DCC

Annual Report and Accounts 2010

2010

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

- DCC Energy
- DCC SerCom (IT & entertainment products)
- DCC Healthcare
- DCC Environmental
- DCC Food & Beverage

	Sales, marketing and distribution businesses (86% of profits)	Business support services (14% of profits)
DCC Energy	• Oil • LPG • Fuel cards	
DCC SerCom	*SerCom Distribution* IT & entertainment products to • Retailers • Resellers • Enterprise markets	*SerCom Solutions* • Outsourced procurement and supply chain management services
DCC Healthcare	• Hospital supplies • Mobility & Rehab products	• Outsourced solutions to the health & beauty sector
DCC Environmental		• Waste management and recycling services
DCC Food & Beverage	• Healthfoods • Indulgence foods and beverages	• Chilled and frozen logistics

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

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

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Highlights for the year ended 31 March 2010

Revenue

€6,725.0m
2009: €6,400.1m

Reported: +5.1%
Constant currency†: +10.8%

Operating profit*

€192.8m
2009: €180.4m

Reported: +6.9%
Constant currency†: +12.8%

Adjusted earnings per share*

177.98 cent
2009: 169.13 cent

Reported: +5.2%
Constant currency†: +11.3%

Dividend per share

67.44 cent
2009: 62.34 cent

Reported: +8.2%

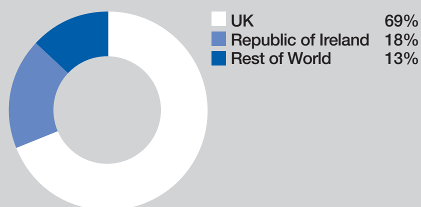
Operating cash flow

€297.8m
2009: €304.9m

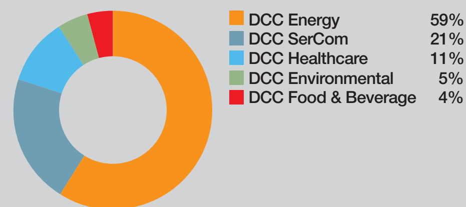
Return on total capital employed

18.4%
2009: 17.8%

Operating profit geographic split



Operating profit sector split



* Excluding net exceptionals and amortisation of intangible assets.
† All constant currency figures quoted in this report are based on retranslating 2009/10 figures at prior year translation rates.

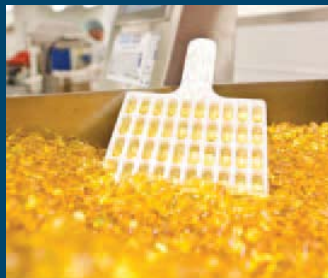
DCC Group at a Glance

DCC Energy

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

DCC SerCom

SerCom Distribution markets and sells IT and entertainment products to the Retail, Reseller and Enterprise markets. SerCom Solutions provides outsourced procurement and supply chain management services in Ireland, Poland, China and the USA.



DCC Healthcare

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

- the provision of sales, marketing and distribution services in Ireland and Britain to healthcare providers and brand owners;
- the provision of outsourced product development, manufacturing and packing services to the health and beauty industry in Europe; and
- the sales and marketing of mobility and rehabilitation products in Britain, Ireland, Australia, New Zealand and other markets.

DCC Environmental

DCC Environmental is a leading British and Irish provider of recycling and waste management services to the industrial, commercial, construction and public sectors, operating in both the non-hazardous and hazardous segments of the market.

DCC Food & Beverage

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

Strategy

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

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

Successful delivery of the strategy will result in:-

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

Total Shareholder Return

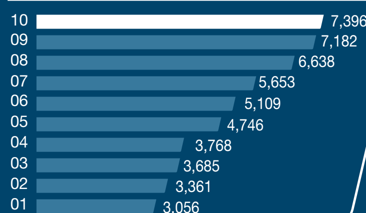
10 Years and 5 Years to 31 March 2010

122.4%
10 years ended 31 March 2010

24.1%
5 years ended 31 March 2010

Average no. of employees

10 Years to 31 March 2010



Board of Directors

1. Michael Buckley, Non-executive Chairman
Michael Buckley, MA, LPh, MCSI, (65) joined the Board in 2005 and was appointed non-executive Chairman on 27 May 2008. He is a non-executive director of M and T Bank Corporation, listed on the New York Stock Exchange, of Enterprise Ireland and of Bradford and Bingley, the nationalised UK mortgage lender. Mr. Buckley is senior adviser to a number of privately owned Irish and international companies, is an adjunct professor at the Department of Economics in UCC and chairs the Board of the Irish Chamber Orchestra. He was Group Chief Executive of Allied Irish Banks plc from 2001 to 2005 having served as Managing Director of AIB Capital Markets and AIB Poland. Previously, he was Managing Director of NCB Group and a senior public servant in Ireland and the EU.

2. Tommy Breen, Chief Executive
Tommy Breen, B Sc (Econ), FCA, (51) was appointed Chief Executive in May 2008 having been Group Managing Director from July 2007. He was previously Chief Operating Officer and has held a number of other senior management positions in the Group, including those of Managing Director of DCC's Energy, SerCom and Environmental divisions. Mr. Breen joined DCC in 1985, having previously worked with KPMG. Mr. Breen joined the Board in 2000.

3. Róisín Brennan, Non-executive Director
Róisín Brennan, BCL, FCA, MSI, (45) is Executive Chairman of IBI Corporate Finance, where she has had extensive experience advising public companies in Ireland, principally in relation to strategy and mergers & acquisitions. Ms. Brennan also served as a non-executive director of The Irish Takeover Panel during 2000/2001. Ms. Brennan joined the Board in 2005.

4. David Byrne, Non-executive Deputy Chairman and Senior Independent Director
David Byrne, SC, (63) joined the Board and was appointed non-executive Deputy Chairman and Senior Independent Director on 1 January 2009. He is a non-executive director of Kingspan Group plc and serves on a number of commercial international advisory boards. Mr. Byrne is also Chancellor of Dublin City University, chairs the National Treasury Management Agency Advisory Committee and is Chairman of the National Concert Hall. Following 27 years of practice as a barrister, he was Attorney General of Ireland from 1997 to 1999. Mr. Byrne served as the first EU Commissioner for Health and Consumer Protection from 1999 to 2004. Following this, he served as Special Envoy of the Director-General of the World Health Organisation.

5. Maurice Keane, Non-executive Director
Maurice Keane, B Comm, M Econ Sc, (68) was a member of the Court of Directors of Bank of Ireland from 1983 to 2005, and Chief Executive from 1998 to 2002. In January 2009 he was appointed a director of Anglo Irish Bank Corporation Limited after it was nationalised. He is a director of Axis Capital Holdings Limited, listed on the New York Stock Exchange, and is a member of the National Pension Reserve Fund Commission. Previously, Mr. Keane was Chairman of BUPA Ireland and of Bristol & West plc. Mr. Keane joined the Board in 2002.

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6. Kevin Melia, Non-executive Director

Kevin Melia, FCMA, JDIPMA, (62) is non-executive Chairman of Vette Corp, is a former non-executive Chairman of Iona Technologies and Authorize.Net and was the Co-founder, Chairman and CEO of Manufacturers Services Ltd. Previous positions held include Chief Financial Officer and Executive Vice President of Operations of SunMicro Systems and President of its computer hardware division. Mr. Melia also held a number of senior management positions at Digital Equipment Corporation. He is Co Managing Director of Boulder Brook Partners, a private investment company and is non-executive director of Analogic Corporation, Greatbatch Inc, RadiSys Corp and a member of the advisory Board of C&S Wholesale Grocers and Distributors. Mr. Melia joined the Board in December 2008.

7. John Moloney, Non-executive Director

John Moloney, B.Agr.Sc., MBA, (55) is Group Managing Director of Glanbia plc where he has been a board member since 1997. He joined Glanbia in 1987 and held a number of senior management positions including Chief Executive of the Food Ingredients and Agricultural Trading divisions. Previously, Mr. Moloney worked with the Department of Agriculture, Food and Forestry as well as in the meat industry in Ireland. He is a director of the Irish Dairy Board Co-operative Limited and a council member of the Irish Business and Employers Confederation. Mr. Moloney joined the Board in February 2009.

8. Donal Murphy, Executive Director

Donal Murphy, B Comm, BFS, MBA, (44) joined DCC in 1998 having previously worked with Allied Irish Banks plc. He was appointed Managing Director of DCC Energy in 2006 having previously been Managing Director of DCC SerCom. Prior to this Mr. Murphy was Head of Group IT. Mr. Murphy joined the Board in December 2008.

9. Fergal O’Dwyer, Executive Director

Fergal O’Dwyer, FCA, (50) has been Chief Financial Officer since 1994. He joined DCC in 1989 having previously worked with KPMG in Johannesburg and Price Waterhouse in Dublin. Mr. O’Dwyer joined the Board in 2000.

10. Bernard Somers, Non-executive Director

Bernard Somers, B Comm, FCA, (61) is the founder of Somers & Associates, which has built a substantial practice in corporate restructuring. He is a non-executive director of Irish Continental Group plc and has also been an investor in and a director of several start-up companies. Mr. Somers joined the Board in 2003.

Audit Committee
Bernard Somers (Chairman)
Kevin Melia
John Moloney

Nomination Committee
Michael Buckley (Chairman)
David Byrne
Maurice Keane

Remuneration Committee
Maurice Keane (Chairman)
Róisín Brennan
Michael Buckley
David Byrne

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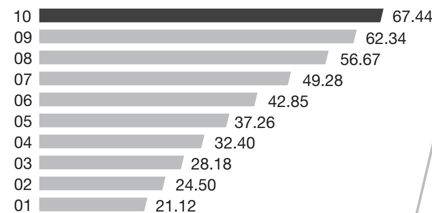
Chairman's Statement

Remarkable, Consistent Performance

On behalf of the Board of DCC, I am happy to report to shareholders a strong set of financial results and significant strategic progress for the year ended 31 March 2010. The financial results, which are highlighted in the Chief Executive's Review, and set out in detail in the Business Review and the Financial Review, were remarkable for two main reasons, which should not go unnoticed.

Dividend (cent) - years ended 31 March



CAGR 10yrs 14.4%, CAGR 5yrs 12.6%

First, DCC achieved its 16th successive year of annual profit growth, in the teeth of the most serious recession in the Western economies for generations, triggered by an unprecedented global financial crisis, with grave uncertainty prevailing throughout the year. Second, the Group's well deserved reputation for financial prudence was more than maintained. Higher levels of financial risk-taking or higher leverage were not the engines of performance. In fact, the Group generated free cash flow of €229.1 million and ended the year with net debt of only €53.5 million, compared with equity of €836.9 million.

Dividend Increase of 8.2%

The Board is happy to be in a position to recommend a final dividend of 43.70 cent per share. When added to the interim dividend of 23.74 cent per share, this means that the total dividend for the year will be 67.44 cent per share, an increase of 8.2% over the prior year. The dividend is covered 2.6 times by adjusted earnings per share (2.7 times in the prior year). Subject to shareholder approval at the Annual General Meeting, the final dividend will be paid on 22 July 2010 to shareholders on the register at the close of business on 28 May 2010.

Board

As three new non-executive Directors had been appointed towards the end of the prior year, in addition to one new executive Director, much Board attention was focused on familiarising the new non-executives with the business of the Group and with its challenges and opportunities, in the context of the strategy set out in last year's Annual Report. So there have been no further changes in the composition of the Board during the course of the past year.
At year end, I conducted, as the Combined Code requires, a formal evaluation of the performance of each Director and am happy to report that each Director performed effectively and demonstrated strong commitment, substantial input both to strategic and governance discussions at the Board and, in the case of the non-executive Directors, constructive challenge to management.

In line with what is now established DCC practice, all Directors will offer themselves for re-election at the Annual General Meeting on 16 July 2010.

