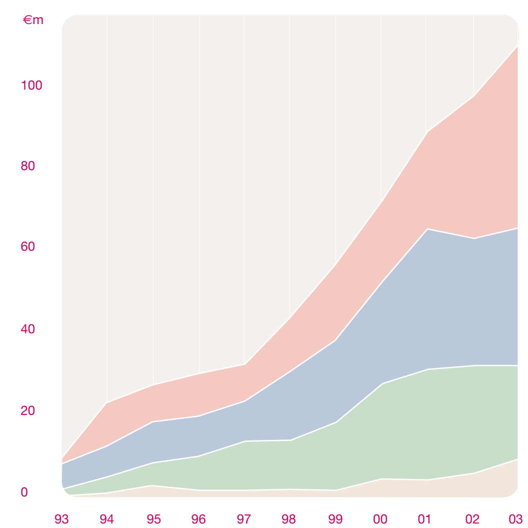
Strong and consistent growth adjusted earnings per share



Compound annual growth rate (CAGR)

5 years	19.6%
10 years	18.8%

Resilience and balance operating profit from continuing activities



CAGR	Continuing	Actual Reported
5 years	20.2%	17.5%
10 years	27.7%	23.6%

	2003	2002
Energy	41%	36%
IT	30%	31%
Food & Healthcare	21%	28%
Other	8%	5%

Management

DCC sells, markets and distributes leading own and third party brands in the energy, IT, food and healthcare markets, principally in Britain and Ireland. DCC's own brands accounted for approximately 42% of turnover in the year ended 31 March 2003.

Senior group management

Jim Flavin
Chief Executive / Deputy Chairman

Tommy Breen
Managing Director, SerCom

Morgan Crowe
Managing Director, Healthcare

Kevin Murray
Managing Director, Energy and Food

Fergal O'Dwyer
Chief Financial Officer

Ann Keenan
Head of Group Human Resources

Donal Murphy
Head of Group IT

Colman O'Keeffe
Deputy Managing Director, Energy

Michael Scholefield
Corporate Finance

Gerard Whyte
Group Secretary, Compliance Officer and Head of Group Risk Management

Senior subsidiary company management

ENERGY

Sam Chambers
Managing Director, DCC Energy Northern Ireland (incorporating Scottish Fuels)

Pat Mercer
Managing Director, Flogas Ireland

John O'Regan
Director, DCC Environmental

Paddy Kilmartin
Managing Director, Flogas UK

Daniel Murray
Managing Director, Emo Oil

Declan Ryan
Director, DCC Environmental

IT (SerCom Distribution and SerCom Solutions)

Mike Alden
Finance Director, SerCom Distribution

Paul Donnelly
Managing Director, Gem Distribution

Paul White
Managing Director, Sharptext

Patrice Arzillier
Directeur General, Distrilogie

Gordon McDowell
Managing Director, Micro Peripherals

Kevin Henry and Ultan Reilly
Joint Managing Directors, SerCom Solutions

FOOD & HEALTHCARE

Ken Peare
Chief Operations Officer, DCC Foods and Managing Director, Robt Roberts

Fintan Corrigan
Managing Director, Broderick Bros.

Tom Gray
Finance Director, DCC Foods

Bernard Rooney
Managing Director, Kelkin

Barry Leonard
Managing Director, Virtus

Stephen O'Connor
Managing Director, DCC Nutraceuticals

Peter Woods
Deputy Managing Director, DCC Healthcare and Chief Executive, Fannin Healthcare

Andrew O'Connell
Managing Director, TechnoPharm

Barry O'Neill
Managing Director, Days Medical Aids

Group at a glance

DCC sells, markets and distributes leading own and third party brands in the energy, IT, food and healthcare markets, principally in Britain and Ireland.

DCC is in essence a selling machine, focused on value added, business-to-business sales. Within each of the markets we address, our sales teams are pro-active and product focused, with deep market and product knowledge. These sales teams are led by skilled management and supported by highly efficient back office operations and logistical arrangements. Other than in the energy business, the majority of the physical distribution of product is outsourced to third parties. DCC delivers excellent service to a broad range of customers, suppliers and brand owners.

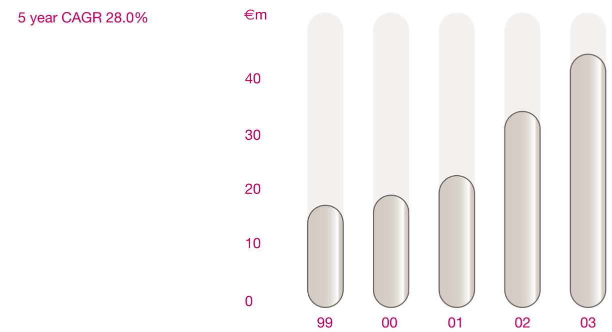
Business description | **Group PBIT %** | **Growth record** - operating profit from continuing activities - years ended 31 March | **Growth platforms**

ENERGY

DCC markets and distributes liquefied petroleum gas (LPG) and oil products under DCC's own brands, principally Flogas and Emo. DCC services more than 220,000 energy customers - commercial/industrial, domestic, catering, agricultural - from 92 locations across Britain and Ireland.

- LPG: marketing and distributing propane and butane products for heating, cooking, transport and industrial applications. DCC's Flogas brand is No.2 in both the British and Irish markets.
- Oil: marketing and distributing oil products principally for heating and transport. DCC is the market leader in Scotland and Northern Ireland and is a substantial player in the oil distribution market in the Republic of Ireland.

Managed within DCC's energy operations, DCC Environmental provides a range of products and services including chemicals for the treatment of water effluent and process liquids, waste chemical treatment services, waste oil recycling and soil remediation.



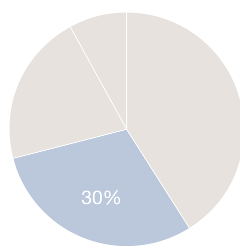
- Benefits arising from the integration of British Gas LPG acquired during the year at a cost of €64.5m
- Continuing bolt-on acquisition opportunities, particularly in oil distribution in Britain and Ireland - DCC has an excellent acquisition and integration record in the energy sector
- Further opportunities in environmental services in Ireland, developing presence in Britain
- Attractive investment characteristics - recurring revenues, strong cash generation, high ROCE

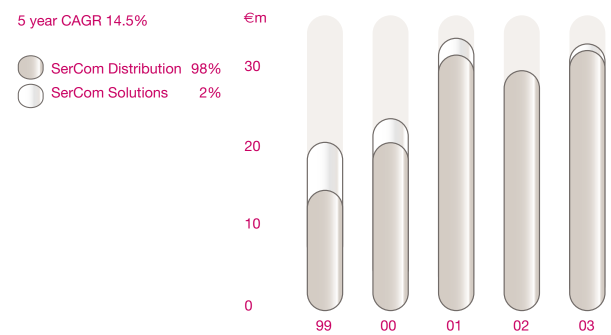
IT (SerCom Distribution and SerCom Solutions)

SerCom Distribution markets and distributes a broad range of computer hardware and software products in Britain, Ireland and Continental Europe. Product focused telesales teams sell leading IT brands to an extensive customer base of more than 15,000 resellers, retailers and mail order companies.

- Britain - Hardware: a leading distributor of computer hardware, including PCs, peripherals, consumables, networking and storage products.
- Britain - Software: the leading distributor of consumer software, including a broad range of business software and computer games.
- Ireland: the leading IT distributor (hardware and software).
- Continental Europe: the leading specialist distributor of storage products in France, Spain & Portugal.

SerCom Solutions provides outsourced supply chain management solutions to leading global manufacturers, principally in the IT sector.





- IT market will return to growth
- Opportunity for continued market share gains - DCC has a long and consistent record of out-performance in the IT market
- Bolt-on acquisition opportunities - particular focus on niche distributors in Britain
- Strong market position in rapidly growing games software segment
- Attractive investment characteristics - high ROCE

FOOD & HEALTHCARE

FOOD

DCC markets and distributes leading own and third party branded food and beverage products, focused on growth segments of the Irish food market, including:

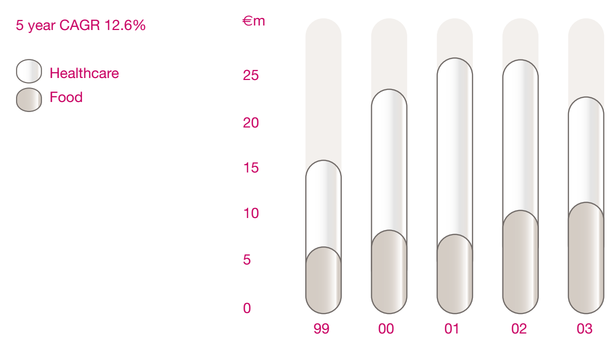
- Snack foods: market leader in savoury snacks (KP)
- Healthy foods: market leader (Kelkin)
- Beverages: strong market positions in wines (Bollinger, Torres), soft beverages (Robinsons) and ground coffee (Robt. Roberts).

DCC has deep distribution reach to an extensive customer base across the retail (supermarkets, convenience store groups and independents), wholesale and food-service sectors.

HEALTHCARE

Marketing and distribution of hospital and community care supplies, and contract services to the nutraceuticals (vitamins and health supplements) industry.

- DCC is the leading supplier of medical devices, surgical instruments, laboratory consumables and specialist pharmaceuticals to Irish acute care hospitals. DCC also markets and distributes a range of rehabilitation and mobility products, principally in Britain, to the NHS, local authorities and a dealer network.
- DCC provides product development, tabletting, soft gel encapsulation and packing services to a range of branded, private label and mail order nutraceuticals companies in Britain and Europe.



- Market leader in healthy foods, a continually fast growing sector
- Good market positions in wines and soft drinks with significant further growth potential

- Market leader in hospital supplies in Ireland, developing in Britain
- Extensive British customer base in nutraceuticals, developing in Europe

OTHER ACTIVITIES: DCC's other activities contributed 8% of Group PBIT in the year. These principally comprise a 49% shareholding in Manor Park Homebuilders, one of Ireland's leading house builders, which has a substantial land bank available for future development.

€2.24 bn

DCC's expert, product focused sales teams drove excellent growth in sales - up 11.0% to €2.24 billion.

Chairman's statement

DCC delivered excellent operating profit and earnings growth. Operating profit from continuing activities increased by 13.2% to €111.1 million on turnover up by 11.0% to €2.24 billion. Adjusted earnings per share increased by 12.9% to 111.0 cent, with adjusted fully diluted earnings per share up by 12.7% to 109.67 cent. The return on capital employed was excellent at 42.2% on tangible capital employed and 22.0% on capital employed inclusive of acquisition goodwill.

DCC has achieved compound annual growth in adjusted earnings per share of 19.6% over the last five years and 18.8% over the last ten years. DCC's strong and consistent earnings growth is testimony to the strength, stability and resilience of DCC's balanced business model.

Dividend

The Directors are recommending a final dividend of 17.958 cent per share which, when added to the interim dividend of 10.217 cent per share, gives a total dividend for the year of 28.175 cent per share. This represents an increase of 15.0% on the dividend of 24.5 cent per share paid in respect of the year ended 31 March 2002. DCC has increased its dividend at a compound annual rate of 25.4% over the last ten years. The dividend for the year is covered 3.9 times by adjusted earnings per share (2002: 4.0 times). The final dividend will be paid on 14 July 2003 to those shareholders on the register at the close of business on 30 May 2003.

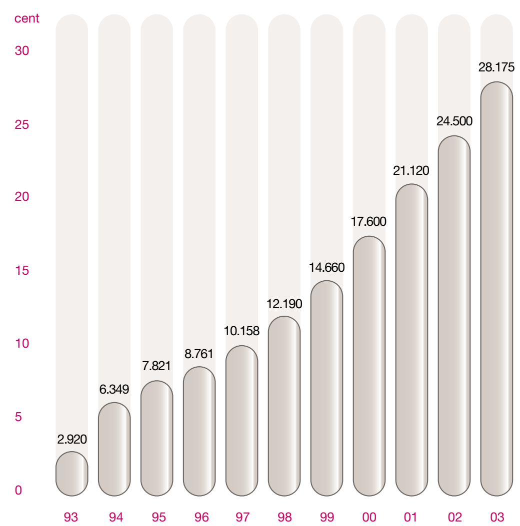
Alex Spain
Chairman

Development expenditure and financial strength

DCC's financial strength and ongoing cash generation funded good organic growth and significant development expenditure. During the year, a total of €121.0 million was committed to acquisition and capital expenditure. The acquisition expenditure principally related to the acquisition of British Gas LPG and Shannon Environmental Services, further strengthening DCC's positions in these market sectors.

DCC's balance sheet remains strong with net cash of €20.1 million at the year end. This strength, combined with skilled, experienced management teams across the Group, gives DCC the ability and confidence to move quickly to exploit organic and acquisition development opportunities.

Dividend per share



Compound annual growth rate	
5 years	18.2%
10 years	25.4%

Corporate governance

DCC is committed to pursuing best practice in relation to corporate governance matters. The Board is satisfied that the Group has effective ongoing processes for identifying, evaluating and managing risks faced by the Group. A detailed statement of DCC's compliance with the Principles of Good Governance, as set out in the Combined Code, is given on pages 30 and 31.

The future

DCC is commercially and financially well placed to generate ongoing growth both organically and by acquisition.

Alex Spain
Chairman
16 May 2003

Chief executive's review

DCC continued its unbroken record of strong growth since public listing in 1994, achieving record sales, operating profits and adjusted earnings per share. The results for the year under review were achieved against a background of lower economic growth and geo-political uncertainty - testimony to the resilience of the DCC Group.

Resilience and balance

DCC's resilience derives in no small part from the balance within the Group. While we are focused on one activity, value added sales, marketing and distribution, we apply our skills across four market sectors - energy, IT, food and healthcare. Over the years conditions in each of our markets have varied - there has never been a year when conditions have been uniformly favourable. Nevertheless DCC's growth has been consistently strong and the balance provided by the Group's market sector diversity has been a critical factor in this growth.

DCC's record financial results were achieved without compromising future performance. We invested €121 million to strengthen and enhance the growth platforms we have built in significant segments of our markets.

I would like to outline the resilient qualities which underpin the Group's performance and to highlight the principal growth platforms which give confidence for DCC's future.

Energy - excellent profit growth, cash generation and ROCE

DCC has built a very substantial energy distribution business in Britain and Ireland. This business has achieved outstanding profit growth - compound annual growth rate of 28% over the last five years - together with excellent cash generation and returns on capital employed. Furthermore, the business has strong defensive characteristics.

Jim Flavin
Chief Executive/Deputy Chairman

At a macro level, demand for energy products does not fluctuate widely - it tends to be broadly stable, varying modestly with general economic trends. Furthermore, the business model for the energy distribution sector is well established and unlikely to be significantly altered by technological or other advances. At a micro level, DCC Energy has an excellent operational infrastructure in place, has no customer or supplier dependencies and has a high level of control over its channels to market.

DCC services more than 220,000 energy customers from 92 locations across Britain and Ireland. Our LPG and oil products are sourced from a range of suppliers - DCC enjoys excellent relations with all of the oil majors. Products are marketed under DCC's own brands - principally Flogas, Emo and Scottish Fuels. A significant element of our LPG sales are made under contract, typically of three years, where DCC owns the storage tank at the customer's premises. The combination of these factors results in a very robust business with strong recurring revenues.

DCC's proven skills in the completion and integration of bolt-on acquisitions is an important element of our growth platform in energy. The acquisition of Centrica's British Gas LPG business in November 2002 and BP's Scottish Fuels in September 2001 are the highlights of a particularly active period of development over the last two years. Extracting the full benefits of the

integration of British Gas LPG represents a significant growth platform over the next year or so. Furthermore the scale of our footprint in the British LPG market - DCC is now the second largest marketer of LPG in both Britain and Ireland - confers significant long term competitive advantages, particularly in terms of procurement, transport costs and customer service levels.

Building on our strong base in oil distribution in Ireland, Scottish Fuels has given DCC a market leadership position in Scotland and provides a platform from which to build a significant British oil distribution business. This sector is fragmented with approximately 500 operators which presents opportunities for further bolt-on acquisitions.

IT - continuing outperformance

DCC's largest IT business, SerCom Distribution, which accounted for 98% of IT profits in the year under review, has grown its profits at an average growth rate of 25% over the last five years. The vast majority of this growth has been organic. During this period, significantly varying market conditions have prevailed from dot-com mania and Y2K to the current depressed IT markets in which we have operated since September 2001. Through all of this, DCC has continually outperformed the IT market. Furthermore, in the past year, despite there being no material improvement in market conditions, SerCom Distribution grew its market share and generated record sales and profits.

At a macro level, we believe that technological advances and replacement cycles will continue to drive above average long term growth rates in the IT market. As IBM's recently retired Chairman, Lou Gerstner, put it "technical creativity in the IT industry is a well that will never run dry".

SerCom Distribution has a very broad supplier base of leading IT hardware and software brands - HP, IBM, Microsoft, Sony and Symantec to name but a few - and has no technological dependencies. DCC's pro-active, product focused sales teams sell to more than 15,000 resellers, retailers and mail order companies annually, delivering volume growth for our suppliers. Their product expertise is supported by highly efficient back office and logistics operations, ensuring excellent customer service. These operational strengths have driven the excellent profit record and consistently high returns on capital employed - 55% on tangible assets in the year under review.

Leisure software has been a high growth sector throughout the recent, more difficult times for the IT market. The global market for computer games has tripled since 1995 and is forecast to continue to grow strongly. In Britain, where in 2002 people spent more on computer games than on going to the cinema, DCC is the market leader in the distribution of leisure software, selling titles for a broad range of games software publishers. DCC is also the sole distributor of Microsoft's Xbox for Britain and Ireland and our leadership position was further endorsed when we were appointed by Nokia as sole distributor of its new N-gage game deck in Britain. Our market position in this exciting and rapidly growing segment of the IT sector represents an excellent platform for growth.

We will pursue bolt-on acquisitions of complementary, specialist IT distributors, particularly in Britain.

SerCom Distribution's strong market positions, operational excellence and consistent record of out-performance provide a significant platform for growth for DCC. We expect to continue to grow our market shares and to benefit from any improvement in market conditions.

Food & Healthcare - niche growth platforms

DCC's Irish food business has strong market positions and a record of excellent growth, particularly in healthy foods, wines and soft beverages. These are niche growth sectors, which offer DCC scope for further growth.

The year under review was a difficult one for DCC's healthcare operations. The loss of the Shoprider agency significantly impacted profits and necessitated a fundamental restructuring of our mobility and rehabilitation business. DCC's other healthcare businesses have performed well and offer interesting opportunities for further growth and development.

DCC's hospital supplies business is the market leader in Ireland and is actively seeking to develop its position in Britain. The acquisition of TechnoPharm, the rapidly growing distributor of specialist pharmaceutical products to Irish acute care hospitals, has opened up a new avenue for growth, one which we will seek to exploit in Britain also. DCC's nutraceuticals business has built a strong market position in Britain and is enjoying success in developing a European customer base.