The Nomination Committee has begun a search process with a view to appointing, in due course, one or more UK based non-executive Directors with high quality experience in the UK and internationally in businesses relevant to DCC's strategic direction.

Audit

The Board has decided to undertake, in the current financial year, a formal tender process with regard to the audit of the Group's financial statements for the year ending 31 March 2012.

In the year ended 31 March 2010, fees paid to the Group's auditors (PricewaterhouseCoopers) for non-audit services fell by 26% compared to the prior year.

Management and Employees

The results achieved in the year just ended once more demonstrate the strength, cohesiveness, attention to detail and entrepreneurial qualities which are the hallmarks of the DCC management team led by Tommy Breen. The over 8,000 DCC employees who work in 16 countries more than deserve the Board's warm congratulations which I now take the opportunity to put on record for achieving such a strong business outcome in a very difficult environment and for proving, in the most testing business conditions, the durability of the DCC way of doing business.

Strategy

In last year's Annual Report, the Board reported to shareholders on the outcome of a strategy review conducted during the year ended 31 March 2009. We underlined our continuing confidence in DCC's diversified business model, strong balance sheet, devolved managed system, financial disciplines and acquisition skills - attributes which again stood shareholders in very good stead during the year ended 31 March 2010. We set out our commitment to seek, over time, to concentrate DCC's focus on those businesses in which it has already established, or has the opportunity to establish, leadership positions and which are most likely to generate attractive and sustainable returns on capital, through a combination of organic growth and acquisitions.

Chairman's Statement (continued)

In the past twelve months we have made significant progress, in particular, in strengthening the already leading position we hold in the UK oil and gas distribution sector. We also extended our geographical footprint to Denmark and Austria. Opportunities to achieve further very significant growth in this business in the UK and in other EU countries continue to be available to us. We continue to be energetic, but measured and disciplined, in addressing these, and other opportunities which are presenting themselves in other divisions, as we are in addressing the other elements of our strategic plan.

Substantial medium term funding has been successfully raised from a wide range of international institutions in recent months, at keen rates and terms, to facilitate implementation of this strategy.

Corporate Sustainability

Shareholders will find a detailed Sustainability Report set out at pages 44 to 47. In a business diversified both by sector and geography, there is some complexity attached to ensuring that productive and relevant thinking, standards and processes are embedded into the way we manage all fully or majority owned subsidiaries. But, with a good governance structure in place, we have made solid progress in the past year and have a very specific programme of action for the current year in relation to carbon management, health and safety, business conduct guidelines and community support activities.

A feature of the year under review was that DCC was approached to give material financial and other support to the "Your Country, Your Call" initiative launched by the President of Ireland on 17 February 2010. We were very pleased to be asked and readily agreed to do so. This unique initiative is an open search for two transformational change projects for Ireland that would have a material impact on jobs, prosperity and the way we do things. At the time of writing, the adjudication panel has received almost 10,000 proposals from around the world.

A significant donation was also made to Haiti relief activities in the course of the year.

Inspectorship/Fyffes Case

On 19 January 2010, the Irish High Court ordered the publication of the report of its Inspector Mr. Bill Shipsey (who had been appointed by the Court on 29 July 2008) into specific issues relating to the legal and beneficial interests of DCC and two of its subsidiaries in the shares of Fyffes plc, between February 1995 and April 2000. The Inspector concluded *"that:*

- *the companies took their corporate responsibilities very seriously;*
- *the directors, officers and employees, from the then Chief Executive down, placed a high value on legal and regulatory compliance;*
- *the companies had good and effective corporate governance procedures and controls at board level;*
- *the officers and executive directors of the companies were qualified, competent, and careful individuals;*
- *DCC attracted and retained highly experienced and quality non-executive directors; and*
- *the companies took legal advice when it was appropriate to do so and followed such advice when it was proffered."*

The Inspector said that the concerns of the Director of Corporate Enforcement, which had led to the appointment of the Inspector, *"were not borne out in the evidence adduced before me or in the course of my investigations"*. He specifically concluded that *"My findings reflect the honesty and integrity of Mr Flavin and, indeed, all of the officers and directors interviewed by me…"*

In summing up his lengthy and very detailed Report, the Inspector said that:
"The good news from the perspective of the Director, and corporate compliance in Ireland, is that the Court, the public and the market can be reassured and take comfort from the fact that one of Ireland's largest listed public companies had a well developed culture of compliance, maintained high corporate standards and was a good corporate citizen, notwithstanding the costly error of appreciation by its then Chief Executive. This should also be a source of considerable relief and reassurance for its seven thousand plus employees and shareholders."

DCC welcomed the findings of the Inspector. The Director of Corporate Enforcement confirmed that he did not intend to take any action arising out of the report.

The full text of the Stock Exchange Announcement issued by DCC in response to the publication of the report, which includes the Inspector's summary of the main conclusions of the report, is set out on pages 63 to 66. I would urge shareholders to read them carefully.

Outlook

It seems clear that the economies in which DCC operates are, at best, set for a longish period of very modest growth. There will be persistent risks of shocks coming from a combination of events and regulatory action in the financial markets and the painful fiscal adjustments into which Governments have been forced. Against that backdrop, it would be foolish to believe that organic growth in our business will be anything more than modest, at least in the short run. As against that, DCC's business model is built on seeking a well-judged combination of organic and acquisition led growth. We have substantial financial and management capacity and the number and range of acquisition opportunities being presented to us have tended to grow in recent months. We are confident of extracting value from them for our shareholders in the period ahead.

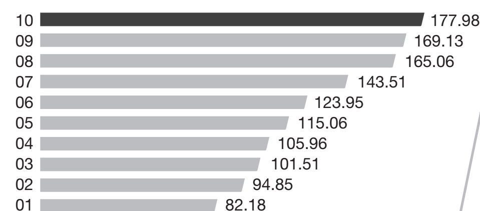
Michael Buckley
Chairman
17 May 2010

Chief Executive's Review

In a year characterised by an exceptionally difficult economic environment, DCC recorded its sixteenth consecutive year of profit growth since becoming a quoted company in 1994. Group operating profit of €192.8 million represented growth, on a constant currency basis, of 12.8% over the prior year, of which approximately one third was organic.

Adjusted earnings per share (cent)

- years ended 31 March



CAGR 10yrs 10.6%, CAGR 5yrs 9.1%

Three quarters of the Group's operating profit was denominated in sterling and during the year there was a 6.9% adverse movement in the average sterling translation rate, the impact of which was to reduce the reported growth in operating profits to 6.9%. Adjusted earnings per share of 177.98 cent was 11.3% ahead of the prior year on a constant currency basis and 5.2% ahead on a reported basis.

Dividend per share is up 8.2% to 67.44 cent with dividend cover at 2.6 times (2.7 times in 2009).

The heightened focus on working capital management and cash generation which I referred to in last year's Annual Report continued into the year ended 31 March 2010. Each of the Group's five divisions achieved reductions in working capital days, which overall declined to 4.6 days from 11.9 days in the prior year. This, along with tight control of capital expenditure, contributed to particularly strong free cash flow in the year of €229.1 million. Net debt declined in the year to €53.5 million, reinforcing the Group's strong financial position.

I am also pleased to report that DCC's return on total capital employed (including intangibles) increased to 18.4% from 17.8% in the prior year.

DCC now employs more than 8,000 people. These results are a tribute to them and a reflection of the talent and commitment to succeed that exists throughout the Group. I take this opportunity to very publicly thank all of them for their contribution to DCC's success.

Results Highlights

	€	Change on Prior Year Reported	Change on Prior Year Constant Currency†
Revenue	6,725.0m	+5.1%	+10.8%
Operating profit*	192.8m	+6.9%	+12.8%
Profit before exceptional items, amortisation of intangible assets and tax	182.1m	+14.2%	+20.7%
Adjusted earnings per share*	177.98 cent	+5.2%	+11.3%
Dividend per share	67.44 cent	+8.2%	
Free cash flow**	229.1m (2009: €218.5m)		
Net debt at 31 March 2010	53.5m (2009: €90.7m)		
Return on total capital employed	18.4% (2009: 17.8%)		

† All constant currency figures quoted in this report are based on retranslating 2009/10 figures at prior year translation rates.
* Excluding net exceptionals and amortisation of intangible assets
** After interest and tax payments

Chief Executive's Review (continued)

Divisional Highlights

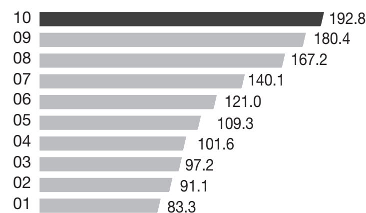
Detailed business reviews for each of the five divisions are set out on pages 16 to 35. Some of the key features of the year include:

DCC Energy had another excellent year in terms of both profit growth and cash generation. Despite experiencing weaker demand due to the prevailing economic environment, volumes increased by 15.9% to 6.2 billion litres benefiting from the successful integration of a number of recent acquisitions. DCC Energy also made significant progress on a number of its key strategic objectives. The achievement of a 20% market share in the British oil distribution market has been a target for some years and it is pleasing to note that our market share in the year grew from 12% to 14% and reinforced our position as the clear market leader. Furthermore, over the last couple of years we have been seeking to expand the business, selectively, into new geographic markets in continental Europe and the acquisitions of Shell's oil distribution businesses in Denmark and Austria during the year are important, albeit modest, steps in this regard.

DCC SerCom benefited from an excellent performance from its SerCom Distribution business which accounted for approximately 85% of the profits of the division. The profit growth was driven by particularly strong performances in DCC SerCom's Retail distribution and Reseller distribution businesses in Britain which helped to drive an overall improvement in the division's return on capital employed. DCC SerCom's strategy has in recent years been centred around achieving product, customer and supplier breadth and further significant progress was achieved in this regard during the year. In particular, the Reseller distribution business has been successful in expanding its sales of IT products into the mobile telephone channel, while the Retail distribution business has further grown its customer base in the on-line and supermarket channels.

DCC Healthcare achieved a strong recovery in operating profit across each of its business areas in the full year to 31 March 2010, driven by a particularly strong second half. Operating margins improved due to the recovery of prior year input cost increases and improved operational efficiency. Strategically DCC has increasingly been focusing on developing its activities in the value added services area including distribution services in the British market. Therefore it was pleasing that the business was recently successful in a tender process for a 10 year framework agreement to roll out to acute care trusts within NHS London the "just-in-time" distribution service which it currently provides to Guys & St. Thomas' NHS Foundation Trust.

Group operating profit (€m)
- years ended 31 March



CAGR 10yrs 11.2%, CAGR 5yrs 12.0%

Although operating profit for the full year declined in **DCC Environmental**, as anticipated the second half saw a return to profit growth driven by a much improved performance in Britain. The business was successful in attracting new customers and drove greater operating efficiencies through cost reductions and increased rates of recycling. Following a reorganisation of the shareholding structures within the British businesses, DCC now owns 70% of all of those businesses with Michael Tracey owning the remaining 30%. Under Michael's leadership, William Tracey grew to become the leading waste management business in Scotland and he has now taken up the role of managing director of all of DCC's British based environmental businesses.

DCC Food and Beverage was significantly impacted by the general economic environment in Ireland and by the weakness in sterling which resulted in increased cross border shopping in Northern Ireland and direct sourcing of product in Britain by retailers. The business has been very focused on cost reductions and operational efficiencies and expects an improved performance in the current year, albeit off a lower base and in the context of a continuing challenging market.

Acquisition and Capital Expenditure

The cash outlay on acquisition and capital expenditure in the year amounted to €169.3 million as set out below:-

Acquisition and Capital Expenditure

	Acquisitions €'m	Net Capex €'m	Total €'m
DCC Energy	110.3	16.3	126.6
DCC SerCom	7.1	4.0	11.1
DCC Healthcare	4.5	9.1	13.6
DCC Environmental	11.2	5.6	16.8
DCC Food & Beverage	0.5	0.7	1.2
Total	133.6	35.7	169.3

Acquisition expenditure in the year amounted to €133.6 million. Acquisition activity levels increased in the second half of the year and DCC's very strong financial position leaves the Group particularly well placed in the current environment to take advantage of opportunities that arise.

As anticipated, capital expenditure declined during the year to €35.7 million from €50.4 million in the prior year.

Financial Strength

At 31 March 2010, DCC had net debt of €53.5 million (2009: €90.7 million) and total equity of €836.9 million (2009: €726.2 million). The Group's net debt levels averaged €155 million during the year, which was significantly lower than the average of €236 million in the prior year, and benefited from the working capital reductions achieved.

In March 2010, DCC raised the equivalent of €284 million in the US Private Debt Placement market. This debt was raised in tranches of 5, 7, 10 and 12 year funds. Approximately 95% of the Group's total gross debt has been raised in the US Private Placement market with an average credit margin over floating Eurobor/Libor of 1.23% and an average maturity of 7 years.

Strategy

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

DCC's growth over many years has been achieved with a balance of organic growth and acquisitions. These acquisitions have allowed the Group to strengthen existing market positions or have provided new growth opportunities within the sectors in which we operate. The strategy for growth within each of our businesses is set out in the divisional business reviews – overlying each of these is the financial discipline fundamental to Group strategy which seeks to focus investment only on opportunities where we are confident of driving returns well above our cost of capital and on delivering long term sustainable returns to our shareholders.

Outlook

The outlook for the year to 31 March 2011 is framed against the continuing uncertain economic outlook and has regard to an assumption that the weather pattern will not be as favourable as it was in each of the last two financial years. At this early stage the Group anticipates an operating profit increase of approximately 5% with adjusted earnings per share to be modestly ahead of the prior year, both on a constant currency basis. Based on an exchange rate of Stg£0.86 = €1.0, this equates to an operating profit increase of approximately 10% and an adjusted earnings per share increase of approximately 5%, both on a reported basis.

DCC is in a very strong financial position which provides significant capacity as we pursue an increasing number of acquisition opportunities.

Tommy Breen
Chief Executive
17 May 2010

Senior Management
– Group and Divisional

Tommy Breen
Chief Executive

Niall Ennis
Managing Director
DCC SerCom

Donal Murphy
Managing Director
DCC Energy

Fergal O'Dwyer
Chief Financial Officer

Frank Fenn
Managing Director
DCC Food & Beverage

Conor Costigan
Managing Director
DCC Healthcare

Senior Management
- Group and Divisional (continued)

Divisional

Deputy Managing Director, DCC Energy	Colman O’Keeffe
Director of Corporate Development, DCC Energy	Clive Fitzharris
Finance & Development Director, DCC SerCom	Conor Murphy
Finance & Development Director, DCC Healthcare	Ian O’Donovan
Finance & Development Director, DCC Environmental	Thomas Davy
Finance & Development Director, DCC Food & Beverage	Redmond McEvoy

Group

Group Secretary & Head of Enterprise Risk Management	Ger Whyte
Managing Director, DCC Corporate Finance	Michael Scholefield
Head of Group EHS	John Barcroft
Head of Group Tax	Yvonne Divilly
Head of Internal Audit	Stephen Johnston
Head of Group HR	Ann Keenan
Head of Group Accounting	Gavin O’Hara
Head of Group IT	Peter Quinn
Head of Group Treasury	Daphne Tease

Senior Management
- Subsidiary and Joint Venture

DCC Energy

Oil	GB Oils	Managing Director	**Sam Chambers**
		Managing Director Designate	**Paul Vian**
	Emo Oil	Managing Director	**Gerry Wilson**
	Great Gas	Managing Director	**Ray O'Sullivan**
	DCC Energy NI	Managing Director	**Pat O'Neill**
	DCC Energi Danmark	Managing Director	**Christian Heise**
	Shell Direct Austria	Managing Director	**Hans-Peter Hintermayer**
LPG	Flogas UK	Managing Director	**Henry Cubbon**
	Flogas Ireland	Managing Director	**Richard Martin**
Fuel Card	Fuel Card Services	Chief Operations Officer	**Ben Jordan**

DCC SerCom

Retail	Gem Distribution	Managing Director	**Chris Peacock**
	MSE	Managing Director	**Jim Morgan**
	Banque Magnetique	Directeur Général	**Claude Dupont**
Reseller	Micro Peripherals	Managing Director	**Gerry O'Keeffe**
	Sharptext	Managing Director	**John Dunne**
Enterprise	Altimate	Directeur Général	**Patrice Arzillier**
SCM	SerCom Solutions	Chief Executive Officer	**Kevin Henry**

DCC Healthcare

Hospital Supplies & Services	(and Fannin)	Managing Director	**Andrew O'Connell**
	Squadron Medical	Managing Director	**Peter Wyslych**
	TPS Healthcare	Managing Director	**Catherine McCallum**
	Virtus	Managing Director	**John Leonard**
Health & Beauty Solutions	(and Thompson & Capper)	Managing Director	**Stephen O'Connor**
	EuroCaps	Managing Director	**Adrian Williams**
	Laleham	Managing Director	**Tim O'Connor**
Mobility & Rehab	(and Days Healthcare UK)	Managing Director	**Graham White**
	Ausmedic Australia	Managing Director	**Ashley Williams**
	Physio Med Services	Managing Director	**John Gregory**

DCC Environmental

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

DCC Food & Beverage

Healthfood	Kelkin	Managing Director	**Frank Fenn**
Indulgence	Robert Roberts	Managing Director	**Tom Gray**
	Bottle Green	Managing Director	**Jon Eagle**
Logistics	Allied Foods	Managing Director	**John Casey**
Other	Broderick Bros	Managing Director	**Richard Kieran**
	Kylemore Foods Group *	Managing Director	**Brian Hogan**

* Joint venture

DCC Energy

DCC Energy is the leading oil and liquefied petroleum gas (LPG) sales, marketing and distribution business in Britain and Ireland and one of the leading oil distribution businesses in Austria and Denmark. In the year ended 31 March 2010, DCC sold 6.2 billion litres of product to c. 800,000 customers from its extensive network of 293 depots.

DCC Energy currently employs 3,439 people.

Revenue

€4,420.1m

2009: €4,130.8m

Change on prior year
Reported: +7.0%
Constant currency: +13.7%

Operating profit

€113.1m

2009: €100.7m

Change on prior year
Reported: +12.3%
Constant currency: +19.6%

Return on total capital employed

26.5%

2009: 24.9%

no.1

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

no.2

- LPG distributor in Britain and Ireland

a market leader

- a leading oil distributor in Austria and Denmark

brands

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

LPG - Flogas*.

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

* DCC owned brand

DCC Energy

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

Business and Markets

Oil

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

DCC is the largest oil distributor in Britain, selling approximately 4.5 billion litres of product per annum on a proforma basis which gives DCC approximately 14% of the market.* DCC has been a consolidator of the highly fragmented oil distribution market in Britain having first entered the market in September 2001 with the acquisition of BP's business in Scotland. In Northern Ireland, DCC Energy is the largest oil distributor with a market share of approximately 20%, while in the Republic of Ireland DCC Energy has approximately 6% of the market. In the year ended 31 March 2010, DCC entered the oil distribution markets in both Austria and Denmark through the acquisition of Shell's oil distribution businesses in these countries and, with approximate market shares of 10% and 13% respectively, is now one of the leading oil distributors in both countries.

LPG

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

Fuel Cards

DCC Energy is one of the leading sales and marketing businesses for branded fuel cards in Britain. The business now sells in excess of 500 million litres of motor fuel annually via its portfolio of fuel cards under the BP, Esso, Shell, Texaco, Total and Diesel Direct brands. Fuel cards have become an essential tool for commercial organisations to manage their transport fuel costs. DCC Energy provides its customers with access to the breadth of the UK retail petrol station and bunker networks through its portfolio of branded fuel cards while giving them detailed information on their fuel utilisation to enable them to minimise their spend on transport fuels.

Supply

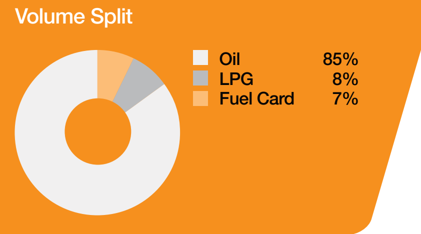
DCC Energy purchases its oil and LPG from the major oil companies with which it has established excellent long standing relationships. DCC Energy's supply strategy is to maintain a portfolio approach to the sourcing of its oil and LPG products. DCC's significant financial strength provides DCC Energy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

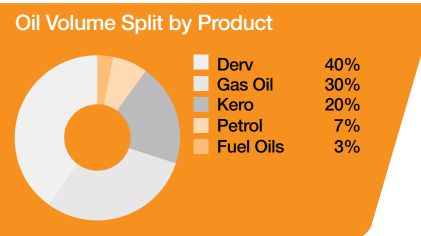
Performance for the Year Ended 31 March 2010

DCC Energy's operating profit was 19.6% ahead of the prior year on a constant currency basis. This was an excellent result particularly considering the very strong performance in the prior year when operating profits grew by 59.3% on a constant currency basis. The business benefited from the successful integration of a number of recent acquisitions and, for the second consecutive year, a particularly cold winter. While there were exceptionally cold conditions in the final quarter of the financial year, the temperatures during the key trading months of April and from October through March were overall similar to the prior year but below the 30 year average.

DCC Energy sold 6.2 billion litres of product, an increase of 15.9% on the prior year. Volumes were 7.8% behind the prior year on an organic basis as the business was impacted by weaker demand due to the economic environment and a more cautious approach towards the extension of credit.

The Oil distribution business achieved an excellent performance with the business in Britain continuing to benefit from the integration of and consequent synergies from recent acquisitions. Significant progress was made in the achievement of development objectives including the acquisitions of Bayford Oil (completed October 2009) and of Brogan Holdings Limited (completed December 2009). DCC is the clear market leader in oil distribution in Britain with a market share of approximately 14% and is well positioned to further consolidate what remains a very fragmented market.





Performance Management - KPIs	2010	2009
Volumes	6.2 bn litres	5.3 bn litres
Organic volume growth	-7.8%	-2.8%
Operating profit per litre (constant currency)	1.96 cent	1.90 cent
Operating cash flow	€179.0m	€200.7m
Return on total capital employed	26.5%	24.9%
10 year operating profit CAGR	19.3%	18.7%

DCC Energy expanded its oil distribution activities into continental Europe through the acquisitions of the Shell oil distribution businesses in Denmark (completed August 2009) and in Austria (completed January 2010). These businesses made an important contribution to the result in the year and should over time provide further development opportunities for DCC Energy. Despite the continued very weak economic environment in Ireland, the profitability of the Irish oil business recovered well.

Despite the difficult economic conditions and overall a less favourable product pricing environment, the LPG business in Britain and Ireland had a solid performance, benefiting from the cold winter weather.

The Fuel Cards business had an excellent year, driven by good organic volume growth and the contribution from the acquisitions of Cookes Fuel Card (completed January 2009) and the Brogan fuel card business (completed December 2009).

Strategy and Development

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

- with strong local market shares;
- operating under multiple brands;
- generating high levels of return on capital employed;
- expanding into other geographic regions with attractive market characteristics; and
- developing a presence over time in green/renewable energy products and services.

In oil distribution, DCC's strategy is to achieve a 20% share of the British market. With a particular focus on the non heating dependent segments of the market and on national accounts, DCC Energy aims to leverage its extensive nationwide operational infrastructure to drive high levels of organic growth. DCC Energy is also focused on selling differentiated products and cross selling add-on products and services such as lubricants and boiler maintenance services to its extensive customer base.