Other Activities

DCC's Other Activities, principally Manor Park Homebuilders, an associate company, made a strong contribution to DCC's profit growth in the year under review. Demand in the first time buyers segment of the Irish housing market, on which Manor Park is focused, has continued to be strong and the outlook for the segment remains positive.

Looking Forward

DCC has built strong growth platforms in niche segments of the markets in which we operate. We are focused on exploiting these opportunities, in the first instance organically, through operational strategies which drive profitable growth for DCC, while also providing the highest service levels to our customers and suppliers. We are also active in seeking synergistic bolt-on acquisitions which strengthen our market positions and enhance our competitiveness.

DCC has entered the new financial year stronger, leaner and better positioned and for this I pay tribute to the commitment, energy and talents of all of my colleagues across the DCC Group. I have great confidence in the long term future of DCC.

Jim Flavin.

Jim Flavin
Chief Executive/Deputy Chairman
16 May 2003

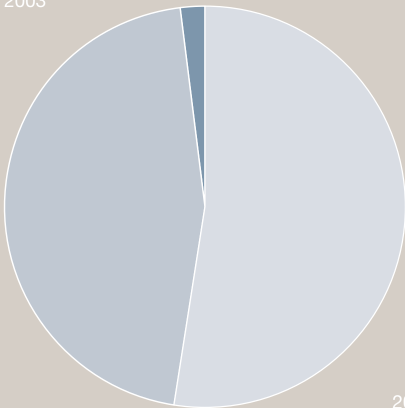
€111.1m

DCC achieved excellent growth in operating profits from continuing activities - up 13.2% to €111.1 million - through a combination of good organic growth and synergistic bolt-on acquisitions.

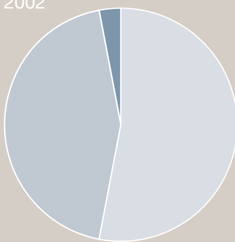
Operating review

Geographical split of operating profits from continuing activities:

2003



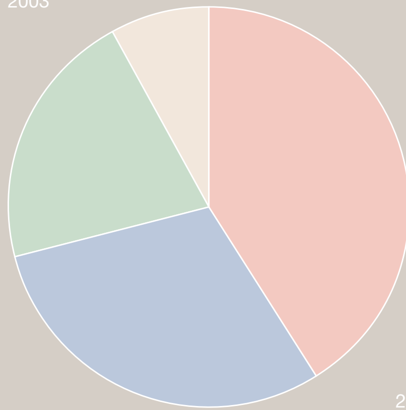
2002



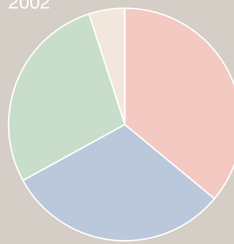
	2003	2002
UK	53%	53%
Rep of Ire	46%	44%
Other	1%	3%

Sectoral split of operating profits from continuing activities:

2003



2002



	2003	2002
Energy	41%	36%
IT	30%	31%
Food & Healthcare	21%	28%
Other	8%	5%

DCC achieved accelerated operating profit growth from continuing activities of 18.5% in the more significant second half of its financial year, compared to growth of 4.7% in the first half. This resulted in an excellent 13.2% increase in operating profits from continuing activities to €111.1 million for the year.

UK based activities contributed 53% of Group operating profits, Irish activities 46% and other areas 1%. Turnover from continuing activities was up 11.0% to €2,242.9 million, of which sales of DCC's own brands accounted for approximately 42%. Divisional operating profits were as follows:

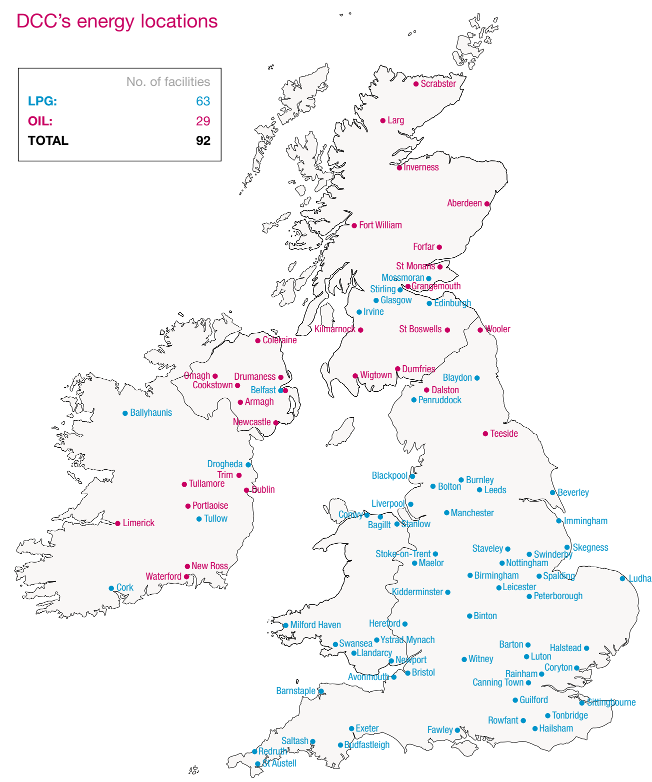
	€'m	Growth €'m	Growth %
Energy	45.5	+10.5	+30.0%
IT	32.9	+2.4	+7.7%
Food & Healthcare	23.2	-4.0	-14.7%
Other	9.5	+4.1	+74.6%
Total – continuing activities	**111.1**	**+13.0**	**+13.2%**

ENERGY
(41% of operating profits)

DCC's strong growth in the energy distribution sector in recent years continued during the current year. Operating profits were up an excellent 30.0% to €45.5 million on turnover of €864.2 million (2002: €717.6m). This profit growth was achieved despite a background of increasing product costs. DCC has built a very substantial energy business servicing a broad base of approximately 220,000 customers from 92 locations in Britain and Ireland.

LPG volumes increased by 56%, benefiting from a full year contribution from Alta Gas, acquired in December 2001, and from the acquisition of British Gas LPG in November 2002. DCC is now the second largest marketer of LPG in both Britain and Ireland. Profit growth in LPG was excellent, although held back somewhat as sales price increases achieved during the year did not fully offset the impact of rising product costs.

DCC's energy locations



The British Gas LPG business has performed well since acquisition. After the busy winter months, its integration into DCC's existing Flogas business is well underway and progressing very satisfactorily. The significant synergies anticipated at the time of acquisition are being achieved on, or ahead of, schedule.

DCC's volumes in the oil distribution sector increased by 7%, benefiting from a full year contribution from Scottish Fuels, acquired in September 2001. DCC has market leading positions in Northern Ireland and Scotland, a significant position in the Republic of Ireland market and continues to seek suitable opportunities to expand its operations, particularly in Britain.

DCC Environmental grew strongly across all activities and benefited from a full year contribution from Envirotech, acquired in September 2001. Shannon Environmental Services (SES), acquired in January 2003, operates a licensed waste management site which will enable DCC to broaden the range of services it offers to existing customers, as well as to broaden its customer base.

IT

(30% of operating profits)

DCC's IT businesses, SerCom Distribution and SerCom Solutions, grew revenues by 7.4% to €984.8 million and achieved profit growth of 7.7% to €32.9 million - an excellent result relative to the general IT market.

SerCom Distribution accounted for 98% of total IT profits and generated record operating profits for the year of €32.3 million (2002: €30.6 million) on sales of €894.9 million (2002: €813.8 million). Profit growth accelerated to 7.1% in the second half, compared with 3.2% growth in the first half.

DCC's British hardware distribution business grew its revenues and profits in a market that remained depressed throughout the year. Its product focused telesales teams have grown DCC's market share and delivered value to suppliers. The business's efficient cost model, detailed management processes and bottom line focused ethos enabled it to maintain strong operating margins.

DCC's British software distribution business had an excellent year with significant revenue and profit growth across both its business and leisure product ranges. During the year the business strengthened its position as the leading distributor of software and related 'add-on' hardware products. This position has been further enhanced by the addition of a number of new suppliers including Adobe, Creative Labs and Nokia (who appointed DCC as sole distributor of its new N-gage game deck).

The Irish IT distribution business performed very well after a challenging prior year. The business increased its sales - strengthening its supplier relationships - and leveraged profitability from a reduced cost base. DCC has consolidated its position as the leading IT distributor in the Irish market.

The Continental European specialist storage distribution business, unlike DCC's other IT distribution businesses, is weighted towards large ticket sales where typically the ultimate customers are large corporates. This sector remained difficult through the year. Despite this the business grew its sales, broadened its product range and maintained its market leading position in storage distribution in France, Spain and Portugal.

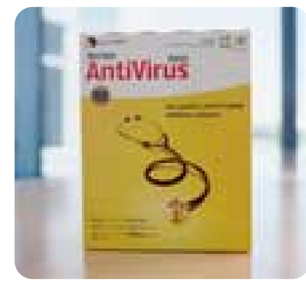
SerCom Solutions, the supply chain management business, recorded an improved result with operating profits of €0.6 million (2002: loss of €0.1 million) on sales of €89.9 million (2002: €103.3 million).

FOOD & HEALTHCARE

(21% of operating profits)

Food - DCC's Irish food business recorded like for like sales growth of 9.5% to €185.2 million. The general trading environment in the second half of the year was more challenging than last year, however operating profits for the year grew by 6.8% to €11.8 million.

Sales of healthy foods, including DCC's Kelkin brand, showed continued strong growth. In a much more competitive snack foods market, DCC recorded a solid performance and at least maintained its share of the market. Increased marketing activity in the wine sector drove further market penetration and significant sales growth, particularly in the retail sector. Soft drinks sales grew well, benefiting from the success of Robinson's 'Fruit Shoots' product, while improved packaging helped to boost sales of catering beverages.



Dave Shillam, General Manager of Flogas UK's Cylinder Division, joined the DCC Group as a result of the acquisition of British Gas LPG.

Gas is the preferred choice of fuel for chefs and caterers and is also used extensively for domestic cooking.

Scottish Fuels, the market leader in oil distribution in Scotland, provides a platform for further development in Britain.

Flogas is the No. 1 choice for LPG fork lift truck users in the UK.

DCC is the market leader in the distribution of games software in Britain.

The Audio Visual sector, including plasma screens, represents a new growth area for DCC's IT distribution business.

DCC enjoyed good growth in the business software sector in Britain, particularly in security software.

Eimear Breathnach was recently promoted to the position of Marketing Director in Sharptext, DCC's market leading IT distribution business in Ireland.

Healthcare - The profitability of DCC's healthcare operations was severely impacted by the loss of its supply of Shoprider powered mobility products. Sales from continuing activities at €161.6 million were 1.5% behind last year and operating profits from continuing activities were down 29.3% to €11.4 million.

In hospital and community care supplies in Ireland, DCC recorded very good profit growth. Against a background of tighter spending by Irish hospitals, the business achieved satisfactory organic growth, benefiting from the strength and scale of its technical salesforce and the breadth and nature of its product range. The business is primarily focused on single use medical devices and surgical instruments, laboratory consumables and specialist pharmaceuticals, with a low dependency on larger capital items. Organic growth was augmented by a strong full year contribution from TechnoPharm, the rapidly growing distributor of specialist pharmaceutical products to acute care hospitals in Ireland, which was acquired in February 2002.

DCC's nutraceuticals business returned to strong profit growth in the second half of the year. The business completed an expansion of its soft gel encapsulation facility in Wales and is currently upgrading the packing capability at its tabletting facility in Cheshire. In addition to these developments, the business achieved further progress in broadening its customer base, particularly in Europe.

DCC is restructuring its mobility and rehabilitation business. Significant procurement initiatives and cost saving measures have been implemented and further initiatives are underway to improve the overall competitive position of the business. DCC launched a range of powered mobility products under its own DMA brand to replace the Shoprider range. The legal action against Pihsiang for its breach of contract to supply Shoprider powered mobility products is being pursued aggressively.

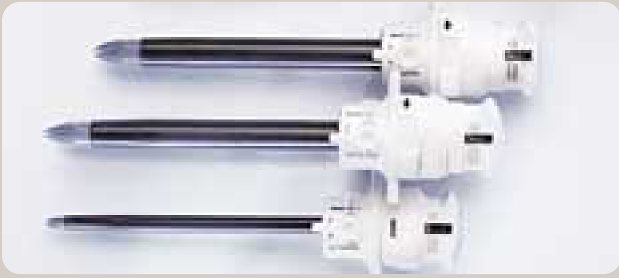
OTHER
(8% of operating profits)

DCC's other activities, principally Manor Park Homebuilders (an associate company) which is a leading Irish housebuilder, contributed operating profits of €9.5 million (2002: €5.5 million). Manor Park achieved excellent profit growth, driven by an increase in house sale closures to 500 this year, up from 370 last year, principally at its larger sites at Ongar in west Dublin and Drogheda. Manor Park has a substantial land bank and is well placed to achieve continued profit growth in the coming years.

Kelkin is the market leader in healthy foods in Ireland. Michelle Sweeney, Purchasing Manager, has been part of Kelkin's strong growth in her 18 years with the company.

Darren Houghton, Business Departmental Sales Manager in DCC's British software distribution business, has seen significant growth across its business software product range.

DCC's British hardware distribution business has a very broad supplier base of leading IT brands, including Sony.



DCC is the market leader in hospital supplies in Ireland, marketing and distributing innovative products, such as minimally invasive surgical instruments, which minimise operating time and speed the healing process for patients.

Andrew O'Connell is Managing Director of TechnoPharm, DCC's rapidly growing distributor of specialist pharmaceutical products to acute care hospitals.

Market sector analysis

ENERGY

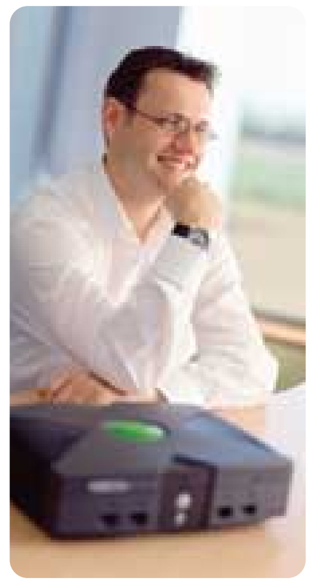
	2003	2002	Growth
Turnover	€864.2m	€717.6m	+ 20.4%
Operating profit	€45.5m	€35.0m	+ 30.0%
ROCE - excluding goodwill	41.0%	49.1%	
- including goodwill	22.1%	23.8%	

IT (SerCom Distribution and SerCom Solutions)

	2003	2002	Growth
Turnover	€984.8m	€917.1m	+ 7.4%
Operating profit	€32.9m	€30.5m	+ 7.7%
Operating margin	3.3%	3.3%	
ROCE - excluding goodwill	41.8%	43.8%	
- including goodwill	24.4%	24.4%	
Note - SerCom Distribution			
Turnover	€894.9m	€813.8m	+ 10.0%
Operating profit	€32.3m	€30.6m	+ 5.4%
Operating margin	3.6%	3.8%	

FOOD AND HEALTHCARE

	2003	2002	Growth
Turnover - continuing activities	€346.8m	€348.4m	-0.4%
Operating profit - continuing activities	€23.2m	€27.1m	-14.7%
Operating margin	6.7%	7.8%	
ROCE - excluding goodwill	38.2%	44.3%	
- including goodwill	14.6%	17.9%	
Sales split - by market			
• Food	53%	53%	
• Healthcare	47%	47%	
Operating profit split - by market			
• Food	51%	41%	
• Healthcare	49%	59%	



DCC has strengthened its position as the leading distributor of software and related 'add-on' hardware products in Britain, including Logitech's QuickPro WebCam.

Steve Douglas is Leisure Departmental Sales Manager in DCC's British software distribution business. DCC is the sole distributor of Microsoft's Xbox in Britain and Ireland.

DCC's nutraceuticals business has built a strong market position in Britain and is enjoying success in developing a European customer base.

DCC enjoyed continued excellent growth in wine sales. Fiona O'Connor joined as Wine Brand Manager, following the successful completion of her MBA in the Smurfit Business School in Dublin.

As Operations Director in DCC's energy business in Northern Ireland, Pat O'Neill's responsibilities include implementing health and safety initiatives.

DCC has enjoyed good growth in soft beverages this year.

Corporate social responsibility

DCC recognises its corporate responsibilities to shareholders, employees, customers and suppliers and to the communities in which it operates. Responsible corporate citizenship is a natural extension of DCC's commitment to excellence across all areas of its operations.

Employees
DCC promotes a high performance culture of continuous learning and development. This environment provides outstanding opportunities for career growth, spanning operational, divisional and corporate activities. DCC seeks to empower its operating management teams and employees and the Group's remuneration structures recognise that talented, energised people drive business growth and success. These structures are designed to promote performance, sound management and quality profitable growth.

DCC is committed to the continued development of progressive employment practices, in particular equality of opportunity. This is supported by an emphasis on best practice initiatives, employee communication and keeping up to date with external developments. DCC maintains full compliance with the employment laws of the countries in which it operates.

Enduring superior performance requires constant focus on the identification and development of high calibre people. The DCC Group Leadership Development process seeks to identify and develop the future business leaders with the drive, ambition and ability to continue DCC's strong growth record.

DCC places a high priority on employee communication. The DCC European Employee Forum, which was established in 1999, provides a forum for employee representatives to exchange information and views on transnational issues. Newsletters, designed to share the plans, successes and challenges of the Group with employees, are produced in many operating businesses and at Group level. Other channels include team briefings, best practice groups and the DCC Group Intranet, which is currently being rolled out.

Environment, Health and Safety (EHS)
DCC is committed to developing a strong culture of environmental, health and safety awareness and ownership throughout the DCC Group.

DCC's Risk Management function, through the Group Environmental Health and Safety Manager, supports Group companies in the development of EHS policies and procedures, appropriate to the nature and scale of their particular businesses. Policies and procedures are continually updated to reflect changes in best practice, legislation, stakeholder expectations and technological advances. Training to raise awareness of EHS risks and to ensure that safe work practices are being carried out is an inherent part of this process. DCC's Risk Management function regularly reviews and reports on compliance with EHS policies and procedures.

Waste management procedures have been developed by subsidiaries to identify and minimise all waste streams arising from operations and to ensure that disposal arrangements are in accordance with best practice and national regulatory requirements.

Operating subsidiaries continue to develop their EHS systems to more effectively manage waste packaging. Furthermore, Group companies are members of schemes such as Repak in Ireland and Valpak in the UK, which ensures compliance with national waste packaging legislation.

An EHS forum is being established on the DCC Group Intranet and will serve as a resource for EHS managers covering legislative developments and the dissemination of best practices.

As outlined in the Operating Review, DCC is continuing to invest in the development of its fast growing environmental services business. DCC's broad environmental product and service offering now includes chemicals for the treatment of water effluent and process liquids, waste chemical treatment, waste oil recycling and soil remediation.