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

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

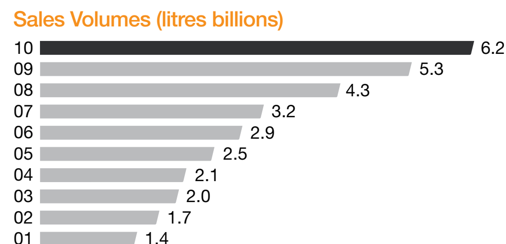
Having established strong market positions in Britain and in Ireland, DCC Energy is seeking to extend its business into continental Europe. The acquisitions of Shell's oil distribution businesses in Austria and Denmark are important steps in this strategic development.

Outlook

After the excellent performance in the year ended 31 March 2010, which again benefited from particularly cold winter conditions, DCC Energy remains well placed to continue its growth in the year to 31 March 2011, albeit more modestly, and to develop its business further through acquisition.

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

Sales Volumes (litres billions)



DCC SerCom

SerCom Distribution markets and sells IT and entertainment products to the Retail market, the Reseller market and the Enterprise market. SerCom Solutions provides outsourced procurement and supply chain management services in Ireland, Poland, China and the USA.

DCC SerCom currently employs 1,445 people.

Revenue

€1,618.5m
2009: €1,551.3m

Change on prior year
Reported: +4.3%
Constant currency: +8.6%

Operating profit

€40.8m
2009: €40.1m

Change on prior year
Reported: +1.7%
Constant currency: +6.4%

Operating margin

2.5%
2009: 2.6%

Return on total capital employed

16.1%
2009: 15.5%

no.1

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

a market leader

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

brands

Retail - Disney, EA, Entertainment in Video, Exspect*, Logitech, Microsoft, Nintendo, Paramount, Seagate, Symantec, Take Two, Tom Tom, Warner.

Reseller - Acer, Altec Lansing, Canon, Dell, D-Link, IBM, Lenovo, Netgear, Samsung, Sharp, Sony, Toshiba, Western Digital.

Enterprise - EMC2, Fortinet, HP, IBM, Network Appliance, Oracle, Red Hat, RSA, SonicWall, Sun, Symantec and VMware.

SCM - SerCom Solutions*

* DCC owned brand

DCC SerCom

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

Business and Markets

Retail

DCC SerCom's Retail distribution business sells a broad range of consumer products, including games consoles and software, consumer electronics and home entertainment products, to the retail channel, including e-tailers, supermarkets and catalogue retailers in Britain, Ireland and France. DCC SerCom represents many of the leading brands in the computer games, entertainment and consumer electronics markets such as Electronic Arts, Entertainment in Video, Logitech, Microsoft, Nintendo, Paramount, Seagate, Symantec, Take Two, Tom Tom and Warner Brothers. The business is the leading specialist distributor of games hardware, software and accessories, consumer electronics and packaged software in Britain, the leading specialist distributor of IT peripherals and consumer electronics in France and the leading specialist distributor of home entertainment products in Ireland. The Retail distribution business provides a range of value added services to its customers and suppliers including end-user fulfillment, third party logistics, category management and merchandising, security tagging and cross vendor bundling. The Retail distribution business employs 538 people and in the year ended 31 March 2010 had revenues of €656 million.

Reseller

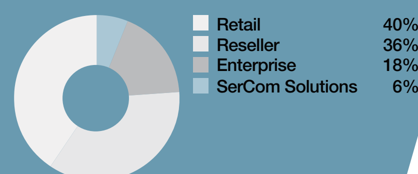
DCC SerCom's Reseller distribution business sells a broad range of IT, communications and consumer products, focused on the SME and home markets, to a very wide customer base of IT resellers, dealers and retailers in Britain and Ireland. The products distributed include PCs, peripherals, printers and network products. The business is a distribution partner of many of the leading brands in the IT market, such as Acer, Canon, Cisco, IBM, Lenovo, Microsoft, Netgear, Samsung, Sony and Toshiba, and provides its partners with an exceptionally broad customer reach and proactively markets IT products to the channel through product focused sales teams with strong technical expertise. The Reseller distribution business has strong market positions in its core markets in Britain and Ireland and is typically the No. 1 distributor for the brands it represents. The business employs 472 people and in the year ended 31 March 2010 had revenues of €577 million.

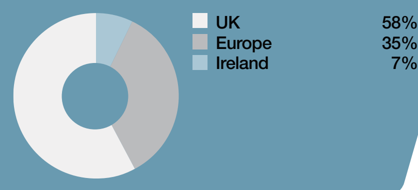
Enterprise

DCC SerCom's Enterprise distribution business sells a range of data management, security and virtualisation software, servers and storage products which are typically utilised in medium-sized and large organisations. The business's customers are value added resellers, large account resellers and independent software vendors in France, Iberia, Benelux and Britain. The business has developed a supplier portfolio of the leading hardware and software vendors in the industry including Adobe, EMC, Fortinet, HP, IBM, Network Appliance, Oracle, Red Hat, SonicWall, Sun, Symantec and VMware. This portfolio allows its highly trained sales teams to offer integrated IT solutions and related services to its customers. The business is the leading specialist value-added distributor of enterprise and mid-market products in its core markets of France, Spain, Portugal, Belgium, Luxembourg and the Netherlands. The Enterprise distribution business employs 265 people and in the year ended 31 March 2010 had revenues of €285 million.

Supply Chain Management

DCC SerCom's Supply Chain Management business, SerCom Solutions, provides a range of specialist procurement and sourcing services from its operations in Ireland, Poland, China and the United States, employing state of the art IT systems and procurement processes. The business is a strategic supply chain partner for some of the world's leading technology and telecommunications companies. SerCom Solutions delivers global supply chain solutions encompassing vendor hubbing, consignment stock programmes, supplier identification and qualification, quality assurance and compliance and supplier and customer fulfillment to effectively reduce its partners' cost of production and reduce obsolescence and wastage. SerCom Solutions has developed partnerships with leading logistics firms to enable the business to deliver its services in a flexible, cost effective manner in its core markets in Europe, North America and the Far East. The Supply Chain Management business employs 170 people and in the year ended 31 March 2010 had revenues of €100 million.





Performance Management - KPIs	2010	2009
Revenue growth (constant currency)	+8.6%	+18.7%
Organic revenue growth (constant currency)	+6.8%	+8.7%
Operating cash flow	€51.8m	€46.0m
Return on total capital employed	16.1%	15.5%
10 year operating profit CAGR	5.4%	7.0%

Performance for the Year Ended 31 March 2010

DCC SerCom's operating profit grew by 6.4% on a constant currency basis. SerCom Distribution achieved constant currency operating profit growth of 13.6% in difficult market conditions reflecting excellent performances by the British distribution businesses.

DCC SerCom's Retail distribution business, which accounted for 43% of SerCom Distribution's revenue, achieved excellent profit growth. The business performed particularly well in Britain where its focus on delivering value added services for suppliers and customers allowed it to gain market share, particularly with supermarkets and e-tail customers. The French business enjoys a strong position in the retail market and achieved a satisfactory performance despite weak consumer demand. Operating profit in the Irish business was held back by the challenging retail environment and investment undertaken to broaden its home entertainment service offering.

DCC SerCom's Reseller distribution business, which accounted for 38% of SerCom Distribution's revenue, had an excellent year, achieving significant operating profit growth. The business performed very strongly in Britain, achieving strong market share gains for suppliers through market development, notably in the sale of IT products through the mobile phone channel. The business continued to invest in supplier and customer development activity to support future growth.

DCC SerCom's Enterprise distribution business, which accounted for 19% of SerCom Distribution's revenue, had a difficult year, experiencing a decline in operating profit. Market share was maintained in all key areas, however adverse market conditions had an impact on demand for certain enterprise products and consequently on the profitability of the business.

Operating profit declined in DCC SerCom's Supply Chain Management business primarily due to the anticipated change in a major customer's procurement strategy.

Strategy and Development

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

SerCom Distribution's principal medium term objectives are:
- to extend its product, customer and market coverage in the Retail distribution market, providing an integrated multi-country service, including the further development of own brand products;
- to expand the Reseller distribution business in Britain and Ireland in complementary product markets, such as the sale of IT products through the mobile phone channel; and
- to extend its pan-European presence in the Enterprise distribution market with an increased focus on software and security products.

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

Outlook

SerCom Distribution is well positioned to continue to achieve operating profit growth in the year to 31 March 2011, notwithstanding that market conditions are likely to remain challenging. Operating profit in the Supply Chain Management business is likely to decline resulting in overall operating profit for DCC SerCom being broadly in line with the prior year on a constant currency basis.

DCC Healthcare

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

- the provision of sales, marketing and distribution services in Ireland and Britain to healthcare providers and brand owners;
- the provision of outsourced product development, manufacturing and packing services to the health and beauty industry in Europe; and
- the sales and marketing of mobility and rehabilitation products in Britain, Ireland, Australia, New Zealand and other markets.

DCC Healthcare currently employs 1,374 people.

Revenue

€334.0m

2009: €331.2m

Change on prior year
Reported: +0.9%
Constant currency: +5.8%

Operating profit

€21.1m

2009: €17.3m

Change on prior year
Reported: +22.2%
Constant currency: +26.6%

Operating margin

6.3%

2009: 5.2%

Return on total capital employed

11.3%

2009: 9.4%

no.1

- independent hospital supplies and services business in Ireland
- provider of physiotherapy products in Britain, Australia and New Zealand

a market leader

- a leading provider of value-added distribution services to the hospital sector in Britain
- a leading European provider of outsourced solutions to health & beauty companies
- a leading provider of rehabilitation products in Britain

brands

Hospital Supplies & Services - BioRad, Boston Scientific, Cardinal, Diagnostica Stago, Diamed, Ebewe, Fannin*, Fresenius, Grifols, ICU Medical, Molnlycke, Oxoid, Smiths Medical.

Health & Beauty Solutions - Body Shop#, Healthspan#, Merck *(Seven Seas, Natures Best, Lamberts)*#, Neutrahealth plc#, Sara Lee#, Vitabiotics#.

Mobility & Rehab - Ausmedic*, Biofreeze, Days Healthcare*, Metron*, Physio-Med*, Thera-Band.

* DCC owned brand
# Customers of DCC Health & Beauty Solutions

DCC Healthcare

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

Business and Markets

DCC Hospital Supplies & Services

In Ireland, DCC Healthcare is the market leader in the provision of sales, marketing and distribution services to healthcare providers and international healthcare brands in the areas of intravenous (IV) pharmaceuticals, medical, surgical and laboratory devices and consumables. The business markets and sells a broad range of leading brands – including BioRad, Boston Scientific, Cardinal, Fresenius, Grifols, ICU Medical, Molnlycke, Oxoid and Smiths Medical – through its extensive field sales force of highly trained professionals. Products are typically single use/consumable in nature. The business is increasingly focused on developing its range of value-added services, an example being its growing business in the provision of IV pharmaceutical compounding services to Irish hospitals. The compounding activities involve the aseptic filling of oncology, pain management, antibiotic and paediatric nutrition products into patient ready dosage forms, i.e. syringes or IV bags, within a licensed facility. Further investment in this facility during the year has doubled its capacity and will now allow for the extension of services in areas such as cystic fibrosis and homecare.

In Britain, DCC is building a growth platform in the provision of value added distribution services to British hospitals and leading healthcare brand owners through its subsidiaries Squadron Medical and TPS Healthcare. This is a developing sector as British acute care hospitals increasingly look for customised just-in-time distribution solutions to deliver cost savings, improve product availability, free up space currently occupied by stores and ultimately to contribute to the delivery of better service levels to their patients.

DCC Health & Beauty Solutions

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

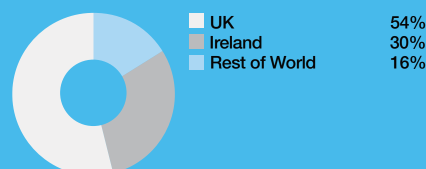
DCC Mobility & Rehab

DCC Mobility & Rehab is involved in the design, development, procurement, sales and marketing of mobility and rehabilitation products, with operations in Britain, Ireland, Australia and New Zealand as well as a network of international distributors. DCC is the market leader in the physiotherapy product sector in Britain, Australia and New Zealand, with a broad product portfolio principally marketed under its own Days Healthcare, Physio-Med and Metron brands. Own brand products are designed and developed in-house, with manufacturing mainly outsourced to partners in Asia. Suppliers are managed by DCC's procurement and quality control team based in Shenzhen, China. DCC Mobility & Rehab's extensive customer base of hospitals, community loan stores, specialist retailers, private practitioners and nursing homes is serviced through field and telesales teams and supported by a range of product catalogues and websites.