Community
DCC's businesses are active in supporting the local communities in which they operate. Employees from the Group's Irish operations participate in the Junior Achievement teaching programme in Irish schools. This programme is designed to encourage students to remain in school and to give them an insight into the positive aspects of working life. In addition to charitable donations, DCC also supports charities indirectly through the participation of employees in various sponsored sporting events.

FTSE4Good
During the year DCC was admitted to FTSE's socially responsible investment index series 'FTSE4Good' following a detailed review by FTSE. To be eligible for inclusion, DCC had to meet detailed prescribed standards in three areas:
- Environmental Sustainability
- Upholding and Supporting Universal Human Rights
- Developing positive relations with Stakeholders

FTSE4Good indices have been designed to measure the performance of companies that meet globally recognised corporate responsibility standards, and to facilitate investment in those companies.

DCC recognises the long term, continuing nature of corporate social responsibility and is committed to meeting its responsibilities as a good corporate citizen.

The offices of DCC's subsidiary, Atlas Environmental, were designed and constructed with the environment in mind and feature:
- 20% extra insulation in the cavity walls to maximise thermal insulation
- a heating system which uses waste heat from Atlas' waste oil recycling process to heat the offices through an under-floor system
- a system to reuse rainwater, captured from the office roof, to flush toilets and reduce consumption of mains water
- organic paint
- a high percentage of glass to maximise natural light

Financial review

Financial discipline is a way of life in DCC. DCC operates detailed and rigorous operating and financial controls across the Group. In a selling, marketing and distribution business the day-to-day and line-by-line management of margins, operating costs and working capital is critical to both commercial and financial success.

DCC has a very thorough, ground-up annual budgetary process, which builds on the annual strategic review and three year planning process. Operating and financial performance is then measured weekly and monthly against targets and prior year. Results are reported and reviewed promptly, with immediate follow up to exploit opportunities or address weaknesses. Financial discipline is a way of life in all of our businesses, as evidenced by DCC's consistently high returns on capital employed and strong balance sheet.

Results

Continued strong earnings growth and high returns on capital employed were the key features of DCC's results for the year ended 31 March 2003.

Turnover grew by 11% to a record €2,242.9 million and operating profit increased by 13.2% to a record €111.1 million, driven by both organic growth and bolt-on acquisitions. In the year under review, approximately 25% of this growth was generated organically. Excluding the impact of the difficulties in DCC's healthcare business, this portion would have been approximately 50%.

DCC's rate of growth in operating profit from continuing activities accelerated to 18.5% in the second half, from 4.7% in the first half (see table below):

	2003			2002			Growth		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
	€'m	€'m	€'m	€'m	€'m	€'m	%	%	%
Energy	10.1	35.4	45.5	8.2	26.8	35.0	+23.6%	+31.9%	+30.0%
IT	14.5	18.4	32.9	13.0	17.5	30.5	+11.6%	+4.9%	+7.7%
Food & Healthcare	10.8	12.4	23.2	14.5	12.6	27.1	-25.8%	-1.8%	-14.7%
Other	4.4	5.1	9.5	2.3	3.2	5.5	+94.1%	+61.0%	+74.6%
Total - continuing	**39.8**	**71.3**	**111.1**	**38.0**	**60.1**	**98.1**	**+4.7%**	**+18.5%**	**+13.2%**

The Group's operating margin was unchanged at 5.0%. It is important to remember that measurement of DCC's 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's energy business operates, where profitability is driven by absolute contribution per litre (or tonne) of product sold and not a percentage margin.

A detailed operating review is set out on pages 16 to 23.

Interest

The net interest charge of €5.0 million was unchanged from last year. Development expenditure of €121.0 million was partially offset by cash flows from operations. Interest cover was 22.4 times (2002: 20.5 times).

Profit before net exceptional items, goodwill amortisation and tax rose by 11.9% to €109.4 million.

Net exceptional items

Net operating and non-operating exceptional items totalled €4.7 million. These comprised restructuring and redundancy costs of €9.0 million, the majority of which arose in DCC's mobility and rehabilitation healthcare business, offset by net disposal gains of €4.3 million, principally in respect of the disposal of the Group's 45% interest in Merits Health Products Company Limited (Merits), a Taiwanese supplier of mobility products. Merits' results are included in discontinued activities in the profit and loss account.

Taxation

The Group's taxation charge on ordinary activities for the year represents an effective tax rate of 14%. The effective tax rate reflects the impact of Irish manufacturing relief which results in an effective tax rate of 10% being applied to manufacturing profits in Ireland. Manufacturing relief will continue until 2010. The standard rate of corporation tax in Ireland is 12.5% since 1 January 2003. An analysis of the taxation charge is contained in note 11 to the financial statements.

Dividend

The total dividend for the year of 28.175 cent per share represents an increase of 15.0% over the previous year. The dividend is covered 3.9 times (2002: 4.0 times) by adjusted earnings per share.

Return on capital employed

DCC is committed to creating shareholder value through delivering consistent, long term returns in excess of our cost of capital. In the year under review, DCC again generated excellent returns, 42.2% on tangible capital employed and 22.0% on capital employed inclusive of acquisition goodwill, significantly ahead of DCC's cost of capital. While bolt-on acquisition activity has increased over the last two years, particularly in the energy market, DCC's returns on capital employed have remained consistently high. This reflects the combination of attractive acquisition valuations and excellent integration synergies which DCC has been able to achieve.

Pension costs

Pension costs, computed in accordance with Statement of Standard Accounting Practice 24, totalled €6.2 million (2002: €5.1 million), of which €3.4 million (2002: €3.2 million) was in respect of defined benefit schemes. Full implementation of Financial Reporting Standard 17 - Retirement Benefits (FRS 17), which prescribes new accounting rules for defined benefit schemes, has been deferred by the Accounting Standards Board, except for the detailed disclosure required in the notes to the financial statements. As at 31 March 2003, the net FRS 17 pension funding liability of the Group amounted to €15.8 million (2002: €2.7 million), which represents 1.7% of DCC's market capitalisation (at a share price of €11.30).

Cash flow

DCC focuses on operating cash flow to maximise shareholder value over the long-term. Operating cash flow is principally used to fund investment in existing operations, complementary bolt-on acquisitions, dividend payments and selective share buybacks.

Cash flow from operating activities was €98.5 million, which compares with operating profits from subsidiaries of €96.6 million. Working capital management was strong - working capital equated to 15.4 days sales at the year end (2002: 11.5 days). Despite sales growth of 11.0%, DCC achieved a reduction in stock days and debtors days, however this was offset by a decrease in creditor days:

	2003	2002
	Days	Days
Stocks	15.8	17.0
Debtors	48.8	49.4
Creditors	(49.2)	(54.9)
Net working capital	**15.4**	**11.5**

The table below sets out a summary of cash flows:

	2003	2002
	€'m	€'m
Operating cash flow	**98.5**	**120.4**
Exceptional costs	(6.0)	(2.9)
	92.5	117.5
Inflows		
Disposal proceeds	14.7	11.3
Share issues (net)	0.2	0.8
	107.4	129.6
Outflows		
Acquisitions	88.2	59.6
Capital expenditure (net)	34.8	33.0
Share buyback	-	21.3
Interest and taxation paid	7.8	16.3
Dividends paid	21.3	19.2
	152.1	149.4
Net cash outflow	**(44.7)**	**(19.8)**
Translation adjustment	1.7	(0.3)
Opening net cash	**63.1**	**83.2**
Closing net cash	**20.1**	**63.1**

Balance sheet

DCC has a very strong balance sheet with shareholders' funds of €429.3 million at 31 March 2003 and net cash of €20.1 million. The composition of net cash was as follows:

	2003 €'m	2002 €'m
Cash and term deposits	354.0	304.7
Bank and other debt repayable within one year	(218.4)	(108.8)
Bank and other debt repayable after more than one year	(21.2)	(26.8)
Unsecured notes due 2008/11	(94.3)	(106.0)
Net cash	**20.1**	**63.1**

Cash and term deposits are analysed in note 22 to the financial statements and debt, including currency, interest rates and maturity periods, is shown in notes 23 to 26.

Treasury policy and management

The principal objective of the Group's treasury policy is the minimisation of financial risk at reasonable cost. This policy is reviewed and approved annually by the Board. The Group does not take speculative positions but seeks, where considered appropriate, to hedge underlying trading and asset/liability exposures by way of derivative financial instruments (such as interest rate and currency swaps and forward contracts). DCC's Group Treasury centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign currency and commodity price exposures within approved guidelines. An analysis of the Group's hedging positions is contained in note 27(b) to the financial statements.

Currency 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. Trading-related foreign currency exposures are generally hedged by using forward contracts to cover specific or estimated purchases and receivables. Over half of the Group's operating profits are sterling denominated and, where appropriate, hedges are put in place to minimise the related exchange rate volatility. However, certain natural hedges also exist within the Group, as a proportion of both the Group's interest payments and purchases by certain of its Irish businesses are sterling denominated. In order to protect shareholders' funds from material variations due to sterling exchange rate movements, a proportion of the Group's sterling net operating assets are hedged by an equivalent amount of sterling denominated borrowings.

Interest rate risk management

The Group borrows at both fixed and floating rates of interest and utilises interest rate swaps to manage its exposure to interest rate fluctuations.

Credit risk management

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

Commodity price risk management

Commodity forwards and swaps are frequently used to fully or partly hedge potential price movements in LPG products and oil products to be purchased by the Group's energy businesses in Britain and Ireland. All such contracts are entered into with counterparties approved by the Board and usually for a period not exceeding three months.

Directors' Report & Financial Statements 2003

Corporate Governance

The Board of DCC attaches significant importance to issues of corporate governance and of best practice. The following report describes how DCC has complied with the Principles of Good Governance and Code of Best Practice which are set out in the Combined Code.

The Board of Directors

Directors
The Board of DCC consists of five executive and four non-executive Directors and the roles of the Chairman and Chief Executive are separate. The Board has appointed Maurice Keane as the senior independent Director. Brief biographies of the Directors are set out on page 2. All of the Directors bring independent judgement to bear on issues of strategy, risk, performance, resources, key appointments and standards. Directors are subject to re-election at least every three years.

Board Procedures
The Board holds regular meetings (normally at least six per annum) and there is contact as required between meetings in order to progress the Group's business. The Directors receive regular and timely information in a form and quality appropriate to enable the Board to discharge its duties. The Board has a formal schedule of matters specifically reserved to it for decision, which covers key areas of the Group's business including approval of financial statements, budgets (including capital expenditure), acquisitions and dividends. Certain additional matters are delegated to Board Committees.

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 and, in addition, the Board ensures that Directors are kept up to date on the latest corporate governance guidance and best practice. There is a formal induction process for new non-executive Directors which includes detailed presentations on the Group's operations. The Board also gives consideration as to whether new Directors require other training for their role.

Board Committees
There are three Board Committees with formal terms of reference: the Audit Committee, the Remuneration Committee and the Nomination Committee. The Audit Committee and the Remuneration Committee comprise the four non-executive Directors. The Nomination Committee comprises the non-executive Directors and the Chief Executive/Deputy Chairman.

Independence
The Board considers all of the non-executive Directors, Mr. Spain, Mr. Barry, Mr. Gallagher and Mr. Keane to be independent of management and free of any relationships which could interfere with the exercise of their independent judgement.

Directors' Remuneration
The Report of the Remuneration Committee is set out on pages 34 to 38.

Relations with Shareholders
DCC attaches considerable importance to shareholder communications and has a well-established investor relations function. There is regular dialogue with institutional investors and shareholders as well as presentations after the interim and preliminary results. All announcements including results announcements published immediately after their release by the Regulatory News Service on the company's web site at www.dcc.ie. The web site contains additional information for investors which is regularly updated.

At the Company's Annual General Meeting the Chief Executive/Deputy Chairman makes a presentation and answers questions on the Group's business and its performance during the prior year.

The 2002 Annual Report and Notice of Annual General Meeting were sent to shareholders 23 working days before the meeting and the level of proxy votes cast on each resolution, and the numbers for and against, were announced at the meeting. Similar arrangements have been made for the 2003 Annual Report and Notice of Annual General Meeting. The 2003 Annual General Meeting will be held on 8 July 2003 at The Berkeley Court Hotel, Lansdowne Road, Dublin 4, Ireland.

Accountability and Audit

Audit Committee
The written terms of reference of the Audit Committee deal clearly with its authority and duties which include, inter alia, consideration of the appointment of the external auditors and their fees and review of the scope and results of the work performed by the DCC Risk Committee and by both the Group Risk Management function (incorporating Internal Audit) and the external auditors. The Audit Committee also reviews the nature and extent of non-audit services provided by the external auditors.

Internal Control
The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. 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.

Corporate Governance continued

In accordance with the Turnbull guidance for directors on internal control, Internal Control: Guidance for Directors on the Combined Code, the Board confirms that there is an ongoing process for identifying, evaluating and managing the 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 Group senior management, whose main role is to keep under review and report to the Audit Committee of the Board on the principal risks facing the Group, the controls in place to manage those risks and the monitoring procedures;
- an independent Group Risk Management function, which incorporates Internal Audit and Group Environmental, Health and Safety; and
- a formally constituted Audit Committee which reviews the operation of the Risk Committee and the Group Risk Management function, liaises with the external auditors and reviews the Group's internal control systems.

The Board has reviewed the effectiveness of the Group's system of internal control. This review covered all controls including financial, operational and compliance controls and risk management.

Going Concern

After making enquiries, the Directors have formed a judgement, 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 39 and the reporting responsibilities of the auditors are set out in their report on pages 40 and 41.

Compliance

DCC has complied, during the year ended 31 March 2003, with all of the Principles of Good Governance and Code of Best Practice set out in the Combined Code.

Report of the Directors for the year ended 31 March 2003

The Directors present their report and the audited financial statements for the year ended 31 March 2003.

Principal Activities
DCC is a business support services group, selling, marketing and distributing its own and third party branded products in the energy, IT, food and healthcare markets.

A summary of the Group's activities is set out on pages 16 to 23.

Subsidiary and Associated Companies
Details of the Company's principal operating subsidiaries are set out on pages 80 and 81. Details of its principal associated undertakings are set out on page 59, in note 18 to the financial statements. A full list of subsidiary and associated undertakings will be annexed to the Annual Return of the Company to be filed with the Irish Registrar of Companies.

Results and Business Review
The profit for the financial year attributable to Group shareholders amounted to €80.8 million as set out in the Consolidated Profit and Loss Account on page 44.

The Chairman's Statement on pages 10 to 11, the Chief Executive/Deputy Chairman's Review on pages 12 to 13, the Financial Review on pages 26 to 28 and the Operating Review on pages 16 to 23 contain a review of the development of the Group's business during the year, of the state of affairs of the business at 31 March 2003, of recent events and of likely future developments.

Dividends
An interim dividend of 10.217 cent per share, amounting to €8.54 million, was paid on 2 December 2002. The Directors recommend the payment of a final dividend of 17.958 cent per share, amounting to €15.02 million. Subject to shareholders' approval at the Annual General Meeting on 8 July 2003, this dividend will be paid on 14 July 2003 to shareholders on the register on 30 May 2003. The total dividend for the year ended 31 March 2003 amounts to 28.175 cent per share, a total of €23.56 million.

The balance of profit attributable to Group shareholders, which is retained in the business, amounts to €57.3 million.

Treasury Shares
The number of shares held in Treasury at the beginning of the year and the maximum number held in Treasury during the year was 4,548,720 (5.16% of the issued share capital) with a nominal value of €1.137 million. A total of 31,715 shares (0.04% of the issued share capital) with a nominal value of €0.008 million were re-issued during the year at prices ranging from €6.22 to €8.79, consequent to the exercise of share options, leaving a balance of 4,517,005 shares held in Treasury at 31 March 2003.

No shares were purchased by the Company during the year.

Research and Development
Certain Group companies carry out development work aimed at improving the quality, competitiveness and range of their products. This expenditure is not material in relation to the size of the Group and is written off to the profit and loss account as it is incurred.

Report of the Directors continued

Substantial Shareholdings
At 16 May 2003, the Company had been advised of the following interests in its issued share capital:

	No. of €0.25 Ordinary Shares	% of Issued Share Capital
Bank of Ireland Asset Management Limited *	10,039,485	11.4%
FMR Corp. and its direct and indirect subsidiaries **	9,788,817	11.1%
Allied Irish Banks plc and its subsidiaries *	3,320,743	3.8%
Merrill Lynch Investment Managers Limited *	2,920,070	3.3%

* Notified as non-beneficial interests.
** Under Irish and UK law the shares are held by non-beneficial holders.

Apart from these holdings, the Company has not been notified of any other interest of 3% or more in its issued share capital.

Directors
The names of the Directors and a short biographical note on each appear on page 2.

In accordance with Article 80 of the Articles of Association, Tommy Breen, Paddy Gallagher and Fergal O'Dwyer retire by rotation at the 2003 Annual General Meeting and, being eligible, offer themselves for re-election.

None of the retiring 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 of the Remuneration Committee on pages 34 to 38.

Health and Safety
It is the policy of the Group to ensure the safety, health and welfare of employees by maintaining a safe working environment and complying with all relevant health and safety legislation. Each operating company in the Group has documented and implemented comprehensive safety policies and procedures which are regularly reviewed and updated by company management and by the Group Environmental, Health and Safety function.

Political Contributions
There were no political contributions which are required to be disclosed under the Electoral Act, 1997.

Auditors
The auditors, PricewaterhouseCoopers, will continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

Alex Spain, Jim Flavin, Directors

DCC House, Stillorgan,
Blackrock, Co Dublin
16 May 2003

Report of the Remuneration Committee

Remuneration Committee

The Remuneration Committee comprises the four independent non-executive Directors - Tony Barry, Paddy Gallagher, Maurice Keane and Alex Spain. The Committee is chaired by Tony Barry.

The terms of reference of the Remuneration Committee are to determine the remuneration packages of the executive Directors and to grant share options. The Chief Executive/Deputy Chairman is consulted about remuneration proposals for the other executive Directors and the Remuneration Committee is authorised to obtain access to professional advice if deemed desirable.

Remuneration Policy

The Company's remuneration policy recognises that employment and remuneration conditions for the Group's senior executives must properly reward and motivate them to perform in the best interests of the shareholders. In formulating this policy, the Committee has given due regard to the provisions of the Combined Code.

Directors' Service Agreements

Other than for the Chief Executive/Deputy Chairman, there are no service agreements between any Director of the Company and the Company or any of its subsidiaries. The Chief Executive/Deputy Chairman's service agreement provides for one year's notice of termination by the Company.

Directors' Remuneration

Executive Directors' Remuneration

The typical elements of the remuneration package for executive Directors are basic salary, performance related remuneration consisting of performance related annual bonuses and share options, pension benefits and a company car.

Salaries

The salaries of executive Directors are reviewed annually on 1 January having regard to personal performance, Company performance and competitive market practice. No fees are payable to executive Directors.