Performance for the Year Ended 31 March 2010

DCC Healthcare achieved constant currency operating profit growth of 26.6% for the year, which represented an excellent recovery in the profitability of the business.

DCC Hospital Supplies & Services achieved excellent operating profit growth. In Ireland, public spending constraints have resulted in price deflation and reduced demand in the healthcare market, which were offset by cost reductions and first time contributions from bolt-on acquisitions. In Britain, DCC's value added



Performance Management - KPIs	2010	2009
Revenue growth (constant currency)	+5.8%	+27.9%
Operating cash flow	€30.1m	€23.3m
Return on total capital employed	11.3%	9.4%
10 year operating profit CAGR	3.7%	6.8%

distribution services business grew its revenues strongly through a further roll out of its services within key customers and grew its operating profit significantly while continuing to invest in its operational infrastructure. The business was recently successful in a tender process for a 10 year framework agreement to roll out to acute care trusts within NHS London the "just-in-time" distribution service which it currently provides to Guys & St. Thomas' NHS Foundation Trust.

DCC Health & Beauty Solutions delivered excellent operating profit growth driven by continued growth in the nutraceuticals business and a significant recovery in contribution from its beauty operations. Good revenue growth and excellent operating profit growth was achieved in the nutraceuticals business following new contract wins last year and continued development with key customers. Operational capability was enhanced by capacity expansion and technological developments at DCC's soft gelatine encapsulation facility in Wales. The significant recovery in margins from the beauty business was driven by improved operational efficiency and recovery of prior year input cost increases.

DCC Mobility & Rehab made progress during the year and recorded a strong recovery in operating profit in the second half despite weak market conditions in Britain. The Australian business in particular had an excellent year.

Strategy and Development

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

In the markets in which DCC Healthcare operates, healthcare provision is primarily funded by governments. As fiscal budgets tighten and the burden of ageing populations increases, public healthcare systems are increasingly looking to the private sector for cost effective value added solutions. In addition, individual hospitals and hospital trusts are reviewing their activities and increasingly outsourcing those activities deemed to be non-core.

DCC Healthcare is working to meet this demand by providing a range of value added services to hospitals, including IV pharmaceutical compounding services and stock management and distribution services.

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

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

Outlook

In spite of a continuing challenging trading environment, particularly in Ireland, DCC Healthcare is well placed to achieve profit growth in the year to 31 March 2011. In particular, the developing opportunities in value added distribution services in Britain and the enhanced operational capability of DCC Health & Beauty Solutions provide a strong platform for growth.

DCC Environmental

DCC Environmental is a leading British and Irish provider of recycling and waste management services to the industrial, commercial, construction and public sectors, operating in both the non-hazardous and hazardous segments of the market. In the last year DCC Environmental handled approximately 1.4 million tonnes of waste through its twenty facilities in Britain and Ireland.

DCC Environmental currently employs 745 people.

Revenue

€77.4m
2009: €81.8m

Change on prior year
Reported: -5.4%
Constant currency: -0.2%

Operating profit

€9.3m
2009: €10.2m

Change on prior year
Reported: -9.1%
Constant currency: -2.6%

Operating margin

12.0%
2009: 12.5%

Return on total capital employed

9.7%
2009: 12.9%

no.1

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

a market leader

- a leading Nottingham based recycling and waste management business

brands

Enva*, Tracey*, Wastecycle*.
* DCC owned brands

DCC Environmental

"DCC Environmental's strategy continues to be to grow its position as a leading broadly based waste management and recycling business in Britain and Ireland by positioning the business to take advantage of the trend towards more sustainable waste management with a particular emphasis on recovery and recycling."

Business and Markets

Britain

Operating from fourteen sites in Scotland and the North East and East Midlands regions of England, DCC Environmental collects and processes a broad range of non-hazardous and hazardous waste. The business handles 1.3 million tonnes of material, a substantial portion of which is collected by its fleet of 163 vehicles. 72% of all waste volumes are diverted from landfill.

Noting the escalating cost of landfill disposal, DCC Environmental continuously strives to divert the greatest possible proportion of waste from landfill. Significant investment has been made in recycling infrastructure to extract the greatest proportion of recyclables at the most economic cost. In addition to extracting the recyclate from general waste, the business is continuously ensuring that the recycled material is diverted to that market which provides the best return. One such example is increasing the proportion of waste timber now being sent to biomass plants. The business is also focused on biodegradable organic material and other residual waste streams which continue to be predominately sent to landfills. A key development is the recent signing of a feedstock supply agreement to supply project partner Scottish and Southern Energy's proposed biogas plant. Construction has commenced on what will be Scotland's largest biogas facility. Certain other wastes are being processed into a fuel for use by cement kilns, displacing fossil fuels.

Ireland

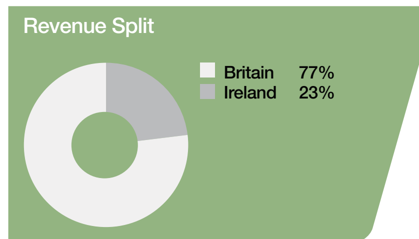
Enva is an innovative company providing solutions for the treatment and disposal of a diverse range of hazardous wastes. Operating from six licensed sites, Enva has the most comprehensive waste infrastructure in Ireland, providing a range of services including oil recycling, chemical treatment, water treatment, metal recovery and soil remediation. Enva is continuously seeking to develop new solutions for hazardous waste to both assist customers to reduce their waste disposal costs and to assist Ireland in meeting its goal of reducing the portion of hazardous waste exported for treatment which currently amounts to approximately 50% of volume.

Regulation

DCC Environmental's waste management business operates in a highly regulated environment. Each of its twenty facilities operates under conditions as set down in respective waste management licences and is frequently inspected by environmental regulatory authorities. No enforcement or improvement notices have been issued during the year. Any non-compliance with licence requirements, however minor, is investigated immediately and corrective actions implemented.

Performance for the Year Ended 31 March 2010

While operating profit declined in DCC Environmental in the year ended 31 March 2010, the second half saw a return to profit growth relative to the same period last year. The British business grew its operating profit strongly in the year, however the trading environment remained particularly difficult in Ireland.



Performance Management - KPIs	2010	2009
Tonnages*	962k	720k
Recycling %	71%	64%
Operating cash flow	€15.8m	€21.2m
Return on total capital employed	9.7%	12.9%
10 year operating profit CAGR	30.6%	63.7%

* includes only 50% of Traceys up to time of reorganisation

The business in Britain was successful in attracting new customers and drove greater operating efficiencies through cost reductions and increased rates of recycling, although it continued to suffer from reduced waste volumes from the construction sector. The business also benefited from a recovery in recyclate prices as the year progressed. In December 2009, DCC Environmental acquired Tank Cleaning Services, based in the North East of England, which, whilst modest in scale, represents a platform to grow the hazardous business in England.

Trading was very difficult in Ireland particularly in those areas of the business with exposure to the construction sector.

In January 2010, DCC announced the reorganisation of its British environmental operations (the William Tracey Group and Wastecycle) with the formation of a new holding company which now owns all of DCC's British environmental businesses. The holding company is owned 70% by DCC and 30% by Michael Tracey, the managing director of the business.

Strategy and Development

DCC Environmental's strategy continues to be to grow its position as a leading broadly based waste management and recycling business in Britain and Ireland by positioning the business to take advantage of the trend towards more sustainable waste management with a particular emphasis on recovery and recycling. This growth strategy will be driven both organically and by acquisition.

The correlation between GDP and waste volumes has recently been reflected in a reduction in waste generation in Britain. Notwithstanding this, the supportive regulatory and legislative drivers, particularly for companies focused on recycling, remain compelling and underpin DCC Environmental's strategy. This has been reinforced through a number of initiatives announced by the British Government throughout the year including recent landfill tax increases in the budget and also the launch of consultation on the banning of certain materials such as garden waste, food, paper and plastics from being sent to landfill.

Following the announcement of the partnership with Scottish and Southern Energy in developing Scotland's largest biogas plant, DCC Environmental intends to enter into similar partnerships over time to further reduce the proportion of waste sent to landfill.

Outlook

DCC Environmental anticipates strong operating profit growth in the current year, driven by the British business which is expected to benefit from its investment in upgraded recycling equipment and in additional sales resources. Operating profit will also benefit from the consolidation of 100% of the William Tracey Group for the full year (previously 50%).

DCC Food & Beverage

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

DCC Food & Beverage currently employs 1,012 people.

Revenue

€275.0m
2009: €305.0m

Change on prior year
Reported: -9.8%
Constant currency: -8.4%

Operating profit

€8.5m
2009: €12.1m

Change on prior year
Reported: -29.8%
Constant currency: -29.5%

Operating margin

3.1%
2009: 3.9%

Return on total capital employed

10.2%
2009: 14.1%

no.1

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

no.2

- brand of fresh ground coffee in foodservice in Ireland

a market leader

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

brands

Healthfood - Alpro, Baxters, Biofreeze, Dorset Cereals, Filippo Berio, Hipp, Kallo, Kelkin*, Nairns, Olbas, Ortis, Pomegreat, Popz, St Dalfour, Vitabiotics, Whole Earth.

Indulgence - Andrew Peace, Antinori, Baron Philippe de Rothschild, Bollinger, Chapoutier, Cono Sur, Elizabeth Shaw, French Connection*, Freixenet, Hula Hoops, KP, Lemons*, Lindemans, Louis Jadot, McCoys, McVities/Mars Cakes, Masi, Mateus, Moreau, Phileas Fogg, Ritter, Robert Roberts*, Sacla, Sutter Home, Topps,Torres, Wakefield, Wilton Candy*.

Logistics - Allied Foods*, Mr. Food*.

Other - Brodericks*, Kylemore.

* DCC owned brand

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DCC Food & Beverage

"The Group's strategy is to develop DCC Food & Beverage into a leading added value sales, marketing and distribution business, building number 1 or number 2 branded positions in focused segments and delivering an above average return on capital."

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

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

Indulgence Foods
Robert Roberts is a value-added distributor of indulgence products in the grocery, impulse and food service sectors. The business has a strong, complementary range of owned and agency brands, specialising in wine, snacks, hot beverages, confectionery, cakes and soft drinks. In the Irish market, Robert Roberts is the number 1 supplier of freshly ground coffee to the retail sector and the number 2 supplier in the foodservice sector; the number 3 supplier of savoury snacks (through the KP range) and a leading independent distributor of sugar confectionery products. Through its wine distribution business, Findlater Wine & Spirit Group, which was established following the integration of Woodford Bourne and Findlater Grants, Robert Roberts is a leading distributor of wine in Ireland providing an extensive portfolio of international wine brands. Findlater Wine & Spirit Group offers its principals the largest on-trade reach in the Irish marketplace.

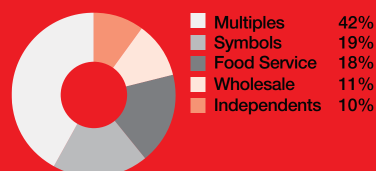
In Britain, Bottle Green is a leading supplier of branded (owned and agency) and exclusive retail solutions to the multiple off trade sector of the UK wine market.

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

Kylemore Foods Group (50% owned by DCC) is a leading operator of retail restaurants and contract catering services in Ireland.

Performance for the Year Ended 31 March 2010
Overall trading conditions for DCC Food & Beverage were extremely challenging resulting in a decline in operating profit in the year ended 31 March 2010 of 29.8%. The rate of decline slowed significantly in the second half to 12.8% compared to 40.6% in the first half.