Performance Related Annual Bonuses

Performance related annual bonuses are payable to the executive Directors, in respect of the financial year to 31 March. Challenging performance targets must be met before bonuses can be paid. These targets, which include growth in Group operating profit and also, for divisional Managing Directors, growth in divisional operating profit and corporate development in their areas of responsibility, are reviewed and set annually. The bonus potential, as a percentage of basic salary, for each executive Director is also reviewed and set annually and in the year ended 31 March 2003 ranged from 5% to 50%.

Pension Benefits

The Company funds a pension plan for executive Directors which aims to provide a pension of up to 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.

Non-Executive Directors' Remuneration

The remuneration of the non-executive Directors is determined by the Board. The fees paid to non-executive Directors reflect their experience and ability and the time demands of their Board and Board Committee duties.

A pension is funded for the Chairman, based on his annual fee, to provide a 1/60th accrual for each year of pensionable service.

Report of the Remuneration Committee continued

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	
	2003 €'000	2002 €'000	**2003 €'000**	2002 €'000	**2003 €'000**	2002 €'000	**2003 €'000**	2002 €'000	**2003 €'000**	2002 €'000
Executive Directors										
Jim Flavin	**726**	653	**36**	32	**31**	33	**117**	172	**910**	890
Tommy Breen	**302**	242	**79**	80	**20**	20	**89**	68	**490**	410
Morgan Crowe	**323**	270	**16**	32	**21**	27	**93**	74	**453**	403
Kevin Murray	**302**	242	**119**	80	**20**	20	**89**	68	**530**	410
Fergal O'Dwyer	**273**	229	**50**	52	**15**	16	**80**	66	**418**	363
Total for executive Directors	**1,926**	1,636	**300**	276	**107**	116	**468**	448	**2,801**	2,476
Non-executive Directors										
Alex Spain	**111**	89	-	-	-	10	**28**	22	**139**	121
Tony Barry	**46**	35	-	-	-	-	-	-	**46**	35
Paddy Gallagher	**46**	35	-	-	-	4	-	-	**46**	39
Maurice Keane[4]	**46**	1	-	-	-	-	-	-	**46**	1
Total for non-executive Directors	**249**	160	-	-	-	14	**28**	22	**277**	196
Pension payment in respect of retired Director									**14**	15
Total									**3,092**	2,687

Notes

[1] Fees are payable only to non-executive Directors and include Chairman's and Board Committee fees.

[2] In the case of the executive Directors, benefits relate principally to the use of a company car. The benefit in the year ended 31 March 2002 in the case of two non-executive Directors related to a special presentation made to them marking their contribution to the Company.

[3] Pension contributions represent payments to a defined benefit pension scheme, in accordance with actuarial advice, to provide pension benefits.

[4] In respect of the year ended 31 March 2002, remuneration for Maurice Keane is included only for the period from the date of his appointment to the Board, on 25 March 2002, to 31 March 2002.

Report of the Remuneration Committee continued

Directors' Pensions

The table below shows the increase in the accrued pension benefits to which the Directors have become entitled during the year ended 31 March 2003 and the transfer value of the increase in accrued benefit:

	Increase in accrued pension benefit (excl inflation) during the year	Transfer value equivalent to the increase in accrued pension benefit	Accumulated accrued pension benefit at year end
	€'000	€'000	€'000
Executive Directors			
Jim Flavin	66	1,137	508
Tommy Breen	25	170	92
Morgan Crowe	38	653	193
Kevin Murray	24	159	84
Fergal O'Dwyer	16	102	69
Total	**169**	**2,221**	**946**
Non-executive Chairman			
Alex Spain	**12**	**185**	**57**

The transfer value has been calculated on the basis of actuarial advice in accordance with Actuarial Guidance Note GN11. The transfer value represents a liability of a pension scheme operated by the Group and not a sum paid to or due to the Director noted.

Share Options

DCC plc 1998 Employee Share Option Scheme

Executive Directors and other senior executives participate in the DCC plc 1998 Employee Share Option Scheme, which was approved by shareholders in 1998. The Scheme encourages identification with shareholders' interests by enabling management to build, over time, a shareholding in the Company which is material to their net worth.

The percentage of share capital which can be issued under the Scheme, the phasing of the grant of options and the limit on the value of options which may be granted to any individual comply with guidelines published by the institutional investment associations. The Scheme provides for the grant of both basic and second tier options, in each case up to a maximum of 5% of the Company's issued share capital. 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.

Directors are encouraged to hold their options beyond the earliest exercise date.

Report of the Remuneration Committee continued

The following are details of share options granted to Directors under the DCC plc 1998 Employee Share Option Scheme:

Executive Directors	At 31 March 2002	Granted in year	At 31 March 2003	Weighted Average Exercise Price €	Normal Exercise Period
Jim Flavin					
Basic Tier	350,000	-	350,000	7.8140	June 2001 – Nov 2011
Second Tier	350,000	45,000	395,000	8.1063	June 2003 – Nov 2012
Tommy Breen					
Basic Tier	145,000	20,000	165,000	8.4193	June 2001 – Nov 2012
Second Tier	145,000	45,000	190,000	8.6786	June 2003 – Nov 2012
Morgan Crowe					
Basic Tier	100,000	-	100,000	7.0019	June 2001 – Nov 2009
Second Tier	100,000	-	100,000	7.0045	June 2003 – Nov 2009
Kevin Murray					
Basic Tier	145,000	20,000	165,000	8.4193	June 2001 – Nov 2012
Second Tier	145,000	45,000	190,000	8.6786	June 2003 – Nov 2012
Fergal O’Dwyer					
Basic Tier	125,000	15,000	140,000	8.0878	June 2001 – Nov 2012
Second Tier	125,000	40,000	165,000	8.4366	June 2003 – Nov 2012

No options were exercised by or allowed to lapse by Directors under the DCC plc 1998 Employee Share Option Scheme during the year.

DCC Sharesave Scheme

The Group established the DCC Sharesave Scheme in 2000. On 15 June 2001, options were granted under the Scheme to those Group employees, including executive Directors, who entered into associated savings contracts. The maximum number of options which could have been granted to any individual under the Scheme at that date, in accordance with relevant legislation and subject to the level and term of the savings contract, was 2,383. The options were granted at an option price of €8.79 per share, which represented a discount of 20% to the market price as permitted by the rules of the Scheme. These options are exercisable between June 2004 and February 2007.

The following are details of the share options granted to executive Directors under the Scheme:

	No. of Ordinary Shares At 31 March 2003 and 2002
Jim Flavin	2,383
Tommy Breen	2,383
Morgan Crowe	1,372
Kevin Murray	2,383
Fergal O’Dwyer	2,383

The market price of DCC shares on 31 March 2003 was €9.75 and the range during the year was €9.10 to €13.25.

Additional information in relation to the DCC plc 1998 Employee Share Option Scheme and the DCC Sharesave Scheme appears in note 32 on page 73 of the financial statements.

Report of the Remuneration Committee continued

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 2003, together with their interests at 31 March 2002, were:

	No. of Ordinary Shares	
	At 31 March 2003	**At 31 March 2002**
Alex Spain	20,634	15,634
Jim Flavin	2,456,033	2,456,033
Tony Barry	12,000	7,000
Tommy Breen	211,512	211,512
Morgan Crowe	807,640	807,640
Paddy Gallagher	5,040	2,540
Maurice Keane	5,000	-
Kevin Murray	212,306	212,306
Fergal O'Dwyer	212,506	212,506
Gerard Whyte (Secretary)	124,667	124,667

All of the above interests were beneficially owned. There were no changes in the interests of the Directors and the Company Secretary between 31 March 2003 and 16 May 2003.

Apart from the interests disclosed above neither the Directors nor the Company Secretary were interested at any time during the year in the share capital or loan stock of the Company or other Group undertakings.

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

Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the statement of auditors' responsibilities set out within their report on pages 40 and 41, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the auditors in relation to the financial statements.

The Directors are required by company law to ensure that the Company prepares financial statements for each financial year which 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 for that year.

Following discussions with the auditors, the Directors consider that in preparing the financial statements on pages 42 to 79, which have been prepared on the going concern basis, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider applicable have been followed (subject to any explanations or material departures disclosed in the notes to the financial statements).

The Directors are required to take all reasonable steps to secure compliance by the Company with its obligations in relation to the preparation and maintenance of proper books of account and financial statements which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2001 and the European Communities (Companies: Group Accounts) Regulations, 1992. The Directors have a general duty to act in the best interests of the Company and must, therefore, take such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Books of Account

The measures taken with regard to keeping proper books of account include the use of systems and procedures appropriate to the business and the employment of competent and reliable persons. The books of account are kept at DCC House, Stillorgan, Blackrock, Co. Dublin.

Report of the Independent Auditors for the year ended 31 March 2003

To the Members of DCC plc
We have audited the financial statements on pages 42 to 79 and the detailed information on directors' emoluments, pensions and interests in shares and share options on pages 34 to 38.

Respective responsibilities of directors and auditors
The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable Irish law and accounting standards generally accepted in Ireland are set out on page 39 in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, auditing standards issued by the Auditing Practices Board applicable in Ireland and the Listing Rules of the Irish Stock Exchange. 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 financial statements give a true and fair view and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2001, and the European Communities (Companies: Group Accounts) Regulations, 1992. 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 directors' report 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; 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, information specified by law or the Listing Rules regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report, the chairman's statement, the chief executive's review, the operating review, the corporate social responsibility statement, the financial review and the corporate governance statement.

We review whether the statement on page 31 reflects the Company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, 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 to form an opinion on the effectiveness of the Company's or Group's corporate governance procedures or its risk and control procedures.

Basis of audit opinion
We conducted our audit in accordance with Auditing Standards 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 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 financial statements give a true and fair view of the state of affairs of the Company and the Group at 31 March 2003 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2001, and the European Communities (Companies: Group Accounts) Regulations, 1992.

Report of the Independent Auditors continued

We have obtained all the information and explanations 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 on pages 32 and 33 is consistent with the financial statements.

The net assets of the Company, as stated in the balance sheet on page 47, 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 2003 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
16 May 2003

Accounting Policies

Accounting Convention
The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.The currency used in these financial statements is the euro, denoted by the symbol €.

Basis of Preparation
The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2001. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

Basis of Consolidation
The consolidated financial statements include the Company and all its subsidiaries.

The results of subsidiary and associated undertakings acquired or disposed of during the year are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal.

Turnover
Turnover comprises the invoiced value, including excise duty and excluding value added tax, of goods supplied and services rendered.

Goodwill
Goodwill comprises the excess of consideration paid to acquire new businesses over the fair value of the net assets acquired.

Goodwill arising on the acquisition of subsidiaries prior to 1 April 1998 was eliminated from the balance sheet through reserves in the year in which it arose. Goodwill arising on the acquisition of subsidiaries since 1 April 1998 is capitalised on the balance sheet and amortised on a straight line basis over its estimated useful economic life. On disposal of an undertaking acquired prior to 1 April 1998, goodwill eliminated against reserves in respect of that undertaking is included in the determination of the profit or loss on disposal.

In the case of interests acquired by the Group in associated undertakings, goodwill is capitalised as part of their carrying value and amortised over its expected useful economic life. In the case of similar interests acquired by associated undertakings of the Group, the accounting treatment followed in respect of goodwill is that adopted by the associated undertakings.

The useful economic life of capitalised goodwill arising on acquisitions since 1 April 1998 is estimated to be 20 years.

Subsidiaries
Subsidiaries are included in the Company balance sheet at cost less provision for any impairment in value.

Associated Undertakings
Associated undertakings are companies other than subsidiaries in which the Group holds, on a long-term basis, a participating interest in the voting equity share capital and exercises significant influence.

Associated undertakings are included in the Company balance sheet at cost less provision for any impairment in value. Income from associated undertakings included in the Company profit and loss account comprises dividends received and receivable.

The appropriate share of results of associated undertakings is included in the consolidated profit and loss account by way of the equity method of accounting. Associated undertakings are stated in the consolidated balance sheet at cost plus the attributable portion of their retained reserves from the date of acquisition less goodwill amortised. Provision is made, where appropriate, where the Directors consider there has been an impairment in value.

Stocks
Stocks 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 stocks 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 stocks.

Tangible Fixed Assets
Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis at the rates stated below, which are estimated to reduce the assets to their residual level values by the end of their expected working lives:

	Annual Rate
Freehold and long term leasehold buildings	2%
Plant and machinery	5 - $33^1/_3$%
Cylinders	$6^2/_3$%
Motor vehicles	10 - $33^1/_3$%
Fixtures, fittings & office equipment	10 - $33^1/_3$%

Land is not depreciated.

Accounting Policies continued

Leased Assets
Tangible fixed assets, acquired under a lease which transfers substantially all of the risks and rewards of ownership to the Group, are capitalised as fixed assets. Amounts payable under such leases (finance leases), net of finance charges, are shown as short, medium or long term lease obligations, as appropriate. Finance charges on finance leases are charged to the profit and loss account over the term of the lease on an actuarial basis.

The annual rentals under operating leases are charged to the profit and loss account as incurred.

Deferred Consideration
Where acquisitions involve further payments which are deferred or contingent on levels of performance achieved in the years following the acquisition, a discounted deferred acquisition creditor is accrued. Notional interest is charged to the profit and loss account over the relevant period by reference to the period of deferral, current interest rates and the amount of the likely payments.

Deferred Taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profit as computed for taxation purposes and profit as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

Deferred tax assets are recognised to the extent that they are regarded as recoverable. Recoverability is assessed on the basis that more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign Currencies
Assets and liabilities denominated in foreign currencies are translated into euro at the exchange rates ruling at the balance sheet date or at contracted rates, where appropriate.

The trading results of overseas subsidiaries are translated into euro at the average rate of exchange for the year.

Profits and losses arising on transactions in foreign currencies during the year are included in the profit and loss account at the exchange rate ruling on the date of the transactions.

Exchange differences arising from a re-translation of the opening net investment in subsidiary and associated undertakings are dealt with in the Statement of Total Recognised Gains and Losses net of differences on related currency borrowings.

Derivative Financial Instruments
The Group is a party to derivative financial instruments (derivatives), primarily to manage its exposure to fluctuations in foreign currency exchange rates and interest rates and to manage its exposure to changes in the prices of certain commodity products.

Gains and losses on derivative contracts used to hedge foreign exchange and commodity price trading exposures are recognised in the profit and loss account when the hedged transactions occur.

As part of exchange rate risk management, foreign currency swap agreements are used to convert US dollar borrowings into Sterling borrowings. Gains and losses on these derivatives are deferred and are recognised on the maturity of the underlying debt, together with the matching loss or gain on the debt.

Interest rate swap agreements and similar contracts are used to manage interest rate exposures. Amounts payable or receivable in respect of these derivatives are recognised as adjustments to interest expense over the period of the contracts.

Capital Grants
Capital grants received and receivable by the Group are credited to capital grants and are amortised to the profit and loss account on a straight line basis over the expected useful lives of the assets to which they relate.

Pension Costs
Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the Group benefits from the employees' services. The effect of variations from regular cost are spread over the expected average remaining service lives of the members in the schemes. The basis of contributions are determined on the advice of independent qualified actuaries.

The disclosures required under the transitional arrangements of Financial Reporting Standard 17 'Retirement Benefits' for the year ended 31 March 2003 are shown in note 31 (b).

Consolidated Profit and Loss Account

for the year ended 31 March 2003

	Notes	2003 €'000	2002 €'000
Turnover			
Subsidiary undertakings	1	**2,111,066**	1,888,678
Share of turnover of associated undertakings	1	**131,818**	131,888
Total turnover - continuing activities	1	**2,242,884**	2,020,566
Discontinued activities		**29,490**	28,323
Total turnover		**2,272,374**	2,048,889
Turnover - subsidiary undertakings			
Continuing activities		**2,063,783**	1,701,427
Acquisitions		**47,283**	187,251
	1	**2,111,066**	1,888,678
Cost of sales	2	**(1,776,929)**	(1,595,706)
Gross profit	2	**334,137**	292,972
Net operating costs	2	**(237,514)**	(203,862)
Operating profit before operating exceptional items and goodwill amortisation - parent and subsidiary undertakings	2	**96,623**	89,110
Share of operating profit before goodwill amortisation of associated undertakings	1	**17,709**	13,602
Operating profit before operating exceptional items and goodwill amortisation		**114,332**	102,712
Continuing activities		**105,928**	91,036
Acquisitions		**5,165**	7,112
		111,093	98,148
Discontinued activities		**3,239**	4,564
		114,332	102,712
Operating exceptional items	7	**(2,898)**	-
Goodwill amortisation	6	**(7,340)**	(5,671)
Operating profit		**104,094**	97,041
Non-operating net exceptional items	7	**(1,756)**	(1,126)
Net interest payable and similar charges - parent and subsidiary undertakings	8	**(3,766)**	(2,984)
Share of net interest payable and similar charges - associated undertakings	9	**(1,204)**	(2,019)
Profit on ordinary activities before taxation	10	**97,368**	90,912
Taxation	11	**(15,311)**	(13,679)
Profit after taxation		**82,057**	77,233
Minority interests	12	**(1,248)**	(940)
Profit for the financial year attributable to Group shareholders	13	**80,809**	76,293
Dividends paid	14	**(8,542)**	(7,750)
Dividends proposed	14	**(15,017)**	(12,716)
Profit retained for the year	35	**57,250**	55,827
Earnings per ordinary share - basic (cent)	15	**96.66c**	90.26c
Earnings per ordinary share - diluted (cent)	15	**95.50c**	89.38c
Adjusted earnings per ordinary share - basic (cent)	15	**111.00c**	98.30c
Adjusted earnings per ordinary share - diluted (cent)	15	**109.67c**	97.35c

Alex Spain, Jim Flavin, Directors

Statement of Total Recognised Gains and Losses
for the year ended 31 March 2003

	2003 €'000	2002 €'000
Profit for the financial year	**80,809**	76,293
Exchange adjustments - associated undertakings	**(1,761)**	8
Exchange adjustments - subsidiaries	**(17,871)**	715
Total recognised gains for the financial year	**61,177**	77,016

Note of Historical Cost Profits and Losses
for the year ended 31 March 2003

There is no difference between the profit on ordinary activities before taxation and the profit retained for the year on an historical cost basis and the amounts shown in the consolidated profit and loss account on page 44.