Revenue by Customer Group



Revenue Split

Performance Management - KPIs	2010	2009
Operating cash flow	€21.1m	€13.7m
Revenue per employee (constant currency)	€279k	€300k
Return on total capital employed	10.2%	14.1%
10 year operating profit CAGR	0.3%	7.1%

The Indulgence and Healthfood businesses in Ireland were impacted by difficult economic and trading conditions. The downturn in the economy has resulted in consumers investing more time and effort seeking out cheaper product offerings and spending less on food and beverages. Weakness in the sterling exchange rate resulted in the direct sourcing of product from Britain by retailers and increased cross border shopping. These factors, along with increased competition in the market, resulted in price deflation. Throughout the year the businesses achieved cost reductions, however these only partly mitigated the impact of reduced sales and margins.

The Frozen and Chilled Logistics business performed satisfactorily in this difficult market through its focus on operational efficiencies.

Strategy and Development

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

The business will continue to increase its focus on brands, building on the progress that has been made to date with Kelkin healthy foods and beverages, Robert Roberts coffee and speciality teas and Lemon's confectionery, as well as its extensive range of third party agency brands across its healthfoods and indulgence categories. Our wine and spirits business in Ireland will continue to develop its range and grow its market share, particularly in the on-trade. The UK wine business remains focused on developing brands which include French Connection and Andrew Peace.

Outlook

While DCC Food & Beverage anticipates a continuation of the difficult trading environment, a return to operating profit growth in the year to 31 March 2011 is expected.

Financial Review

"It is about trying to do lots of small things well."

DCC again achieved an excellent profit and cash flow result, in what were very challenging economic conditions, benefiting from its diversified business model. Despite acquisition expenditure of €133.6 million in the year, the DCC balance sheet remains exceptionally strong, well funded, liquid and lowly geared, leaving the Group well placed to take advantage of the acquisition and development opportunities that are continuing to arise.

Across the Group there are a number of basic metrics which translate into many different operational and financial disciplines tailored to each of the Group's business units. The overall financial performance and, in particular, the improvement in the key financial metrics is driven throughout the Group through relentlessly trying to do the basic disciplines well and closely and consistently monitoring a whole series of performance metrics across all of the Group's businesses. It is about trying to do lots of small things well.

As the key financial performance indicators set out in Table 1 show, the Group performed strongly in 2010 delivering an improvement in revenues and operating profits and excellent cash flow and returns on capital employed whilst still retaining a strong well funded and liquid balance sheet. After acquisition and capital expenditure, dividends and other exceptional expenditure totalling €234.6 million, DCC ended the year with significantly reduced net debt levels and a conservatively geared balance sheet. This will facilitate the Group in its development plans, both organic and by way of acquisitions.

Accounting Policies

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and their interpretations as issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), applicable Irish law and the Listing Rules of the Irish and London Stock Exchanges. Details of the basis of preparation and the significant accounting policies of the Group are included on pages 78 to 86.

Table 1: Key financial performance indicators

	2010	2009
Revenue growth – constant currency	**10.8%**	31.0%
Operating profit growth* – constant currency	**12.8%**	22.4%
Interest cover (times)	**17.7**	8.5
Net debt as a percentage of total equity	**6.4%**	12.5%
Net debt/EBITDA (times)	**0.2**	0.4
Working capital as a percentage of total revenue	**1.8%**	3.0%
Working capital – days	**4.6**	11.9
Debtors – days	**35.3**	41.3
Operating cash flow (€'m)	**297.8**	304.9
Free cash flow after interest and tax (€'m)	**229.1**	218.5
Return on total capital employed	**18.4%**	17.8%

*excluding exceptionals and amortisation of intangible assets.

Overview of Results

Summary Income Statement

	2010 €'m	2009 €'m	Change on prior year Reported	Constant currency
Revenue	**6,725.0**	6,400.1	**+5.1%**	**+10.8%**
Operating profit				
DCC Energy	**113.1**	100.7	+12.3%	+19.6%
DCC SerCom	**40.8**	40.1	+1.7%	+6.4%
DCC Healthcare	**21.1**	17.3	+22.2%	+26.6%
DCC Environmental	**9.3**	10.2	-9.1%	-2.6%
DCC Food & Beverage	**8.5**	12.1	-29.8%	-29.5%
Group operating profit	**192.8**	180.4	**+6.9%**	**+12.8%**
Share of associates' profit after tax	**0.2**	0.2		
Finance costs (net)	**(10.9)**	(21.1)	-48.4%	-47.3%
Profit before exceptional items, amortisation of intangible assets and tax	**182.1**	159.5	**+14.2%**	**+20.7%**
Amortisation of intangible assets	**(6.2)**	(5.7)		
Exceptional charge (net)	**(11.0)**	(15.9)		
Profit before tax	**164.9**	137.9	**+19.7%**	**+27.2%**
Taxation	**(33.2)**	(21.0)		
Profit after tax	**131.7**	116.9	**+12.7%**	**+19.9%**
Minority interests	**(0.9)**	(0.6)		
Net earnings	**130.8**	116.3	**+12.5%**	**+19.7%**
Adjusted earnings per share (cent)	**177.98**	169.13	**+5.2%**	**+11.3%**

Revenue

DCC achieved constant currency revenue growth of 10.8% to €6.7 billion driven by the impact of acquisitions in DCC Energy and strong organic growth in DCC SerCom.

Operating Profit

DCC's operating profit of €192.8 million increased by 12.8% on a constant currency basis. This result was achieved against a backdrop of difficult economic and trading conditions and a comparative prior year in which the Group had achieved particularly strong operating profit growth of 22.4% on a constant currency basis. Approximately two thirds of the growth was driven by acquisitions and one third was organic.

DCC Energy, DCC's largest division, had another year of excellent operating profit growth driven by significant development activity in Britain and continental Europe and also enjoyed the benefit of a second consecutive cold winter. DCC SerCom, DCC's second largest division, performed well, driven by excellent results in its distribution businesses in Britain. DCC Healthcare achieved a strong recovery in operating profit.

As anticipated, DCC Environmental and DCC Food & Beverage experienced difficult trading conditions and operating profits in each of these businesses declined in the year, notwithstanding better second half performances, particularly in DCC Environmental which returned to profit growth.

The Group's focus on achieving cost efficiencies across all parts of its operations has resulted in operating costs on a constant currency basis being 7% lower than the previous year (adjusted for the impact of acquisitions).

Financial Review (continued)

Approximately 75% of the Group's operating profit in the year was denominated in sterling. The average exchange rate at which sterling profits were translated during the year was Stg£0.8873 = €1, compared to an average translation rate of Stg£0.8262 = €1 in the prior year, an adverse movement of 6.9%. The adverse translation impact on Group operating profit was €10.6 million, resulting in an operating profit increase of 6.9% on a reported basis.

Although DCC's operating margin (excluding exceptionals) was 2.9% (2.8% in 2009), it is important to note that this measurement of the overall Group margin is of limited relevance due to the influence of changes in oil product costs on the percentage. While changes in oil product costs will change percentage operating margins, this has little relevance in the downstream energy market in which DCC Energy operates, where profitability is driven by absolute contribution per litre (or tonne) of product sold and not by a percentage margin.

Excellent Second Half Performance

The Group had an excellent second half performance. An analysis of Group revenue and operating profit, on a constant currency basis, for the first half, the second half and the year to 31 March 2010 is set out in Tables 2 and 3.

A detailed review of the operating performance of each of DCC's divisions is set out on pages 16 to 35.

"Net finance costs for the year decreased by €10.2 million to €10.9 million (€21.1 million in 2009) primarily due to lower interest rates and lower average net debt levels."

Finance Costs (net)

Net finance costs for the year decreased significantly to €10.9 million (2009: €21.1 million) as a result of lower interest rates and lower average net debt levels. The Group's net debt averaged €155 million during the year, significantly lower than the average of €236 million during the prior year. Interest was covered 17.7 times by Group operating profit before amortisation of intangible assets (8.5 times in 2009).

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

Profit before net exceptional items, amortisation of intangible assets and tax of €182.1 million increased by 20.7% on a constant currency basis (14.2% on a reported basis).

Table 2: Revenue - Constant Currency

	2010			2009			Change		
	H1 €'m	H2 €'m	FY €'m	H1 €'m	H2 €'m	FY €'m	H1 %	H2 %	FY %
DCC Energy	1,964.5	2,733.2	4,697.7	2,095.8	2,035.0	4,130.8	-6.3%	+34.3%	+13.7%
DCC SerCom	704.2	980.1	1,684.3	694.3	857.0	1,551.3	+1.4%	+14.4%	+8.6%
DCC Healthcare	176.0	174.5	350.5	172.7	158.5	331.2	+1.9%	+10.1%	+5.8%
DCC Environmental	38.9	42.7	81.6	47.3	34.5	81.8	-17.7%	+23.9%	-0.2%
DCC Food & Beverage	159.1	120.3	279.4	168.2	136.8	305.0	-5.4%	-12.0%	-8.4%
Total	3,042.7	4,050.8	7,093.5	3,178.3	3,221.8	6,400.1	-4.3%	+25.7%	+10.8%
Weighting %	42.9%	57.1%	100.0%	49.7%	50.3%	100.0%			

Net Exceptional Items

The Group incurred a net exceptional charge of €11.0 million as follows:

	€'m
Restructuring costs and other	9.1
Goodwill impairments	1.9
	11.0

The restructuring costs were incurred in relation to recently acquired businesses and the implementation of cost reduction programmes across the Group. The non-cash goodwill impairment charge primarily related to DCC Food & Beverage subsidiaries.

Profit before Tax

Profit before tax of €164.9 million increased by 27.2% on a constant currency basis (19.7% on a reported basis).

Taxation

As anticipated, the effective tax rate for the Group increased and was 19% for the year, compared to 13% in the previous year. The increase is primarily due to lower available interest deductions against the Group's taxable profits in the UK and increased UK and continental European profits.

Adjusted Earnings per Share

Reported adjusted earnings per share of 177.98 cent increased by 5.2%. On a constant currency basis, the increase was 11.3%. While adjusted earnings per share, on a constant currency basis, decreased by 1.4% in the first half, the second half was particularly strong with an increase of 17.3%.

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

		CAGR %
15 years	(i.e. since 1995)	13.0%
10 years	(i.e. since 2000)	10.6%
5 years	(i.e. since 2005)	9.1%

Dividend

The total dividend for the year of 67.44 cent per share represents an increase of 8.2% over the previous year. The dividend is covered 2.6 times (2.7 times in 2009) by adjusted earnings per share. Over the last 15 years DCC's dividend has grown at a compound annual rate of 15.4%.

Table 3: Operating Profit - Constant Currency

	2010			2009			Change		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
	€'m	€'m	€'m	€'m	€'m	€'m	%	%	%
DCC Energy	27.9	92.5	120.4	22.8	77.9	100.7	+22.9%	+18.6%	+19.6%
DCC SerCom	14.7	28.0	42.7	13.5	26.6	40.1	+8.5%	+5.3%	+6.4%
DCC Healthcare	9.0	12.9	21.9	9.8	7.5	17.3	-8.0%	+72.0 %	+26.6%
DCC Environmental	5.2	4.8	10.0	7.3	2.9	10.2	-28.9%	+62.6%	-2.6%
DCC Food & Beverage	4.3	4.2	8.5	7.2	4.9	12.1	-40.6%	-12.8%	-29.5%
Total	61.1	142.4	203.5	60.6	119.8	180.4	+0.9%	+18.8%	+12.8%
Weighting %	30.0%	70.0%	100.0%	33.6%	66.4%	100.0%			

Financial Review (continued)

"DCC again achieved excellent returns on capital employed, generating a return of 18.4% on total capital employed (17.8% in 2009)."