Consolidated Balance Sheet as at 31 March 2003

	Notes	2003 €'000	2002 €'000
Fixed Assets			
Intangible assets - goodwill	16	**132,044**	118,332
Tangible fixed assets	17	**209,432**	159,156
Financial assets - associated undertakings	18	**40,330**	38,976
		381,806	316,464
Current Assets			
Stocks	20	**103,030**	112,795
Debtors	21	**321,650**	334,341
Cash and term deposits	22	**353,986**	304,661
		778,666	751,797
Creditors: Amounts falling due within one year			
Bank and other debt	23	**218,419**	108,795
Trade and other creditors	28	**334,997**	377,151
Corporation tax		**29,291**	18,473
Proposed dividend	14	**15,017**	12,716
		597,724	517,135
Net Current Assets		**180,942**	234,662
Total Assets less Current Liabilities		**562,748**	551,126
Financed by:			
Creditors: Amounts falling due after more than one year			
Bank and other debt	23	**21,250**	26,757
Unsecured Notes due 2008/11	23	**94,258**	106,036
Deferred acquisition consideration		**11,887**	18,954
		127,395	151,747
Provisions for Liabilities and Charges	29	**1,157**	2,816
		128,552	154,563
Capital and Reserves			
Called up equity share capital	32	**22,035**	22,034
Share premium account	33	**124,444**	124,431
Other reserves	34	**1,400**	1,400
Profit and loss	35	**281,400**	243,565
Equity Shareholders' Funds	36	**429,279**	391,430
Equity minority interests	37	**3,632**	4,010
Capital grants	38	**1,285**	1,123
		434,196	396,563
		562,748	551,126

Alex Spain, Jim Flavin, Directors

Company Balance Sheet as at 31 March 2003

	Notes	2003 €'000	2002 €'000
Fixed Assets			
Tangible fixed assets	17	**1,055**	1,092
Financial assets			
- associated undertakings	18	**1,300**	1,300
- subsidiary undertakings	19	**106,653**	101,178
		109,008	103,570
Current Assets			
Debtors	21	**280,457**	262,432
Cash and term deposits	22	**333**	1,054
		280,790	263,486
Creditors: Amounts falling due within one year			
Bank and other debt	23	**4,067**	9,751
Trade and other creditors	28	**6,536**	3,477
Corporation tax		**-**	6
Proposed dividend	14	**15,017**	12,716
		25,620	25,950
Net Current Assets		**255,170**	237,536
Total Assets less Current Liabilities		**364,178**	341,106
Financed by:			
Creditors: Amounts falling due after more than one year			
Amounts owed to subsidiary undertakings		**178,188**	181,239
Deferred acquisition consideration		**4,350**	3,456
		182,538	184,695
Provisions for Liabilities and Charges	29	**552**	4
		183,090	184,699
Capital and Reserves			
Called up equity share capital	32	**22,035**	22,034
Share premium account	33	**124,444**	124,431
Other reserves	34	**344**	344
Profit and loss	35	**34,265**	9,598
Equity Shareholders' Funds		**181,088**	156,407
		364,178	341,106

Alex Spain, Jim Flavin, Directors

Consolidated Cash Flow Statement for the year ended 31 March 2003

	Notes	2003 €'000	2002 €'000
Cash flow from operating activities	40	**92,467**	117,470
Returns on investments and servicing of finance	41	**(4,864)**	(3,789)
Taxation paid		**(2,923)**	(12,461)
Capital expenditure	41	**(34,832)**	(33,006)
Acquisitions and disposals	41	**(73,483)**	(48,279)
Equity dividends paid		**(21,258)**	(19,199)
Cash (outflow)/inflow before management of liquid resources and financing		**(44,893)**	736
(Increase)/decrease in liquid resources	42	**(61,222)**	199,532
Financing	41	**143,819**	(172,842)
Increase in cash for the year	42	**37,704**	27,426

Reconciliation of Net Cash Flow to Movement in Net Cash for the year ended 31 March 2003

	Notes	2003 €'000	2002 €'000
Increase in cash for the year	42	**37,704**	27,426
Increase/(decrease) in liquid resources	42	**61,222**	(199,532)
Net loans (drawn down)/repaid	42	**(145,836)**	148,259
Capital element of finance lease payments	42	**2,248**	4,068
Changes in net cash resulting from cash flow		**(44,662)**	(19,779)
Exchange movements	42	**1,648**	(379)
Net outflow in the year		**(43,014)**	(20,158)
Net cash at start of year	42	**63,073**	83,231
Net cash at end of year	42	**20,059**	63,073

Notes to the Financial Statements for the year ended 31 March 2003

1. Segmental Information

(a) Segmental Analysis by Class of Business
An analysis by class of business of turnover, profit before taxation and net assets is set out below:

(i) Summary

	2003 Turnover €'000	2003 Profit Before Taxation €'000	2003 Net Assets €'000	2002 Turnover €'000	2002 Profit Before Taxation €'000	2002 Net Assets €'000
Energy	**864,247**	**45,458**	**136,665**	717,623	34,979	85,212
IT	**984,815**	**32,876**	**87,584**	917,068	30,517	69,862
Food	**185,159**	**11,756**	**24,099**	184,219	11,007	18,010
Healthcare	**161,647**	**11,415**	**36,407**	164,151	16,153	42,788
Other Activities	**47,016**	**9,588**	**20,273**	37,505	5,492	13,286
Continuing activities	**2,242,884**	**111,093**	**305,028**	2,020,566	98,148	229,158
Discontinued activities	**29,490**	**3,239**		28,323	4,564	7,909
Goodwill amortisation		**(7,340)**			(5,671)	
Net exceptional items (note 7)		**(4,654)**			(1,126)	
Interest (net)		**(4,970)**			(5,003)	
Net cash			**20,059**			63,073
Amounts due in respect of acquisitions			**(18,833)**			(26,422)
Investments			**2,370**			7,128
Disposal proceeds receivable			**-**			736
Capitalised goodwill - subsidiaries			**132,044**			118,332
Capitalised goodwill - associates			**7,260**			8,242
Minority interests			**(3,632)**			(4,010)
Proposed dividend			**(15,017)**			(12,716)
	2,272,374	**97,368**	**429,279**	2,048,889	90,912	391,430

(ii) Split between Subsidiary Undertakings and Associated Undertakings

	2003 Subsidiary Undertakings €'000	2003 Associated Undertakings €'000	2003 Total €'000	2002 Subsidiary Undertakings €'000	2002 Associated Undertakings €'000	2002 Total €'000
Turnover						
- continuing	**2,111,066**	**131,818**	**2,242,884**	1,888,678	131,888	2,020,566
- discontinued activities	**-**	**29,490**	**29,490**	-	28,323	28,323
	2,111,066	**161,308**	**2,272,374**	1,888,678	160,211	2,048,889
Operating profit before goodwill amortisation						
- continuing	**96,623**	**14,470**	**111,093**	89,110	9,038	98,148
- discontinued activities	**-**	**3,239**	**3,239**	-	4,564	4,564
	96,623	**17,709**	**114,332**	89,110	13,602	102,712
Goodwill amortisation	**(6,794)**	**(546)**	**(7,340)**	(5,123)	(548)	(5,671)
Operating profit	**89,829**	**17,163**	**106,992**	83,987	13,054	97,041
Net exceptional items (note 7)	**(4,492)**	**(162)**	**(4,654)**	3,342	(4,468)	(1,126)
Interest (net)	**(3,766)**	**(1,204)**	**(4,970)**	(2,984)	(2,019)	(5,003)
Profit before taxation	**81,571**	**15,797**	**97,368**	84,345	6,567	90,912
Net assets (including capitalised goodwill)	**388,949**	**40,330**	**429,279**	352,454	38,976	391,430

Notes to the Financial Statements for the year ended 31 March 2003

1. Segmental Information *continued*

(iii) Acquisitions

Acquisitions in the year contributed turnover of €47.283 million (2002: €187.251 million), operating profit before goodwill amortisation of €5.165 million (2002: €7.112 million) and profit before taxation of €5.145 million (2002: €7.150 million).

(b) Segmental Analysis by Geographical Area

An analysis by geographical area of turnover, profit before taxation and net assets is set out below:

(i) Summary

	2003			2002		
	Turnover by Origin €'000	**Profit Before Taxation €'000**	**Net Assets €'000**	Turnover by Origin €'000	Profit Before Taxation €'000	Net Assets €'000
Ireland	**719,503**	**38,983**	**76,037**	671,927	34,874	70,144
Rest of the World	**1,391,563**	**57,640**	**195,921**	1,216,751	54,236	136,189
	2,111,066	**96,623**	**271,958**	1,888,678	89,110	206,333
Associated undertakings	**131,818**	**14,470**	**33,070**	131,888	9,038	22,825
Continuing activities	**2,242,884**	**111,093**	**305,028**	2,020,566	98,148	229,158
Discontinued activities	**29,490**	**3,239**		28,323	4,564	7,909
Goodwill amortisation		**(7,340)**			(5,671)	
Net exceptional items (note 7)		**(4,654)**			(1,126)	
Interest (net)		**(4,970)**			(5,003)	
Net cash			**20,059**			63,073
Amounts due in respect of acquisitions			**(18,833)**			(26,422)
Investments			**2,370**			7,128
Disposal proceeds receivable			**-**			736
Capitalised goodwill - subsidiaries			**132,044**			118,332
Capitalised goodwill - associates			**7,260**			8,242
Minority interests			**(3,632)**			(4,010)
Proposed dividend			**(15,017)**			(12,716)
	2,272,374	**97,368**	**429,279**	2,048,889	90,912	391,430

(ii) Turnover by Destination – Continuing Activities

	2003 €'000	2002 €'000
Ireland	**711,905**	657,266
United Kingdom	**1,222,464**	1,063,223
Rest of Europe	**159,750**	149,458
USA	**13,450**	13,966
Other	**3,497**	4,765
Share of associated undertakings	**131,818**	131,888
	2,242,884	2,020,566

2. Cost of Sales and Net Operating Costs

	2003			2002		
	Continuing Activities €'000	**Acquisitions €'000**	**Total €'000**	Continuing Activities €'000	Acquisitions €'000	Total €'000
Cost of sales	**(1,745,385)**	**(31,544)**	**(1,776,929)**	(1,432,757)	(162,949)	(1,595,706)
Gross profit	**318,398**	**15,739**	**334,137**	268,670	24,302	292,972
Operating costs						
Distribution	**(113,924)**	**(6,801)**	**(120,725)**	(97,935)	(6,590)	(104,525)
Administrative	**(117,014)**	**(3,787)**	**(120,801)**	(92,585)	(10,582)	(103,167)
Other operating expenses	**(78)**	**-**	**(78)**	(233)	(18)	(251)
	(231,016)	**(10,588)**	**(241,604)**	(190,753)	(17,190)	(207,943)
Other operating income	**4,076**	**14**	**4,090**	4,081	-	4,081
Net operating costs	**(226,940)**	**(10,574)**	**(237,514)**	(186,672)	(17,190)	(203,862)
Operating profit before operating exceptional items and goodwill amortisation - parent and subsidiaries	**91,458**	**5,165**	**96,623**	81,998	7,112	89,110

3. Acquisitions

The profit on ordinary activities before taxation arising from acquisitions represents the aggregate of net incremental profit resulting from the acquisition of subsidiaries and associated undertakings in the relevant financial year.

4. Employee Information

The average weekly number of persons (including executive Directors) employed by subsidiaries of the Group during the year analysed by class of business was:

	2003 Number	2002 Number
Energy	**1,366**	907
IT	**1,241**	1,307
Food	**302**	301
Healthcare	**776**	846
	3,685	3,361

The staff costs for the above were:	**2003 €'000**	2002 €'000
Wages and salaries	**125,274**	111,925
Social welfare costs	**13,239**	12,753
Pension costs	**6,199**	5,107
	144,712	129,785

Notes to the Financial Statements for the year ended 31 March 2003

5. Directors' Emoluments and Interests

Directors' emoluments and interests are given in the Report of the Remuneration Committee on pages 34 to 38.

6. Goodwill Amortisation

	2003 €'000	2002 €'000
Amortisation of capitalised goodwill arising on the acquisition of subsidiaries after 1 April 1998 (note 16)	**6,794**	5,123
Amortisation of goodwill included in the carrying value of associated undertakings (note 18)	**546**	548
	7,340	5,671

7. Net Exceptional Items

	2003 €'000	2002 €'000
Operating exceptional items	**2,898**	-
Reorganisation and restructuring costs		
- subsidiary undertakings	**6,079**	2,671
- share of associated undertakings	**-**	4,468
Net gains on disposals of interests in subsidiary undertakings and associated undertakings and investments	**(4,323)**	(6,013)
Non-operating net exceptional items	**1,756**	1,126
Net exceptional items	**4,654**	1,126

Operating exceptional charges of €2.898 million were incurred during the year primarily in respect of redundancy costs arising from a review of the operations of certain of the Group's existing and acquired businesses.

Non-operating exceptional charges of €6.079 million were incurred in the restructuring of DCC Healthcare's rehabilitation and mobility activities as a result of the loss of the supply of Shoprider powered mobility products. The restructuring costs comprise redundancy costs, stock write-offs, write downs of plant and legal costs.

Net exceptional gains of €4.323 million arose on disposals, primarily from the sale of the Group's 45.0% interest in DCC Healthcare's associate, Merits Health Products Company Limited.

Notes to the Financial Statements for the year ended 31 March 2003

8. Net Interest Payable and Similar Charges - Parent and Subsidiary Undertakings

	2003	2002
	€'000	€'000
Interest receivable and similar income		
Interest on cash and term deposits	**13,358**	17,676
Other interest and similar income receivable	**145**	389
	13,503	18,065
Interest payable and similar charges		
On bank loans, overdrafts and Unsecured Notes 2008/11		
- repayable within 5 years, not by instalments	**(6,424)**	(8,875)
- repayable within 5 years, by instalments	**(28)**	(123)
- repayable wholly or partly in more than 5 years	**(8,733)**	(9,097)
On loan notes		
- repayable within 5 years, not by instalments	**(113)**	(461)
On finance leases	**(1,439)**	(2,142)
Other interest	**(412)**	(291)
	(17,149)	(20,989)
Notional interest on deferred consideration	**(120)**	(60)
	(17,269)	(21,049)
	(3,766)	(2,984)

9. Share of Net Interest Payable and Similar Charges - Associated Undertakings

This comprises the Group's share of the net interest payable and similar charges of its associated undertakings.

10. Profit on Ordinary Activities Before Taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2003	2002
	€'000	€'000
Auditors' remuneration - audit fees	**730**	490
Revenue grants	**(55)**	(152)
Amortisation of capital grants	**(285)**	(179)
Operating leases		
- land and buildings	**3,639**	2,997
- plant and machinery	**29**	51
- motor vehicles	**1,183**	1,645
Depreciation		
- owned assets	**24,986**	19,885
- leased assets	**4,509**	5,383

Fees paid to the auditors, PricewaterhouseCoopers, for non-audit services amounted to €1.028 million (2002: €0.854 million).

Notes to the Financial Statements for the year ended 31 March 2003

11. Taxation

	2003 €'000	2002 €'000
Current Tax		
Irish Corporation Tax principally at 15.125% (2002: 19%)	**6,516**	6,385
- less: manufacturing relief	**(964)**	(1,281)
United Kingdom Corporation Tax at 30%	**6,743**	4,861
Other overseas tax	**727**	1,226
Under provision in respect of prior years	**2,897**	139
Total current taxation	**15,919**	11,330
Deferred Tax		
Irish at 12.5%	**167**	(11)
United Kingdom at 30%	**(2,175)**	20
Over provision in respect of prior years	**(3,218)**	-
Total deferred tax	**(5,226)**	9
Total subsidiary undertakings tax charge	**10,693**	11,339
Associated undertakings	**4,618**	2,340
	15,311	13,679

Manufacturing relief is scheduled to expire in the year 2010.

	2003 €'000	2002 €'000
Effective tax rate		
Profit on ordinary activities before taxation	**97,368**	90,912
Goodwill amortisation (note 6)	**7,340**	5,671
Net exceptional items (note 7)	**4,654**	1,126
	109,362	97,709
Taxation as a percentage of profit before before goodwill amortisation, net exceptional items and taxation	**14.0%**	14.0%

The following table relates the applicable Republic of Ireland statutory tax rate to the effective tax rate of the Group:

	2003 (%)	2002 (%)
Irish corporation tax rate	**15.1**	19.0
Manufacturing relief	**(1.0)**	(1.4)
Higher rates of tax on overseas earnings	**9.5**	5.6
Under provision in respect of prior years	**3.0**	0.2
Other timing differences	**(5.4)**	-
Adjustments for earnings taxed at lower rates and other	**(7.2)**	(9.4)
	14.0	14.0

Notes to the Financial Statements for the year ended 31 March 2003

12. Minority Interests

	2003	2002
	€'000	€'000
Subsidiary undertakings	**513**	670
Associated undertakings	**735**	270
	1,248	940

13. Profit for the Financial Year Attributable to Group Shareholders

As permitted by Section 3(2) of the Companies (Amendment) Act, 1986, a separate profit and loss account for the holding company has not been included in these financial statements. The profit for the financial year attributable to DCC shareholders dealt with in the financial statements of the holding company amounted to €48.009 million (2002: €28.922 million).

14. Dividends

	2003	2002
	€'000	€'000
Per Ordinary Share		
Interim dividend of 10.217 cent per share (2002: 9.288 cent per share)	**8,542**	7,750
Proposed final dividend of 17.958 cent per share (2002: 15.212 cent per share)	**15,017**	12,716
	23,559	20,466

15. Earnings per Ordinary Share and Adjusted Earnings per Ordinary Share

	2003	2002
	€'000	€'000
Profit after taxation and minority interests	**80,809**	76,293
Net exceptional items (note 7)	**4,654**	1,126
Goodwill amortisation (note 6)	**7,340**	5,671
Adjusted profit after taxation and minority interests	**92,803**	83,090

Basic earnings per ordinary share

	cent	cent
Basic earnings per ordinary share	**96.66**	90.26
Net exceptional items (note 7)	**5.57**	1.33
Goodwill amortisation (note 6)	**8.77**	6.71
Adjusted basic earnings per ordinary share	**111.00**	98.30
Weighted average number of shares in issue during the year ('000)	**83,603**	84,527

Diluted earnings per ordinary share

	cent	cent
Diluted earnings per ordinary share	**95.50**	89.38
Net exceptional items (note 7)	**5.50**	1.32
Goodwill amortisation (note 6)	**8.67**	6.65
Adjusted diluted earnings per ordinary share	**109.67**	97.35
Diluted weighted average number of ordinary shares ('000)	**84,617**	85,354

The adjusted figures for basic earnings per ordinary share and diluted earnings per ordinary share are intended to demonstrate the results of the Group after eliminating the impact of goodwill amortisation and net exceptional items.

The weighted average number of ordinary shares used in calculating the diluted earnings per share for the year ended 31 March 2003 was 84.617 million (2002: 85.354 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:

	2003	2002
	'000	'000
Weighted average number of shares in issue used for the calculation of basic earnings per share amounts	**83,603**	84,527
Dilutive effect of options and partly paid shares	**949**	685
Dilutive effect of shares potentially issuable under deferred contingent consideration arrangements	**65**	142
Weighted average number of shares in issue used for the calculation of diluted earnings per share	**84,617**	85,354

The earnings used for the purpose of the diluted earnings per share calculations were €80.809 million (2002: €76.293 million) and €92.803 million (2002: €83.090 million) for the purposes of the adjusted diluted earnings per share calculation.

16. Intangible Assets - Goodwill

Group

The movement in goodwill arising on the acquisition of subsidiaries is as follows:

	2003 €'000	2002 €'000
Cost		
At 1 April	**131,362**	92,354
Additions (note 39)	**20,506**	39,008
At 31 March	**151,868**	131,362
Amortisation		
At 1 April	**13,030**	7,907
Amortisation for the year (note 6)	**6,794**	5,123
At 31 March	**19,824**	13,030
Net Book Value		
At 31 March	**132,044**	118,332

17. Tangible Fixed Assets

(a) Group

	Freehold & long term leasehold land & buildings €'000	Plant & machinery & cylinders €'000	Fixtures & fittings & office equipment €'000	Motor vehicles €'000	Total €'000
Cost					
At 1 April 2002	62,935	181,617	37,004	43,080	324,636
Acquisitions (note 39)	4,885	78,380	3,799	10,971	98,035
Additions	13,564	9,533	6,901	10,706	40,704
Reclassifications	2,892	(5,988)	3,067	29	-
Disposals	(2,047)	(4,838)	(4,094)	(4,300)	(15,279)
Exchange adjustments	(4,052)	(15,601)	(2,048)	(4,157)	(25,858)
At 31 March 2003	**78,177**	**243,103**	**44,629**	**56,329**	**422,238**
Depreciation					
At 1 April 2002	10,188	114,224	21,058	20,010	165,480
Acquisitions (note 39)	469	32,383	2,565	6,907	42,324
Charge for year	1,630	13,959	6,270	7,636	29,495
Reclassifications	768	(1,361)	568	25	-
Disposals	(731)	(4,559)	(3,372)	(3,152)	(11,814)
Exchange adjustments	(407)	(9,084)	(1,087)	(2,101)	(12,679)
At 31 March 2003	**11,917**	**145,562**	**26,002**	**29,325**	**212,806**
Net Book Value					
At 31 March 2003	**66,260**	**97,541**	**18,627**	**27,004**	**209,432**
At 31 March 2002	52,747	67,393	15,946	23,070	159,156

The net book value of tangible fixed assets includes an amount of €9.972 million (2002: €11.786 million) in respect of assets held under finance leases.

Notes to the Financial Statements for the year ended 31 March 2003

17. Tangible Fixed Assets *continued*

(b) Company

	Fixtures & fittings & office equipment €'000	Motor vehicles €'000	Total €'000
Cost			
At 1 April 2002	1,511	978	2,489
Additions	96	280	376
Disposals	-	(120)	(120)
At 31 March 2003	**1,607**	**1,138**	**2,745**
Depreciation			
At 1 April 2002	944	453	1,397
Charge for year	158	208	366
Disposals	-	(73)	(73)
At 31 March 2003	**1,102**	**588**	**1,690**
Net Book Value			
At 31 March 2003	**505**	**550**	**1,055**
At 31 March 2002	567	525	1,092

18. Financial Assets - Associated Undertakings

(a) Group	**2003 €'000**	2002 €'000
At 1 April	**38,976**	38,458
Additions	**112**	-
Disposals	**(7,766)**	(3,139)
Retained profits less dividends	**11,315**	4,197
Exchange adjustments	**(1,761)**	8
Amortisation of goodwill (note 6)	**(546)**	(548)
At 31 March	**40,330**	38,976

The carrying value of associated undertakings is analysed as follows:

	2003 €'000	2002 €'000
Interest in net assets	**4,656**	7,278
Share of post acquisition reserves	**28,414**	23,456
	33,070	30,734
Goodwill (net of amortisation)	**7,260**	8,242
	40,330	38,976

18. Financial Assets - Associated Undertakings *continued*

At 31 March 2003 the Group's aggregate share of its associated undertakings' fixed assets, current assets, liabilities due within one year and liabilities due after more than one year was as follows:

	2003	2002
	€'000	€'000
Fixed assets	**12,738**	20,941
Current assets	**63,030**	70,535
Liabilities due within one year	**(17,951)**	(30,003)
Liabilities due after more than one year and minority interests	**(24,747)**	(30,739)
	33,070	30,734

The movement in goodwill in associated undertakings is as follows:	**2003**	2002
	€'000	€'000
Cost		
At 1 April	**10,583**	10,680
Disposals	**(693)**	(97)
At 31 March	**9,890**	10,583
Amortisation		
At 1 April	**2,341**	1,826
Amortisation for the year	**546**	548
Disposals	**(257)**	(33)
At 31 March	**2,630**	2,341
Net Book Value		
At 31 March	**7,260**	8,242

Details of the Group's principal associated undertakings at 31 March 2003 are set out below. All of these companies are incorporated and operate in Ireland.

Name and Registered Office	**Nature of Business**	**% Shareholding**
Food		
KP (Ireland) Limited, 79 Broomhill Road, Tallaght, Dublin 24, Ireland.	Manufacture of snack foods.	50.0%
Kylemore Foods Holdings Limited, DCC House, Stillorgan, Blackrock, Co. Dublin, Ireland.	Holding company for the Kylemore group of companies whose principal activities are the operation of restaurants and bread manufacture.	50.0%
Millais Investments Limited, Kinsale Road, Cork, Ireland.	Holding company for Allied Foods Limited, a distributor of frozen and chilled foods.	51.5%*

** The Group holds 50% of the voting share capital of Millais Investments Limited.*

Other Activities		
Manor Park Homebuilders Limited, "The Gables", Torquay Road, Dublin 18, Ireland.	Residential house building.	49.0%

18. Financial Assets - Associated Undertakings *continued*

(b) Company	2003 €'000	2002 €'000
At 1 April	**1,300**	1,233
Additions	**-**	289
Disposals	**-**	(222)
At 31 March	**1,300**	1,300

19. Financial Assets - Subsidiary Undertakings

Company	2003 €'000	2002 €'000
At 1 April	**101,178**	82,715
Additions	**5,475**	18,463
At 31 March	**106,653**	101,178

The Group's principal operating subsidiary undertakings are shown on pages 80 and 81. All of these subsidiaries are wholly owned except Broderick Bros. Limited (88.8%), Virtus Limited (51.0%), Distrilogie SA (97.5%) where put and call options exist to acquire the remaining 2.5%, Environmental Technology Manufacturing Limited (70.0%) where put and call options exist to acquire the remaining 30.0%, Technopharm Limited (83.3%) where put and call options exist to acquire the remaining 16.7% and Fannin Limited (96.6%) where put and call options exist to acquire the remaining 3.4%.

The Group's principal overseas holding company subsidiaries are DCC Holdings (UK) 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 Holdings (UK) Limited is at Days Medical Aids Limited, Litchard Industrial Estate, Bridgend, Mid Glamorgan CF31 2AL, Wales. The registered office of DCC International Holdings B.V. is Drentestraat 24, 1083 HK Amsterdam, the Netherlands.

20. Stocks

Group	2003 €'000	2002 €'000
Raw materials and consumables	**3,951**	7,133
Work in progress	**916**	1,942
Finished goods and goods for resale	**98,163**	103,720
	103,030	112,795

The replacement cost of stocks is not considered to be materially different from the amounts shown above.

Notes to the Financial Statements for the year ended 31 March 2003

21. Debtors

	Group		Company	
	2003	2002	**2003**	2002
	€'000	€'000	**€'000**	€'000
Amounts falling due within one year:				
Trade debtors	**280,153**	297,494	**-**	-
Amounts owed by subsidiary undertakings	**-**	-	**2,050**	2,812
Disposal proceeds receivable	**-**	736	**-**	-
Corporation tax recoverable	**-**	1,166	**4**	-
Deferred tax asset (note 29)	**3,021**	-	**-**	-
Value added tax recoverable	**5,109**	2,690	**-**	-
Prepayments and accrued income	**14,704**	16,436	**1,448**	1,804
Other debtors	**1,163**	508	**-**	-
	304,150	319,030	**3,502**	4,616
Amounts falling due after more than one year:				
Amounts owed by subsidiary undertakings	**-**	-	**268,676**	253,918
Investments	**2,370**	7,128	**-**	-
Prepayments and other debtors	**15,130**	8,183	**8,279**	3,898
	17,500	15,311	**276,955**	257,816
	321,650	334,341	**280,457**	262,432

22. Cash and Term Deposits

	Group		Company	
	2003	2002	**2003**	2002
	€'000	€'000	**€'000**	€'000
Cash in hand and at bank	**181,397**	177,244	**-**	-
Term deposits	**172,589**	127,417	**333**	1,054
	353,986	304,661	**333**	1,054

For the purposes of the consolidated cash flow statement, cash in hand and at bank comprises cash on demand. The movements in cash in hand and at bank and term deposits are set out in note 42.

23. Bank and Other Debt

	Group		Company	
	2003	2002	**2003**	2002
	€'000	€'000	**€'000**	€'000
Bank loans and overdrafts (note 24)	**211,111**	100,484	**3,997**	9,416
Loan notes (note 25)	**2,287**	3,194	**70**	335
Obligations under finance leases (note 26)	**26,271**	31,874	**-**	-
	239,669	135,552	**4,067**	9,751
Unsecured Notes due 2008/11 (note 24)	**94,258**	106,036	**-**	-
	333,927	241,588	**4,067**	9,751
Bank and other loans and leases:				
- repayable within one year	**218,419**	108,795	**4,067**	9,751
- repayable after more than one year	**21,250**	26,757	**-**	-
Unsecured Notes due 2008/11	**94,258**	106,036	**-**	-
	333,927	241,588	**4,067**	9,751

In September 1996, the Group raised US$100 million of senior unsecured notes in a private placement with US institutional investors. Of this amount US$92.5 million is due in 2008 and US$7.5 million is due in 2011. The funds have been swapped to sterling at a margin over LIBOR.

24. Bank Loans, Overdrafts and Unsecured Notes due 2008/11

	Group		Company	
	2003	2002	**2003**	2002
	€'000	€'000	**€'000**	€'000
Repayable as follows:				
Within one year	**211,111**	100,333	**3,997**	9,416
Between one and two years	**-**	151	**-**	-
After five years	**94,258**	106,036	**-**	-
	305,369	206,520	**3,997**	9,416
The above amounts are further analysed as follows:				
Wholly repayable within one year	**211,111**	100,333	**3,997**	9,416
Repayable by instalments:				
- between one and two years	**-**	151	**-**	-
Repayable other than by instalments:				
- after five years	**94,258**	106,036	**-**	-
	305,369	206,520	**3,997**	9,416

25. Loan Notes

	Group		Company	
	2003	2002	**2003**	2002
	€'000	€'000	**€'000**	€'000
The loan notes are repayable as follows:				
Within one year	**2,287**	3,194	**70**	335

The above loan notes are unsecured and €2.287 million (2002: €3.194 million) are supported by bank guarantees. The company and certain of its subsidiaries have guaranteed the obligations of the relevant banks in respect of the loan notes which are in turn guaranteed by the banks.

26. Finance Leases

The net finance lease obligations to which the Group is committed are:

	2003	2002
	€'000	€'000
Within one year	**5,021**	5,268
Between one and two years	**5,316**	4,622
Between two and five years	**15,934**	15,834
After five years	**-**	6,150
	21,250	26,606
	26,271	31,874

27. Derivative and Other Financial Instruments

The Group's treasury activities are designed to finance its operations and to reduce or eliminate the financial risks arising from those operations.

A number of the Group's operating and financial revenues and costs are exposed to movements in the financial and commodity markets which are outside of the Group's control. In particular, interest rates can fluctuate, affecting the cost of borrowings, and commodity price movements can impact on the cost of certain raw materials purchased.

Furthermore, foreign exchange movements can impact on the cost of products sourced and revenues generated from overseas markets and can also impact on the translation of the results and net operating assets or operating liabilities of the Group's overseas operations save to the extent that they are hedged by borrowings or deposits in the same currency. In order to reduce these exposures and to bring both stability and more certainty to the Group's revenues and costs, the Group uses various derivative financial instruments to hedge its positions going forward.

All transactions in derivatives (which are mainly interest rate and currency swaps, forward foreign exchange and commodity contracts) are designed to manage risks without engaging in speculative transactions.

Notes to the Financial Statements for the year ended 31 March 2003

27. Derivative and Other Financial Instruments *continued*

(a) Interest Rate Risk Profile of Financial Assets and Financial Liabilities
The following table analyses the currency and interest rate composition of the Group's gross cash and debt portfolio, as stated on the balance sheet, after taking cross currency and interest rate swaps into account:

	2003 € equivalent			2002 € equivalent		
	Financial Assets €'000	**Financial Liabilities €'000**	**Net €'000**	Financial Assets €'000	Financial Liabilities €'000	Net €'000
€ Fixed	**-**	**-**	**-**	-	(273)	(273)
€ Floating	**62,534**	**(11,207)**	**51,327**	82,768	(23,405)	59,363
€ Total	**62,534**	**(11,207)**	**51,327**	82,768	(23,678)	59,090
Stg£ Fixed	**88,457**	**(88,457)**	**-**	99,510	(99,510)	-
Stg£ Floating	**198,057**	**(234,242)**	**(36,185)**	118,379	(118,244)	135
Stg£ Total	**286,514**	**(322,699)**	**(36,185)**	217,889	(217,754)	135
US$ Fixed	**-**	**-**	**-**	-	-	-
US$ Floating	**4,938**	**(21)**	**4,917**	4,004	(156)	3,848
US$ Total	**4,938**	**(21)**	**4,917**	4,004	(156)	3,848
Total	**353,986**	**(333,927)**	**20,059**	304,661	(241,588)	63,073

The Group's deferred acquisition consideration of €18.833 million (2002: €26.422 million) as stated on the balance sheet, consists entirely of € floating rate financial liabilities (2002: €23.138 million of € floating rate financial liabilities and €3.284 million of Stg£ floating rate financial liabilities) payable as follows:

	2003 €'000	2002 €'000
Within one year	**6,946**	7,468
Between one and two years	**6,507**	7,069
Between two and five years	**5,380**	11,885
	18,833	26,422

27. Derivative and Other Financial Instruments *continued*

(a) Interest Rate Risk Profile of Financial Assets and Financial Liabilities *continued*
The Group's floating rate financial assets and financial liabilities primarily bear interest rates based on:
- 1-6 month Euribor
- 1-12 month Sterling Libor
- 0-1 month US$ Libor

	2003 Weighted average interest rate		2002 Weighted average interest rate	
	Fixed rate financial assets	**Fixed rate financial liabilities**	Fixed rate financial assets	Fixed rate financial liabilities
€	**n/a**	**n/a**	n/a	5.8%
Stg£	**8.0%**	**8.8%**	8.0%	8.8%

	2003 Weighted average period for which rate is fixed		2002 Weighted average period for which rate is fixed	
	Fixed rate financial assets	**Fixed rate financial liabilities**	Fixed rate financial assets	Fixed rate financial liabilities
€	**n/a**	**n/a**	n/a	2.1 years
Stg£	**5.5 years**	**5.5 years**	6.5 years	6.5 years

The maturity profile of the Group's financial liabilities is set out in notes 24 to 26 and can be summarised as follows:

	2003	2002
	€'000	€'000
Within one year	**218,419**	108,795
Between one and two years	**5,316**	4,773
Between two and five years	**15,934**	15,834
After five years	**94,258**	112,186
	333,927	241,588

27. Derivative and Other Financial Instruments *continued*

(b) Gains and Losses on Hedges

The Group enters into forward foreign exchange contracts to eliminate the currency exposures that arise on revenues and costs denominated in foreign currencies. The Group also enters into commodity contracts in order to eliminate the exposure to price movements of oil and LPG. Changes in the fair value of instruments used as hedges are not recognised in the financial statements until the hedged position matures. An analysis of these unrecognised gains and losses is as follows:

	2003			2002		
	Gains €'000	**Losses €'000**	**Total €'000**	Gains €'000	Losses €'000	Total €'000
At 1 April	**1,673**	**(847)**	**826**	5,100	(985)	4,115
Portion recognised in current year	**(1,462)**	**321**	**(1,141)**	(2,650)	673	(1,977)
Arising in current year	**6,187**	**(662)**	**5,525**	(777)	(535)	(1,312)
At 31 March	**6,398**	**(1,188)**	**5,210**	1,673	(847)	826
Of which, expected to be recognised:						
- within one year	**4,658**	**(1,161)**	**3,497**	1,462	(321)	1,141
- after one year	**1,740**	**(27)**	**1,713**	211	(526)	(315)
	6,398	**(1,188)**	**5,210**	1,673	(847)	826

The above table does not include cross currency interest rate swaps where unrecognised gains or losses on the swaps are matched by equal and opposite gains or losses in the fair value of Unsecured Notes due 2008/11 as described in the accounting policy for derivative financial instruments.

(c) Fair Value of Financial Instruments

The carrying amounts and estimated fair values of the financial assets and financial liabilities of the Group are as follows:

	2003		2002	
	Carrying amount €'000	**Fair value €'000**	Carrying amount €'000	Fair value €'000
Assets:				
Cash and short term deposits	**353,986**	**353,986**	304,661	304,661
Liabilities:				
Deferred acquisition consideration	**(18,833)**	**(18,833)**	(26,422)	(26,422)
Short term debt	**(218,419)**	**(218,419)**	(108,795)	(108,795)
Medium and long term debt	**(21,250)**	**(21,250)**	(26,757)	(26,757)
Unsecured Notes due 2008/11	**(94,258)**	**(94,258)**	(106,036)	(106,036)
Derivative financial instruments:				
Commodity swaps	**-**	**(560)**	-	(14)
Forward foreign exchange contracts	**-**	**5,770**	-	840
Interest rate contracts	**-**	**-**	-	-
	1,226	**6,436**	36,651	37,477

27. Derivative and Other Financial Instruments *continued*

(c) Fair Value of Financial Instruments *continued*
The following methods and assumptions were used by the Group in estimating its fair value disclosures for financial instruments:

Cash, short term deposits and short term debt:
The carrying amount reported in the balance sheet generally approximates to fair value because of the short maturity of these instruments.

Deferred acquisition consideration:
The carrying amount reported in the balance sheet generally approximates to fair value because the future amounts payable are discounted back to their present value.

Medium and long term debt:
The carrying amount reported in the balance sheet approximates to fair value because interest rates on these instruments frequently reset to short term market rates.

Unsecured Notes due 2008/11:
The fair value of the Group's Unsecured Notes due 2008/11 is shown net of the gain or loss on the sterling cross currency interest rate swap used to hedge these loan notes (note 23). At 31 March 2003, the cross currency interest rate swap had a fair value equating to a gain of €15.323 million (2002: gain of €20.992 million) and the fair value of the Unsecured Notes 2008/11 was lower than the book value by the same amount.

Commodity and forward foreign exchange contracts:
The fair value of these instruments is based on the estimated replacement cost of equivalent instruments at the balance sheet date.

Interest rate contracts:
The fair value of these instruments is based on the estimated replacement cost of equivalent instruments at the balance sheet date. The Group uses interest rate contracts to swap floating rate assets and liabilities into fixed rate assets and liabilities. The fair value of the interest rate contracts attributable to financial assets is offset by the fair value of the interest rate contracts attributable to financial liabilities.

(d) Undrawn Bank Borrowing Facilities
While the Group had various borrowing facilities available at 31 March 2003, it had no undrawn committed facilities.

(e) Short Term Debtors and Creditors
Short term debtors and creditors are not included in the above disclosures of financial assets and financial liabilities.