Return on Capital Employed

The creation of shareholder value through the delivery of consistent, long-term returns well in excess of the cost of capital is one of DCC's core strengths. DCC again achieved excellent returns on capital employed (as detailed in Table 4), generating a return of 18.4% on total capital employed (17.8% in 2009).

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

Table 4: Return on capital employed

	2010 ROCE	2009 ROCE
DCC Energy	26.5%	24.9%
DCC SerCom	16.1%	15.5%
DCC Healthcare	11.3%	9.4%
DCC Environmental	9.7%	12.9%
DCC Food & Beverage	10.2%	14.1%
Group	18.4%	17.8%

Cash Flow

A summary of DCC's cash flow is set out in Table 5.

Operating cash flow is principally used to fund investment in existing operations, complementary bolt-on acquisitions, dividend payments and selective share buybacks.

Free Cash Flow

Operating cash flow was again excellent at €297.8 million, compared to €304.9 million in 2009. Net working capital days at 31 March 2010 reduced significantly to 4.6 days from 11.9 days at 31 March 2009, with each of DCC's divisions achieving reductions in working capital days. An analysis of net working capital days is set out in Table 6.

Free cash flow was €229.1 million compared to €218.5 million in the prior year.

The cash impact of acquisitions in the year was €133.6 million. Net capital expenditure was €35.7 million, significantly below the €50.4 million spent in the previous year, and compares to a depreciation charge of €47.0 million. The exceptional cash outflow of €12.8 million primarily relates to restructuring costs.

Table 5: Summary of cash flows

	2010 €'m	2010 €'m	2009 €'m	2009 €'m
Operating profit		**192.8**		180.4
Decrease/(increase) in working capital:				
DCC Energy	**45.9**		72.3	
DCC SerCom	**8.7**		4.1	
DCC Healthcare	**6.1**		1.3	
DCC Environmental	**1.0**		4.2	
DCC Food & Beverage	**10.1**		(1.9)	
		71.8		80.0
Depreciation and other		**33.2**		44.5
Cash generated from operations		**297.8**		304.9
Capital expenditure (net)		**(35.7)**		(50.4)
Interest and tax paid		**(33.0)**		(36.0)
Free cash flow		**229.1**		218.5
Acquisitions		**(133.6)**		(101.7)
Dividends paid		**(52.5)**		(48.7)
Exceptionals		**(12.8)**		(60.9)
Share issues (net)		**7.7**		10.2
Disposals		**0.8**		8.5
Net cash inflow		**38.7**		25.9
Translation adjustments and other		**(1.5)**		7.1
Net debt at start of year		**(90.7)**		(123.7)
Net debt at end of year		**53.5**		(90.7)

Table 6: Working capital days

	2010 Days	2009 Days
Stocks	**9.0**	12.8
Debtors	**35.3**	41.3
Creditors	**(39.7)**	(42.2)
Group	**4.6**	11.9

Financial Review (continued)

Balance Sheet and Group Financing

DCC has a very strong balance sheet. At 31 March 2010, DCC had net debt of €53.5 million (2009: €90.7 million) and total equity of €836.9 million (2009: €726.2 million). This equates to gearing of 6.4% and a net debt to EBITDA ratio of 0.2 times.

The Group's strong funding and liquidity position at 31 March 2010 can be summarised as follows:

	€'m	**€'m**
Cash and short term bank deposits	714.9	
Overdrafts	(40.0)	
Cash and cash equivalents		**674.9**
Bank debt repayable within 1 year	(7.4)	
US Private Placement debt repayable*:		
Y/e 31/3/2012	(5.6)	
Y/e 31/3/2014	(62.1)	
Y/e 31/3/2015	(215.8)	
Y/e 31/3/2016	(14.3)	
Y/e 31/3/2017	(112.2)	
Y/e 31/3/2018	(52.5)	
Y/e 31/3/2020	(203.3)	
Y/e 31/3/2022	(42.7)	
Other debt	(12.5)	
Debt		**(728.4)**
Net debt		**(53.5)**

* Inclusive of related swap derivatives

In March 2010, DCC completed a private placement of debt, raising the equivalent of €284 million in 5, 7, 10 and 12 year funding, which further strengthened the Group's capital structure and its capacity to pursue organic and acquisition growth opportunities. The strength of DCC's business model and improving market conditions at the time of the placement led to the funds being raised on favourable terms. Approximately 95% of the Group's debt has been raised in the US private placement market with an average credit margin over floating Euribor/Libor of 1.23% and an average maturity of 7.0 years.

The composition of net debt at 31 March 2010 and 2009 is analysed in Table 7. Further analysis of DCC's cash, debt and financial instrument balances at 31 March 2010 is set out in notes 27 to 30 in the financial statements.

Table 7: Analysis of net debt

	2010 €'m	2009 €'m
Non-current assets:		
Derivative financial instruments	**101.9**	128.3
Current assets:		
Derivative financial instruments	**1.4**	0.3
Cash and cash equivalents	**714.9**	426.8
	716.3	427.1
Non-current liabilities:		
Borrowings	**(2.5)**	(1.8)
Derivative financial instruments	**(19.3)**	(17.4)
Unsecured Notes due 2011 to 2022	**(791.2)**	(523.6)
	(813.0)	(542.8)
Current liabilities:		
Borrowings	**(58.2)**	(101.6)
Derivative financial instruments	**(0.5)**	(1.7)
	(58.7)	(103.3)
Net debt	**(53.5)**	(90.7)

Financial Risk Management

Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board of Directors. These policies and guidelines primarily cover foreign exchange risk, commodity price risk, credit risk, liquidity risk and interest rate risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. The Group does not trade in financial instruments nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange and commodity price exposures within approved policies and guidelines. Further detail in relation to the Group's financial risk management and its derivative financial instrument position is contained in note 46 to the financial statements.

Foreign Exchange Risk Management

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

A significant proportion of the Group's profits and net assets is denominated in sterling. The sterling:euro exchange rate strengthened by 4.6% from 0.9299 at 31 March 2009 to 0.8894 at 31 March 2010. The average rate at which the Group translates its UK operating profits declined by 6.9% from 0.8262 in 2009 to 0.8873 in 2010.

Approximately 75% of the Group's operating profit for the year ended 31 March 2010 was denominated in sterling and this is offset to a limited degree by certain natural economic hedges that exist within the Group, for example, a proportion of the purchases by certain of its Irish businesses are sterling denominated. DCC does not hedge the remaining translation exposure on the profits of foreign currency subsidiaries on the basis and to the extent that they are not intended to be repatriated. The 6.9% reduction in the average translation rate of sterling, referred to above, adversely impacted the Group's reported operating profit by €10.6 million in the year ended 31 March 2010.

DCC has investments in sterling operations which are highly cash generative and cash generated from these operations is reinvested in sterling denominated development activities rather than being repatriated into euro. The Group seeks to manage the resultant foreign currency translation risk through borrowings denominated in or swapped (utilising currency swaps or cross currency interest rate swaps) into sterling, although this hedge is offset by the strong ongoing cash flow generated from the Group's sterling operations leaving DCC with a net investment in sterling assets. The 4.6% increase in the value of sterling against the euro during the year ended 31 March 2010, referred to above, gave rise to a translation gain of €23.3 million on the translation of DCC's sterling denominated net asset position at 31 March 2010 as set out in the Group's Statement of Changes in Equity in the financial statements.

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

Commodity Price Risk Management

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

Credit Risk Management

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

Interest Rate Risk and Debt/Liquidity Management

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

Sustainability Report

A Statement from the Chief Executive

DCC believes that applying critical thinking to the economic, environmental and social impacts of our businesses will deliver long term shareholder value. Businesses that create environmental and social benefits will be more successful as they will focus on meeting the wider expectations of customers, employees, investors and governments. DCC is committed to taking on the challenge of corporate sustainability and its strategy is to integrate sustainability processes into existing management structures.

Significant progress has been made in a number of areas over the past year. In particular we have introduced a consistent and robust energy and carbon reporting process and have developed business conduct guidelines that will raise awareness of these critical issues across the Group.

Further initiatives to achieve the strategic objective of integrating sustainability into subsidiary decision making (in particular in relation to climate change) will be undertaken in the current year which will also increase internal understanding of what sustainability means to DCC.

Report Profile, Boundary and Scope

The Sustainability Report follows the same reporting cycle and fiscal period as the Annual Report. The boundary and scope of this report remains the same as the 2009 Sustainability Report in that all of the Group's fully or majority owned subsidiaries are taken into account in this report.

At a corporate level, four aspects of sustainability have been identified as material to our business - direct economic value, climate change, health & safety and business ethics - and we report further on these areas below. At subsidiary level, in addition to these four aspects, management will identify and focus on aspects particular to their own businesses and to the industries in which they operate.

Governance, Structures and Processes

The Corporate Sustainability Working Group (CSWG) comprises Group, divisional and subsidiary executives from across DCC and reports to the Chief Executive. The CSWG has met regularly throughout the year to progress the objectives set out in the 2009 Sustainability Report. The CSWG also reviews sustainability best practice in other organisations and makes recommendations on the development of corporate sustainability within DCC.

Stakeholder Engagement

We have initiated consultation about our sustainability programme with a number of institutional investors. Their feedback has been positive. This engagement will be intensified during the year to ensure that the views of investors are reflected in DCC's approach to sustainability.

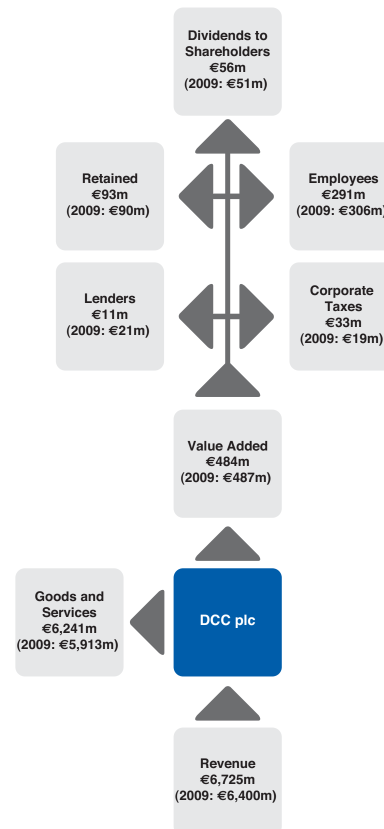
We are commencing the process of engaging with employees as their ideas and participation are critical and will enhance our sustainability efforts. This engagement will take place initially at divisional level and subsequently at subsidiary level.

Material Aspects

1. Direct Economic Value Added

By generating economic value in the supply chain, DCC makes a significant contribution to society. In the year ended March 2010, €484 million of added value was created, taking account of revenue of €6,725 million and the cost of inputs from suppliers of €6,241 million. This value added is distributed in the form of remuneration to employees of €291 million, corporate taxes of €33 million, interest to lenders of €11 million and dividends to shareholders, including many Group employees, of €56 million. €93 million is retained in the business to fund further growth.

DCC employs 8,056 people across the Group, of which 32% are in Ireland, 63% are in the UK and 5% are in the other fourteen countries where the Group has operations; of these employees, over 90% are in permanent employment.



During the year corporate donations included support for the 'Your Country, Your Call' initiative and to assist in the relief efforts in Haiti following the earthquake. Subsidiaries continue to provide both financial and resource support to local and national charities.

2. Climate Change

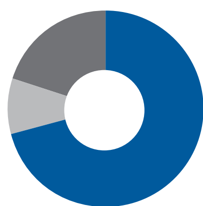
The introduction of government policies and initiatives to address the threat of climate change will impact all DCC's businesses to a greater or lesser extent. The challenge is to identify those impacts and implement appropriate actions to mitigate risks and take advantage of opportunities.

The DCC Carbon Management Plan, initiated in 2008, established a number of operational and strategic objectives for divisional and subsidiary management, in response to the emergence of a low carbon economy.