(f) Currency Exposures
At 31 March 2003, after taking into account the effects of forward foreign exchange contracts, the Group had no material currency exposures.

(g) Treasury Policy
The Group's treasury policy and management of derivatives and financial instruments is discussed in the financial review on pages 26 to 28.

28. Trade and Other Creditors

	Group		Company	
	2003	2002	**2003**	2002
	€'000	€'000	**€'000**	€'000
Amounts falling due within one year:				
Trade creditors	**265,905**	301,817	**72**	183
Other creditors and accruals	**38,308**	38,566	**1,423**	2,943
Deferred acquisition consideration	**6,946**	7,468	**3,924**	-
PAYE and National Insurance	**3,039**	3,505	**231**	221
Value added tax	**12,161**	18,649	**110**	130
Capital grants (note 38)	**128**	132	**-**	-
Interest payable	**1,355**	1,848	**-**	-
Amounts due in respect of fixed assets	**2,117**	579	**-**	-
Amounts due to subsidiary undertakings	**-**	-	**776**	-
Amounts due to associated undertakings	**5,038**	4,587	**-**	-
	334,997	377,151	**6,536**	3,477

29. Provisions for Liabilities and Charges

(a) Group

	2003			2002		
	Deferred taxation (note 30)	**Pension and similar obligations (note 31)**	**Total**	Deferred taxation (note 30)	Pension and similar obligations (note 31)	Total
	€'000	**€'000**	**€'000**	€'000	€'000	€'000
At 1 April	**2,773**	**43**	**2,816**	2,721	43	2,764
(Credited)/charged to profit and loss account	**(5,226)**	**(32)**	**(5,258)**	9	-	9
Exchange adjustments	**578**	**-**	**578**	43	-	43
At 31 March	**(1,875)**	**11**	**(1,864)**	2,773	43	2,816
Disclosed as:						
Deferred tax asset (note 21)	**(3,021)**	**-**	**(3,021)**	-	-	-
Provisions for liabilities and charges	**1,146**	**11**	**1,157**	2,773	43	2,816
	(1,875)	**11**	**(1,864)**	2,773	43	2,816

(b) Company

	2003	2002
	€'000	€'000
At 1 April	**4**	4
Charged to profit and loss account	**548**	-
At 31 March	**552**	4

30. Deferred Taxation

The net deferred taxation (asset)/liability provided in the financial statements is analysed as follows:

(a) Group	2003 €'000	2002 €'000
Tax effect of timing differences due to:		
Excess of accelerated capital allowances over depreciation	**(2,158)**	2,936
Other short term timing differences	**283**	(163)
	(1,875)	2,773

(b) Company	2003 €'000	2002 €'000
Tax effect of timing differences due to:		
Excess of accelerated capital allowances over depreciation	**4**	3
Other short term timing differences	**548**	1
	552	4

31. Pension and Similar Obligations

The Group has continued to account for pensions in accordance with SSAP 24 and the relevant disclosures are given in note (a) below. Financial Reporting Standard 17 'Retirement Benefits' (FRS 17), was issued by the Accounting Standards Board in November 2000 and represents a significant change in the method of accounting for pension costs compared with the previous rules as set out in SSAP 24. Full implementation of the new accounting rules prescribed by FRS 17 has been deferred by the Accounting Standards Board. The Group has elected to avail of transitional provisions outlined in the standard which, for 2003, permit the use of the SSAP 24 regulations for determining pension cost but require the additional disclosure of the impact of the adoption of FRS 17 as at 31 March 2003, as shown in note (b).

(a) SSAP 24 Disclosures

The Group operates defined benefit and defined contribution schemes in the parent and subsidiary undertakings. The pension scheme assets are held in separate trustee administered funds.

Total pension costs for the year amounted to €6.199 million (2002: €5.107 million) of which €3.409 million (2002: €3.228 million) was paid in respect of defined benefit schemes.

The pension costs relating to the Group's defined benefit schemes are assessed in accordance with the advice of independent qualified actuaries. Either the attained age or the projected unit benefits method are used to assess pension costs. The most recent actuarial valuations range from 31 December 1999 to 1 May 2002.

The assumptions which have the most significant effect on the results of the actuarial valuations are those relating to the rates of return on investments and the rates of increase in remuneration and pensions. It was assumed that the rates of return on investments would, on average, exceed annual remuneration increases by 2% and pension increases by 3% per annum.

At the dates of the most recent actuarial valuations, the market value of the assets of the Group's defined benefit schemes totalled €40.435 million (2002: €41.254 million).

After allowing for expected future increases in earnings and pension payments, the actuarial values of the various schemes' assets were sufficient to cover between 68% and 116% (Group weighted average cover: 91%) of the benefits that had accrued to the members of the individual schemes. Any actuarial deficits are being spread over the average remaining service lives of current employees.

At 31 March 2003, €30,000 (2002: €119,000) was included in creditors in respect of pension liabilities and €8.981 million (2002: €4.223 million) was included in debtors in respect of pension prepayments.

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.

Notes to the Financial Statements for the year ended 31 March 2003

31. Pension and Similar Obligations *continued*

(b) Financial Reporting Standard 17 'Retirement Benefits' Disclosures

The Group operates eight defined benefit schemes in the Republic of Ireland and three in the UK. Full actuarial valuations were carried out between 31 December 1999 and 1 May 2002 and updated to 31 March 2003 for Financial Reporting Standard 17 disclosure purposes by a qualified independent actuary. The main financial assumptions used in the valuation were:

	2003		2002	
	RoI	**UK**	RoI	UK
Rate of increase in salaries	**4.00%**	**3.75%**	4.00%	4.00%
Rate of increase in pensions in payment	**2.25% - 5.00%**	**2.25% - 4.00%**	2.00% - 5.00%	2.25% - 4.00%
Discount rate	**5.50%**	**5.25%**	6.00%	6.25%
Inflation assumption	**2.25%**	**2.25%**	2.25%	2.25%

The expected long term rates of return on the assets of the schemes at 31 March 2003 were as follows:

	2003		2002	
	RoI	**UK**	RoI	UK
Equities	**7.75%**	**7.50%**	8.50%	8.50%
Bonds	**4.75%**	**5.00%**	5.50%	5.50%
Property	**5.75%**	**6.00%**	7.00%	7.00%
Cash	**4.00%**	**4.00%**	4.00%	4.00%

The market value of the assets of the schemes at 31 March 2003 were as follows:

	2003			2002		
	RoI	**UK**	**Total**	RoI	UK	Total
	€'000	**€'000**	**€'000**	€'000	€'000	€'000
Equities	**19,777**	**4,633**	**24,410**	26,966	7,061	34,027
Bonds	**7,753**	**998**	**8,751**	7,488	848	8,336
Property	**2,045**	**9**	**2,054**	2,419	79	2,498
Cash	**6,383**	**167**	**6,550**	1,165	364	1,529
Total market value at 31 March	**35,958**	**5,807**	**41,765**	38,038	8,352	46,390
Present value of scheme liabilities	**(49,614)**	**(10,531)**	**(60,145)**	(40,317)	(9,237)	(49,554)
	(13,656)	**(4,724)**	**(18,380)**	(2,279)	(885)	(3,164)
Related deferred tax asset			**2,573**			443
Net pension funding deficit			**(15,807)**			(2,721)

31. Pension and Similar Obligations *continued*

If FRS 17 had been adopted in the financial statements, the Group's shareholders' funds and profit and loss reserve at 31 March 2003 would be as follows:

	2003		2002	
Shareholders' Funds	**€'000**	**€'000**	€'000	€'000
Group shareholders' funds excluding pension deficit		**429,279**		391,430
Net pension funding deficit		**(15,807)**		(2,721)
Net pension prepayment	**(8,951)**		(4,104)	
Related deferred tax asset	**1,119**		216	
Net pension prepayment		**(7,832)**		(3,888)
Group shareholders' funds including pension deficit and pension prepayment		**405,640**		384,821
Profit and Loss Reserve				
Profit and loss reserve excluding pension deficit		**281,400**		243,565
Net pension funding deficit		**(15,807)**		(2,721)
Net pension prepayment	**(8,951)**		(4,104)	
Related deferred tax asset	**1,119**		216	
Net pension prepayment		**(7,832)**		(3,888)
Profit and loss reserve including pension deficit and pension prepayment		**257,761**		236,956

Impact of FRS 17 on reported profit for the year ended 31 March 2003

The following is a pro-forma indication of the impact on the Group profit and loss account for the year ended 31 March 2003 if the Group had implemented FRS 17 in full in relation to its defined benefit pension schemes:

	SSAP 24 pension expense €'000	**Total net pension cost under FRS 17 €'000**	**Incremental profit impact of FRS 17 €'000**
Impact on Group operating profit			
Pension cost/current service cost	**(3,409)**	**(2,160)**	**1,249**
Past service cost (benefit enhancements)	**-**	**(141)**	**(141)**
Total operating charge	**(3,409)**	**(2,301)**	**1,108**
Impact on other finance income			
Expected return on pension scheme assets	**-**	**3,643**	**3,643**
Interest on pension scheme liabilities	**-**	**(2,971)**	**(2,971)**
Net return	**-**	**672**	**672**
Total net impact on reported profits	**(3,409)**	**(1,629)**	**1,780**

Notes to the Financial Statements for the year ended 31 March 2003

31. Pension and Similar Obligations *continued*

Statement of total recognised gains and losses	**2003 €'000**
Actual return less expected return on pension scheme assets	**(13,394)**
Experience gains and losses arising on the scheme liabilities	**(3,005)**
Changes in assumptions underlying the present value of the scheme liabilities	**(5,869)**
Actuarial loss recognised in the statement of total recognised gains and losses	**(22,268)**

Movement in deficit during the year	**2003 €'000**
Deficit in scheme at 1 April 2002	**(3,164)**
Movement in year:	
Current service cost	**(2,160)**
Past service cost	**(141)**
Contributions paid	**8,275**
Other finance income	**672**
Actuarial loss	**(22,268)**
Exchange	**406**
Deficit in scheme at 31 March 2003	**(18,380)**

Experience gains and losses for the year ended 31 March 2003	**2003 €'000**
Difference between the expected and actual return on scheme assets	**(13,394)**
Percentage of scheme assets	**(32%)**
Experience gains and losses on scheme liabilities	**(3,005)**
Percentage of the present value of the scheme liabilities	**5%**
Total recognised in statement of total recognised gains and losses	**(22,268)**
Percentage of the present value of the scheme liabilities	**37%**

32. Called up Equity Share Capital

Group and Company	2003 €'000	2002 €'000
Authorised		
152,368,568 ordinary shares of €0.25 each	**38,092**	38,092
Issued		
88,139,404 ordinary shares (including 4,517,005 ordinary shares held as Treasury Shares) of €0.25 each, fully paid (2002: 88,134,404 ordinary shares (including 4,548,720 ordinary shares held as Treasury Shares) of €0.25 each, fully paid)	**22,035**	22,034
90,000 ordinary shares of €0.25 each, €0.0025 paid (2002: 90,000 ordinary shares of €0.25 each, €0.0025 paid)	**-**	-
	22,035	22,034

Movements during year

Ordinary shares of €0.25 each	No of shares ('000)	€'000
At 1 April 2002	**88,224**	**22,034**
Exercise of share options	**5**	**1**
At 31 March 2003	**88,229**	**22,035**

Under the DCC plc 1998 Employee Share Option Scheme, Group employees hold basic tier options to subscribe for 2,534,000 ordinary shares and second tier options to subscribe for 2,692,500 ordinary shares. The number of shares in respect of which basic tier and second tier options may be granted under this Scheme may not exceed 5% of the total number of shares in issue in each case.

Under the DCC Sharesave Scheme, Group employees hold options to subscribe for 595,189 ordinary shares. These options are exercisable between June 2004 and February 2007.

Under the terminated DCC Employee Partly Paid Share Scheme, at 31 March 2003, 90,000 shares (2002: 90,000 shares) remain partly paid.

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.

33. Share Premium Account

Group and Company	2003 €'000	2002 €'000
At 1 April	**124,431**	124,450
Premium on issue of shares	**13**	-
Share issue expenses	**-**	(19)
At 31 March	**124,444**	124,431

34. Other Reserves

(a) Group

	Capital Conversion Reserve Fund €'000	Other Reserves €'000	Total €'000
At 31 March 2003 and 31 March 2002	**344**	**1,056**	**1,400**

(b) Company

	Capital Conversion Reserve Fund €'000
At 31 March 2003 and 31 March 2002	**344**

35. Profit and Loss

(a) Group

	2003 €'000	2002 €'000
At 1 April	**243,565**	205,839
Profit retained for the year	**57,250**	55,827
Share buyback (inclusive of costs)	**-**	(21,307)
Re-issue of Treasury Shares (net of expenses)	**217**	2,483
Exchange adjustments - associated undertakings	**(1,761)**	8
Exchange adjustments - subsidiaries	**(17,871)**	715
At 31 March	**281,400**	243,565

In accordance with the Group's accounting policy, goodwill arising on the acquisition of subsidiaries prior to 1 April 1998, eliminated from the balance sheet through reserves, amounts to €100.079 million.

(b) Company

	2003 €'000	2002 €'000
At 1 April	**9,598**	19,966
Profit retained	**24,450**	8,456
Share buyback (inclusive of costs)	**-**	(21,307)
Re-issue of Treasury Shares (net of expenses)	**217**	2,483
At 31 March	**34,265**	9,598

The cost to the Group of €43.268 million to acquire the 4,517,005 shares held in treasury has been deducted from the Group and Company Profit and Loss Reserves. These shares were acquired at prices ranging from €9.25 to €9.50 each between 28 July 2000 and 28 September 2001.

36. Reconciliation of Movements in Equity Shareholders' Funds

Group	2003 €'000	2002 €'000
Profit for the financial year	80,809	76,293
Dividends	(23,559)	(20,466)
	57,250	55,827
Equity share capital issued (net of expenses)	231	2,464
Share buyback (inclusive of costs)	-	(21,307)
Exchange adjustments - associated undertakings	(1,761)	8
Exchange adjustments - subsidiaries	(17,871)	715
Net movement in shareholders' funds	37,849	37,707
Opening equity shareholders' funds	391,430	353,723
Closing equity shareholders' funds	429,279	391,430

37. Equity Minority Interests

Group	2003 €'000	2002 €'000
At 1 April	4,010	3,493
Acquisition of minority interest in subsidiary undertakings (note 39)	(200)	-
Share of profit for the financial year (note 12)	513	670
Dividends to minorities	(764)	(173)
Exchange and other adjustments	73	20
At 31 March	3,632	4,010

38. Capital Grants

Group	2003 €'000	2002 €'000
At 1 April	1,255	1,369
Received in year	69	65
Acquisitions	380	-
Amortisation in year	(285)	(179)
Exchange and other adjustments	(6)	-
At 31 March	1,413	1,255
Disclosed as due within one year (note 28)	(128)	(132)
	1,285	1,123

39. Acquisitions of Subsidiary Undertakings

The principal acquisitions completed during the year were British Gas LPG, Shannon Environmental Services and a number of smaller oil and LPG distributors.

A summary of the effect of acquisitions is as follows:

	Acquisition of subsidiary undertakings €'000	Accounting policy alignment €'000	Fair value adjustments €'000	Fair value at acquisition €'000	Acquisition of minority interest in subsidiaries €'000	Total €'000
Tangible fixed assets	64,779	(9,068)	-	55,711	-	55,711
Stocks	1,913	(15)	(391)	1,507	-	1,507
Debtors	11,996	(144)	(1,564)	10,288	-	10,288
Net debt	(2,896)	-	-	(2,896)	-	(2,896)
Creditors	(4,564)	(1,299)	(1,955)	(7,818)	-	(7,818)
Minority interest	-	-	-	-	200	200
Net assets acquired	71,228	(10,526)	(3,910)	56,792	200	56,992
Goodwill				20,386	120	20,506
Cost				77,178	320	77,498

Satisfied by:

Cash	77,258
Deferred consideration	240
	77,498

The fair values set out above include provisional valuations for certain acquisitions completed in 2003. Any revisions to these provisional valuations will be reflected in the 2004 financial statements.

An analysis of the net outflow of cash in respect of the acquisition of subsidiary undertakings is as follows:

	2003 €'000
Cost	77,498
Net debt acquired	2,896
Deferred consideration	(240)
Net outflow of cash	80,154
Comprised of:	
Purchase of subsidiary (net of debt acquired) (note 40(c))	79,834
Purchase of minority interests (note 40(c))	320
	80,154

Notes to the Financial Statements for the year ended 31 March 2003

40. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	2003 €'000	2002 €'000
Operating profit before goodwill amortisation	**114,332**	102,712
Operating profit of associated undertakings	**(17,709)**	(13,602)
Dividends received from associated undertakings	**1,317**	1,264
Depreciation of tangible fixed assets	**29,495**	25,268
Amortisation of capital grants	**(285)**	(179)
Profit on sale of tangible fixed assets	**(1,285)**	(1,063)
Decrease/(increase) in stocks	**4,346**	(11,516)
Decrease/(increase) in debtors	**2,658**	(3,554)
(Decrease)/increase in creditors	**(32,744)**	21,974
Other	**(1,642)**	(956)
Operating cash flow before exceptional costs	**98,483**	120,348
Exceptional redundancy and restructuring costs	**(6,016)**	(2,878)
Cash flow from operating activities	**92,467**	117,470

41. Analysis of Cashflows for Headings netted in the Consolidated Cash Flow Statement

	2003 €'000	2002 €'000
(a) Returns on investments and servicing of finance		
Interest received and similar receipts	**13,594**	17,869
Interest paid and similar payments	**(17,694)**	(21,485)
Dividends paid to minority interests	**(764)**	(173)
Net cash outflow from returns on investments and servicing of finance	**(4,864)**	(3,789)
(b) Capital expenditure		
Expenditure on tangible fixed assets	**(39,166)**	(37,855)
Proceeds on sale of tangible fixed assets	**4,265**	4,784
Grants received	**69**	65
Net cash outflow from capital expenditure	**(34,832)**	(33,006)
(c) Acquisitions and disposals		
Purchase of subsidiary undertakings (net of debt acquired) (note 39)	**(79,834)**	(51,259)
Investment in associated undertakings (note 18)	**(112)**	-
Purchase of minority interests	**(320)**	-
Sale of subsidiary	**1,126**	2,995
Sale of associated undertakings	**13,606**	8,363
Payment of deferred consideration in respect of acquisitions	**(7,949)**	(8,378)
Net cash outflow from acquisitions and disposals	**(73,483)**	(48,279)
(d) Financing		
Issues of share capital (including share premium)	**231**	792
Share buyback	**-**	(21,307)
Capital element of finance lease payments	**(2,248)**	(4,068)
Loans drawn down/(repaid)	**145,836**	(148,259)
Net cash inflow/(outflow) from financing	**143,819**	(172,842)

Notes to the Financial Statements for the year ended 31 March 2003

42. Analysis of Movement in Net Funds

	At 1 April 2002 €'000	Cash Flow €'000	Exchange Movements €'000	At 31 March 2003 €'000
Cash in hand and at bank	177,244	19,560	(15,407)	**181,397**
Overdrafts	(89,594)	18,144	7,058	**(64,392)**
	87,650	37,704	(8,349)	**117,005**
Term deposits	127,417	61,222	(16,050)	**172,589**
Bank loans and loan notes	(14,084)	(145,836)	10,914	**(149,006)**
Unsecured Notes due 2008/11	(106,036)	-	11,778	**(94,258)**
Finance leases	(31,874)	2,248	3,355	**(26,271)**
Total	63,073	(44,662)	1,648	**20,059**

43. Capital Commitments

Group	**2003 €'000**	2002 €'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	**1,545**	3,634
Capital expenditure that has been authorised by the Directors but has not yet been contracted for	**33,486**	37,744

44. Operating Lease Commitments

At 31 March 2003 the Group had annual commitments under operating leases expiring as follows:

	2003			2002		
	Land & Buildings €'000	**Other €'000**	**Total €'000**	Land & Buildings €'000	Other €'000	Total €'000
Expiring within one year	**82**	**374**	**456**	136	269	405
Expiring between two and five years	**556**	**696**	**1,252**	1,087	1,008	2,095
Expiring after five years	**2,670**	**-**	**2,670**	2,249	-	2,249
	3,308	**1,070**	**4,378**	3,472	1,277	4,749

Notes to the Financial Statements for the year ended 31 March 2003

45. Contingent Liabilities

(a) Bank and Other Loans

The Company and certain subsidiaries have given guarantees of up to €331.115 million (2002: €241.057 million) in respect of borrowings by the Company and other Group undertakings.

(b) Other

Included in trade creditors is an amount of approximately €9.435 million (2002: €5.955 million) due to creditors who have reserved title to goods supplied. Since the extent to which these creditors are effectively secured at any time depends on a number of conditions, the validity of some of which is not readily determinable, it is not possible to indicate how much of the above amount was effectively secured by reservation of title. However, the amount referred to above is matched in terms of net book value of fixed assets and stocks of raw materials in the possession of the Group which were supplied subject to reservation of title and accordingly the creditors referred to could be regarded as effectively secured to the extent of at least this amount.

Pursuant to the provisions of Section 17, Companies (Amendment) Act, 1986, the Company has guaranteed the liabilities of Alvabay Limited, Atlas Oil Refining Company Limited, Classic Fuel & Oil Limited, DCC Energy Limited, DCC Healthcare Limited, DCC SerCom Limited, Emo Oil Limited and Flogas Ireland Limited which are wholly owned subsidiaries, and as a result, these companies will be exempted from the filing provisions of Section 7, Companies (Amendment) Act, 1986.

46. Reporting Currency

The primary currency used in these financial statements is the euro which is denoted by the symbol €. The exchange rates used in translating sterling balance sheets and profit and loss account amounts were as follows:

	2003	2002
	€1=Stg£	€1=Stg£
Balance sheet (closing rate)	**0.690**	0.613
Profit and loss (average rate)	**0.640**	0.615

47. Transactions with Related Parties

The Company increased its shareholding in EuroCaps Limited to 100.0% through the acquisition of 15.0% of the issued share capital from minority shareholders on 12 April 2002. The total value of the consideration amounted to Stg£1.163 million which was satisfied in cash.

On 31 May 2002, the Company acquired 0.3% of the share capital of SerCom Distribution Limited through the acquisition of shares from the management of that company at a cost of €0.830 million. Put and call options exist over the remaining shares exercisable to 2004.

The Company increased its shareholding in Distrilogie SA to 97.5% through the acquisition of 2.7% on 18 June 2002 and 1.4% on 25 October 2002, of the issued share capital from minority shareholders. The total value of the consideration amounted to €0.581 million, which was satisfied in cash. The remaining 2.5% shareholding is also subject to put and call options up to 2004.

On 30 October 2002, the Company increased its shareholding in Fannin Limited to 96.6% by acquiring 2.6% of the issued share capital from the minority shareholders in Fannin Limited, which was subject to put and call options exercisable by DCC and the Fannin minority shareholders. The consideration amounted to €1.601 million and was satisfied in cash. The remaining 3.4% shareholding is also subject to put and call options up to 2004.

On 20 December 2002, the Company increased its shareholding in TechnoPharm Limited to 83.3% through the acquisition of 8.3% of the issued share capital from minority shareholders. The total value of the consideration amounted to €1.522 million which was satisfied in cash. The remaining 16.7% shareholding is also subject to put and call options up to 2004.

48. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 16 May 2003.

Group Directory

Company Name and Head Office Address	Principal Activity	Telephone/Fax/email and web site if applicable
Energy		
DCC Energy Limited DCC House, Stillorgan, Blackrock, County Dublin, Ireland	Holding and divisional management company	Tel: + 353 1 2799 400 Fax: + 353 1 2831 017 email: energy@dcc.ie www.dcc.ie
Flogas Ireland Limited Dublin Road, Drogheda, County Louth, Ireland	Manufacture and distribution of liquified petroleum gas	Tel: + 353 41 9831 041 Fax: + 353 41 9834 652 email: info@flogas.ie www.flogas.ie
DCC Energy Limited Airport Road West, Sydenham, Belfast BT3 9ED, Northern Ireland	Marketing and distribution of petroleum products	Tel: + 44 28 9073 2611 Fax: + 44 28 9073 2020 email: enquiries@emooil.com www.emooil.com
Scottish Fuels Callendar Boulevarde, Callendar Business Park, Falkirk FK1 1XR, Scotland	Marketing and distribution of petroleum products	Tel: + 44 1324 408 000 Fax: + 44 1324 408 109 email: info@scottishfuels.net
Flogas (UK) Limited Merrylees, Leicestershire LE9 9FE, England	Processing and distribution of liquified petroleum gas	Tel: + 44 1530 230 352 Fax: + 44 1530 230 253 email: info@flogas.co.uk www.flogas.co.uk
Emo Oil Limited Clonminam Industrial Estate, Portlaoise, County Laois, Ireland	Marketing and distribution of petroleum products	Tel: + 353 502 747 00 Fax: + 353 502 747 75 email: info@emo.ie www.emo.ie
Atlas Environmental Ireland Limited Clonminam Industrial Estate, Portlaoise, County Laois, Ireland	Waste treatment / remediation and oil reprocessing	Tel: + 353 502 786 00 Fax: + 353 502 747 57 email: info@atlasireland.ie www.atlasireland.ie
Environmental Technology Manufacturing Limited Ballycurreen Industrial Estate, Kinsale Road, Cork, Ireland	Manufacture and distribution of water treatment and process chemicals	Tel + 353 21 496 2554 Fax: + 353 21 496 2345 email: info@envirotech.ie www.envirotech.ie
Shannon Environmental Services Limited Smithstown Industrial Estate, Shannon, County Clare, Ireland	Waste treatment	Tel: + 353 61 707 400 Fax: + 353 61 707 401 email: info@ses-shannon.ie
SerCom		
DCC SerCom Limited DCC House, Stillorgan, Blackrock, County Dublin, Ireland	Holding and divisional management company	Tel: + 353 1 2799 400 Fax: + 353 1 2831 017 email: sercom@dcc.ie www.dcc.ie
SerCom Distribution Limited DCC House, Stillorgan, Blackrock, County Dublin, Ireland	Holding and divisional management company	Tel: + 353 1 2799 400 Fax: + 353 1 2831 017 email: sercom@dcc.ie www.sercomdistribution.com
Sharptext Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Distribution of computer products and office equipment	Tel: + 353 1 4087 171 Fax: + 353 1 4193 111 email: sharptext@sharptext.com www.sharptext.com
Micro Peripherals Limited Shorten Brook Way, Altham Business Park, Altham, Accrington, Lancashire BB5 5YJ, England	Distribution of computer products	Tel: + 44 1282 776 776 Fax: + 44 1282 770 001 email: info@micro-p.com www.micro-p.com
Gem Distribution Limited St. George House, Parkway, Harlow Business Park, Harlow, Essex CM19 5QF, England	Distributor of computer software	Tel: + 44 1279 822 800 Fax: + 44 1279 416 228 email: info@gem.co.uk www.gem.co.uk

Group Directory continued

Company Name and Head Office Address	Principal Activity	Telephone/Fax/email and web site if applicable
SerCom Solutions Limited Cloverhill Industrial Estate, Clondalkin, Dublin 22, Ireland	Provision of supply chain services	Tel: + 353 1 405 6500 Fax: + 353 1 405 6555 email: sales@sercomsolutions.com www.sercomsolutions.com
Distrilogie SA 12, Rue des Frères Caudron 78147 Vélizy Cedex, France	Distribution of computer storage products	Tel: + 33 1 34 58 47 00 Fax: + 33 1 34 58 47 27 email: info@distrilogie.com www.distrilogie.com
Food		
DCC Foods Limited DCC House, Stillorgan, Blackrock, County Dublin, Ireland	Holding and divisional management company	Tel: + 353 1 2799 400 Fax: + 353 1 2831 017 email: foods@dcc.ie www.dcc.ie
Robt. Roberts Limited 79 Broomhill Road, Tallaght, Dublin 24, Ireland	Distribution of food and beverages	Tel: + 353 1 4047 300 Fax: + 353 1 4599 369 email: info@robt-roberts.ie www.robt-roberts.ie
Kelkin Limited Unit 1, Crosslands Industrial Park, Ballymount Cross, Dublin 12, Ireland	Marketing and distribution of branded healthfood products	Tel: + 353 1 4600 400 Fax: + 353 1 4600 411 email: info@kelkin.ie
Broderick Bros. Limited JFK Industrial Estate, Naas Road, Dublin 12, Ireland	Manufacture, distribution and service of food equipment	Tel: + 353 1 4291 500 Fax: + 353 1 4509 570 email: info@broderickbros.ie
Healthcare		
DCC Healthcare Limited DCC House, Stillorgan, Blackrock, County Dublin, Ireland	Holding and divisional management company	Tel: + 353 1 2799 400 Fax: + 353 1 2831 017 email: healthcare@dcc.ie www.dcc.ie
Fannin Limited Blackthorn Road, Sandyford Industrial Estate, Foxrock, Dublin 18, Ireland	Distribution of medical and scientific equipment and consumables	Tel: + 353 1 294 4500 Fax: + 353 1 295 3818 email: info@fanninhealthcare.com www.fanninhealthcare.com
TechnoPharm Limited Pharmapark, Chapelizod, Dublin 20, Ireland	Distribution of pharmaceutical products and medical devices	Tel: + 353 1 626 5006 Fax: + 353 1 626 5071 email: info@technopharm.com www.technopharm.com
Days Medical Aids Limited Litchard Industrial Estate, Bridgend, Mid Glamorgan CF31 2AL, Wales	Manufacture and distribution of rehabilitation and mobility products	Tel: + 44 1656 657 495 Fax: + 44 1656 767 178 email: sales@daysmedical.com www.daysmedical.com
CasaCare GmbH & Co KG Gewerbestraße 13, 32584 Löhne, Germany	Manufacture and distribution of rehabilitation and mobility products	Tel: + 49 5731 786 50 Fax: + 49 5731 786 520 email: sales@casacare.de www.casacare.de
Virtus Limited Adamstown, Lucan, County Dublin, Ireland	Manufacture and distribution of pneumatic healthcare appliances	Tel: + 353 1 628 0571 Fax: + 353 1 628 0572 email: info@virtus.ie www.virtus.ie
EuroCaps Limited Crown Business Park, Dukestown, Tredegar, Gwent NP22 4EF, Wales	Contract manufacture of soft gel capsule nutraceuticals	Tel: + 44 1495 308 900 Fax: + 44 1495 308 990 email: enquiries@softgels.co.uk www.softgels.co.uk
Thompson and Capper Limited 9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	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

Shareholder Information

Shareholder Analysis at 16 May 2003

Range of shares held	Number of shares	% of shares	Number of accounts	% of accounts
Over 250,000	68,658,812	82.1	38	1.0
100,001 – 250,000	4,526,166	5.4	29	0.8
10,001 – 100,000	5,573,360	6.7	175	4.5
Less than 10,000	4,864,061	5.8	3,612	93.7
Total	**83,622,399**	**100.0**	**3,854**	**100.0**

Share Price Data (€)	High	Low	31 March
Year ended 31 March 2003	13.25	9.10	9.75
Year ended 31 March 2002	12.80	8.55	12.18

The market capitalisation of DCC plc at 31 March 2003 was €816 million (2002: €1,019 million) and at 16 May 2003 was €946 million (€11.30 per share).

Share Listings

DCC's shares are traded on the Irish Stock Exchange and the London Stock Exchange. DCC's shares are quoted on the official lists of both the Irish Stock Exchange and the UK Listing Authority.

DCC's ISIN code is IE0002424939.

Website - www.dcc.ie

DCC's website provides comprehensive corporate and financial information to the investment community and other interested parties. It incorporates a variety of useful features, which enable users to access, analyse and download current and archived financial data and annual reports, register for news and other announcements and view interactive audio and slideshow investor presentations.

Investor Relations

For investor enquiries please contact:
Conor Costigan,
Investor Relations Manager,
DCC plc, DCC House, Brewery Road,
Stillorgan, Blackrock, Co Dublin, Ireland.
Tel: + 353 1 2799 400.
Fax: + 353 1 2831 018.
email: investorrelations@dcc.ie

Registrar

Administrative enquiries about the holding of DCC shares should be directed in the first instance to the Company's Registrar:
Computershare Investor Services (Ireland) Limited,
Heron House,
Corrig Road,
Sandyford Industrial Estate,
Dublin 18,
Ireland.
Tel: + 353 1 216 3100.
Fax: + 353 1 216 3151.
email: web.queries@computershare.co.uk

Annual General Meeting

The Annual General Meeting will be held at The Berkeley Court Hotel, Lansdowne Road, Dublin 4, Ireland on Tuesday 8 July 2003 at 11.00 a.m. The Notice of Meeting together with an explanatory letter from the Chairman and a proxy card accompany this Report.

Financial Calendar

Preliminary results announced	19 May 2003
Ex-dividend date for the final dividend	28 May 2003
Record date for the final dividend	30 May 2003
Annual Report posted	5 June 2003
Annual General Meeting	8 July 2003
Proposed payment date for final dividend	14 July 2003
Interim results announced	early November 2003
Payment date for the interim dividend	early December 2003

Amalgamation of Accounts

Shareholders who receive duplicate sets of Company mailings owing to multiple accounts in their names should write to the Company's Registrar to have their accounts amalgamated.

Dividends

Shareholders are offered the option of having dividends paid in euro or pounds sterling. Shareholders may also elect to receive dividend payments either by cheque or by electronic funds transfer directly into their bank accounts. Shareholders should contact the Company's Registrar for details.

Dividend Withholding Tax ("DWT")

The Company is obliged to deduct tax 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 non-individual shareholders resident in Ireland (e.g. companies, pension funds, charities etc.).

An explanatory leaflet entitled "Dividend Withholding Tax Information Leaflet" has been published by the Irish Revenue Commissioners and can be obtained by contacting the Company's Registrar at the above address. This leaflet can also be downloaded from the Irish Revenue Commissioners web site at http://www.revenue.ie/pdf/dwtinfv3.pdf. Declaration forms for claiming an exemption are available from the Company's Registrar.

CREST

DCC is a member of the CREST share settlement system. Shareholders may continue to hold paper share certificates or hold their shares in electronic form.

Corporate Information

Solicitors
William Fry
Fitzwilton House
Wilton Place
Dublin 2
Ireland

Stockbrokers
Davy Stockbrokers
49 Dawson Street
Dublin 2
Ireland

Cazenove
20 Moorgate
London EC2R 6DA
England

Auditors
PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
George's Quay
Dublin 2
Ireland

Registrar and Transfer Office
Computershare Investor Services (Ireland) Limited
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18
Ireland

Registered Office and Head Office
DCC House
Stillorgan
Blackrock
Co. Dublin
Ireland

Bankers
ABN Amro Bank
Allied Irish Banks
Bank of Ireland
IIB Bank
KBC Bank
Royal Bank of Scotland
Ulster Bank

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5 Year Review

Profit & Loss Account

Year ended 31 March	1999 €'m	2000 €'m	2001 €'m	2002 €'m	2003 €'m
Turnover	1,059.3	1,527.0	1,870.1	2,048.9	2,272.4
Operating profit before operating exceptional items	63.7	77.7	91.7	102.7	114.3
Operating exceptional items	-	-	-	-	(2.9)
Operating profit	63.7	77.7	91.7	102.7	111.4
Net interest payable	(4.5)	(6.4)	(4.4)	(5.0)	(5.0)
Profit on ordinary activities before goodwill amortisation, non-operating net exceptional items and tax	59.2	71.3	87.3	97.7	106.4
Goodwill amortisation	(1.5)	(3.5)	(4.9)	(5.7)	(7.3)
Non-operating net exceptional items	-	71.4	-	(1.1)	(1.7)
Profit before taxation	57.7	139.2	82.4	90.9	97.4
Taxation	(8.9)	(18.7)	(13.1)	(13.7)	(15.3)
Minority interests	(0.8)	(0.7)	(1.2)	(0.9)	(1.3)
Profit attributable to Group shareholders	48.0	119.8	68.1	76.3	80.8
Earnings per share					
- Basic (cent)	55.39	137.39	78.98	90.26	96.66
- Basic adjusted (cent)	57.19	68.80	84.69	98.30	111.00
Dividend per share (cent)	14.66	17.60	21.12	24.50	28.18
Dividend Cover (times)	3.9	3.9	4.0	4.0	3.9
Interest Cover (times)	14.3	12.1	20.8	20.5	22.4

Consolidated Balance Sheet

At 31 March	1999 €'m	2000 €'m	2001 €'m	2002 €'m	2003 €'m
Tangible fixed assets	106.7	123.1	135.2	159.2	209.4
Associated undertakings	56.9	34.6	38.5	39.0	40.3
Goodwill	46.0	75.6	84.5	118.3	132.1
	209.6	233.3	258.2	316.5	381.8
Net current assets	23.1	30.6	31.1	38.7	45.3
Net (debt)/cash	(20.3)	89.2	83.2	63.1	20.1
	212.4	353.1	372.5	418.3	447.2
Shareholders' funds	195.2	329.1	353.7	391.4	429.3
Minority interests	3.9	3.3	3.5	4.0	3.6
Other long term creditors/provisions	13.3	20.7	15.3	22.9	14.3
	212.4	353.1	372.5	418.3	447.2
Investment in working capital	3.4	(15.8)	19.9	(6.9)	25.7
Capital expenditure	18.0	29.0	34.1	37.3	40.7
Acquisitions	75.4	39.1	20.2	65.6	80.3
Development expenditure	96.8	52.3	74.2	96.0	146.7
Operating cash flow	65.5	96.3	83.4	120.3	98.5
Return on tangible capital employed (%)	36.3%	40.6%	48.1%	46.3%	42.2%
Average number of employees	2,664	2,933	3,056	3,361	3,685