Significant progress has been made on the DCC Carbon Management Plan's operational objectives of calculating carbon emissions and reducing energy consumption. In March 2010, energy and carbon reporting guidelines were circulated to all subsidiary finance directors. These guidelines, developed with assistance from KPMG and supported by an on-line reporting system, are designed to formalise the existing processes so that energy usage will be recorded and carbon emissions calculated in line with best international practice. Carbon emissions figures for the current financial year will be independently verified by an external third party.

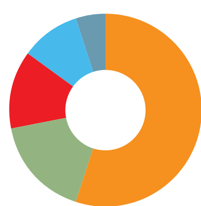
DCC's total carbon emissions amounted to 100,104 tonnes in the year to 31 March 2010. Of this over 26 million litres of transport fuels accounted for over 70% of emissions with 37,000 MWh of electricity accounting for 20%. As DCC's businesses continue to grow organically and by acquisition our absolute carbon footprint is likely to increase. However, we are committed to improving our relative performance i.e. maximising energy efficiency. During the current year appropriate energy efficiency metrics will be developed for each business and medium term reduction targets will be established.

CO_2 emissions (metric tonnes), by source, FY2010



Company transport	71,296	71%
On site fuel use	8,813	9%
Electricity	19,995	20%

CO_2 emissions (metric tonnes), by division, FY2010



DCC Energy	55,244	55%
DCC Environmental	16,546	17%
DCC Food & Beverage	13,409	13%
DCC Healthcare	9,772	10%
DCC SerCom	5,133	5%

The introduction of Blue Tree vehicle engine monitoring technology has provided valuable feedback to heavy goods vehicle drivers, encouraging safer and more fuel efficient driving techniques. In the Food & Beverage division, Allied Foods have installed the technology across their fleet of fifty vehicles, eliminating over 500 tonnes of carbon emissions in the past year. In the Energy division, installation has been completed in over three hundred vehicles, is underway in a further four hundred vehicles and is targeted to deliver a 7% saving in fuel consumption.

In the Healthcare division, Thompson & Capper installed heating controls and advanced compressed air systems in the past year. Significant annualised savings of Stg£31,900 and a reduction of 226 tonnes of carbon emissions are being realised by these initiatives. Short payback periods on these investments are the norm and the savings made are a continuing feature.

Both these examples illustrate the opportunities to reduce carbon emissions through the appropriate use of technology and changing individual behaviours. Identifying and disseminating these best practices throughout the Group will continue to deliver efficiencies and savings.

To address the strategic objectives of the Carbon Management Plan, steps are being taken to raise our collective understanding of the climate change agenda and the risks and opportunities arising from the transition to a low carbon economy. This will be an area of significant focus in the current year.

From 1 April 2010, the Group's UK subsidiaries have been included in the UK's Carbon Reduction Commitment Energy Efficiency Scheme (CRC). This Scheme requires a subset of carbon emissions (emissions from transport are excluded) to be reported on an annual basis and allowances to be purchased for each tonne emitted. Depending on ranking in a performance table to be published by the Environment Agency in October 2011, a proportion of the purchase costs will be reimbursed. Initiatives are in place across the Group to maximise our performance and to minimise costs.

Flogas UK achieved the Carbon Trust Standard (CTS) in 2009 and is still the only UK off mains energy company to do so. The CTS is an independent, credible verification of Flogas's carbon measurement systems and their success in reducing carbon emissions through numerous energy management initiatives. The environmental benefits of LPG in general and the recognition of Flogas in particular provide a unique competitive advantage. The company is gaining new customers who are actively switching to LPG to improve their carbon footprint. Three other DCC subsidiaries are working towards achieving this standard.

Sustainability Report (continued)

DCC's second annual submission to the investor led Carbon Disclosure Project (CDP) has been completed. The quality and scope of information provided to the CDP has improved and we will continue to develop our internal systems and processes to provide investors with a full assessment of climate change impacts on our businesses.

3. Health & Safety

The health and safety of our employees continues to be a priority. Structured management systems are in place in all subsidiaries to identify, address and minimise risks associated with our on and off site operations. Beyond these, the development of strong safety cultures among all employees has a positive impact on business performance, in addition to supporting compliance with health and safety regulations and reducing accidents. Safety culture surveys have been completed at a number of subsidiaries and the feedback has identified areas of best practice and areas where more effort is required.

Tragically, a driver in one of the Group's UK oil companies lost his life in a road traffic accident during the year. DCC deeply regrets this accident and its impact on immediate family and colleagues. We are determined to learn from this and will be relentless in identifying and implementing any additional controls to minimise the risks associated with the transport of dangerous goods.

At a Group level, two key performance indicators are reported for the first time this year: Lost Time Injury Frequency Rate (LTIFR) and Lost Time Injury Severity Rate (LTISR)[1]. Within DCC, health and safety is firmly established as a line management responsibility and the expectation for all Group businesses is zero lost time injuries. We are taking steps to reduce these KPIs and multi year reduction targets are being developed.

KPI	Description	Year to March 2010
LTIFR	Number of lost time incidents per 200,000 hours worked	2.8
LTISR	Number of days lost per 200,000 hours worked	42

We have reviewed our internal health and safety assurance processes and external best practice to identify a consistent benchmarking tool. This is particularly relevant in the context of the increasing scale of the energy division. The International Safety Rating System (ISRS) assurance tool developed by DNV has been selected and will be trialed at two energy businesses this year. ISRS is a world leading system to assess, improve and demonstrate the robustness of an organisation's health and safety management processes. The most recent edition, ISRS8, includes best practice requirements in process safety management to ensure systematic and effective control of process risks and achieve operational efficiency.

In December 2009, the Process Safety Leadership Group published its final guidance on safety and environmental standards at fuel storage sites. This group was established by the UK authorities following the investigation into the explosion in 2005 at the Buncefield oil storage terminal, north of London. The requirements of this guidance directly impact our oil terminals in Lerwick, Scotland and in Belfast, Northern Ireland. Subsidiary management are implementing actions to address any identified gaps against the standards in this guidance.

In DCC Environmental, both Traceys in Scotland and Wastecycle in England achieved the ROSPA Gold Award for occupational health and safety in 2010, a first for both companies. This is an independent recognition of their commitment to high safety standards and the tangible efforts made to ensure a safe working environment. Both companies are also on target to meet their objective of having their health and safety management systems certified to the OHSAS18001[2] standard by the end of March 2011. In Ireland Enva has already achieved both ISO14001 and OHSAS18001 certification for the EHS management systems across all six of its licenced sites.

4. Business Ethics

As a diversified business, freedom to manage and make decisions locally has been critical to DCC's success. This has been well supported and enabled by DCC's values of ethical behaviour, trust and accountability.

These values are critical to our business reputation and long term sustainability. All of our actions and interactions with our customers, suppliers, work colleagues, shareholders and other stakeholders reflect our commitment to the highest standards of ethical conduct.

In support of this commitment a decision was taken last year to provide more practical support to the Group's employees by formally articulating a set of guidelines which would enshrine principles for the everyday conduct of business and which would serve as a framework across all Group businesses and our 8,056 employees.

As a result, a comprehensive review was undertaken of business conduct guidelines already in place within the Group as well as international best practice. This exercise has led to the development of Group business conduct guidelines, which will be communicated to all of DCC's employees within the next three months. As well as outlining the basic legal and ethical principles and policies, they offer guidance on behaviour, framed with useful and practical examples, in respect of the complex issues that can arise in the business environment within which we operate.

Compliance with all regulations governing business practice is a fundamental value of DCC. No non compliances or legal actions have been taken against DCC in relation to anti-competitive or monopoly practices.

Reporting

This report meets the requirements of the Global Reporting Initiative level C standard, as shown in the content table below, meeting the objective set last year. Our objective for the current year is to obtain external assurance on our 2011 Sustainability Report. As we continue our efforts to integrate sustainability into everyday management processes, we support the trend of integrating sustainability and financial reporting to a greater extent.

Content table for GRI Level C

GRI Section No.	Standard Disclosure	Report Page
1.1	Statement from Chief Executive	44
2.1 – 2.10	Organisational Profile	Inside front cover
3.1 – 3.8	Profile, Boundary and Scope	44
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4.1 – 4.4	Governance	52-56
4.14 – 4.15	Stakeholder Engagement	44
EC1	Direct Economic Value	44
EN3	Direct Energy Consumption	45
EN4	Indirect Energy Consumption	45
EN16	Greenhouse gases	45
EN28	Non-Compliance	30
LA1	Workforce	44
LA7	Rates of injury	46
SO6	Political Contributions	49
SO7	Number of legal actions for anti-competitive, anti-trust and monopoly practices	47
SO8	Non-compliance with laws and regulations governing anti-competitive behaviour, anti-trust or monopoly practices	47

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

[2] Occupational Health and Safety Assessment Series standard

Report of the Directors

The Directors of DCC plc present their report and the audited financial statements for the year ended 31 March 2010.

Results for the Year

Revenue for the year amounted to €6,725.0 million (2009: €6,400.1 million). The profit for the year attributable to owners of the Parent amounted to €130.8 million (2009: €116.3 million). Adjusted earnings per share amounted to 177.98 cent (2009: 169.13 cent). Further details of the results for the year are set out in the Group Income Statement on page 70.

Dividends

An interim dividend of 23.74 cent per share, amounting to €19.53 million, was paid on 4 December 2009. The Directors recommend the payment of a final dividend of 43.70 cent per share, amounting to €36.27 million. Subject to shareholders' approval at the Annual General Meeting on 16 July 2010, this dividend will be paid on 22 July 2010 to shareholders on the register on 28 May 2010. The total dividend for the year ended 31 March 2010 amounts to 67.44 cent per share, a total of €55.80 million. This represents an increase of 8.2% on the prior year's total dividend per share.

The profit attributable to owners of the Parent, which has been transferred to reserves, and the dividends paid during the year ended 31 March 2010 are shown in note 39 on page 117.

Share Capital and Treasury Shares

DCC's authorised share capital is 152,368,568 ordinary shares of €0.25 each, of which 83,005,059 shares (excluding treasury shares) and 5,224,345 treasury shares were in issue at 31 March 2010. All of these shares are of the same class. With the exception of treasury shares which have no voting rights and no entitlement to dividends, they all carry equal voting rights and rank for dividends.

The number of shares held as treasury shares at the beginning of the year (and the maximum number held during the year) was 6,090,399 (6.90% of the issued share capital) with a nominal value of €1.523 million.

A total of 866,054 shares (0.98% of the issued share capital) with a nominal value of €0.217 million were re-issued during the year at prices ranging from €7.00 to €16.70 consequent to the exercise of share options under the DCC plc 1998 Employee Share Option Scheme and the DCC Sharesave Scheme 2001, leaving a balance held as treasury shares at 31 March 2010 of 5,224,345 shares (5.92% of the issued share capital) with a nominal value of €1.306 million.

At the Annual General Meeting held on 17 July 2009, the Company was granted authority to purchase up to 8,822,940 of its own shares (10% of the issued share capital) with a nominal value of €2.206 million. This authority has not been exercised and will expire on 16 July 2010, the date of the next Annual General Meeting of the Company. A special resolution will be proposed at the Annual General Meeting to renew this authority.

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

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

Review of Activities and Events since the Year End

The Chairman's Statement on pages 6 to 8, the Chief Executive's Review on pages 9 to 11, the Business Reviews on pages 16 to 35 and the Financial Review on pages 36 to 43 contain a review of the development and performance of the Group's business during the year, of the state of affairs of the business at 31 March 2010, of recent events and of likely future developments. Information in respect of events since the year end as required by the Companies (Amendment) Act, 1986 is included in these sections and in note 48 on page 127.

Principal Risks and Uncertainties

Under Irish Company law (Regulation 37 of the European Communities (Companies: Group Accounts) Regulations 1992, as amended), DCC is required to give a description of the principal risks and uncertainties facing the Group. These are addressed in the Principal Risks & Uncertainties report on pages 50 to 51.

Directors

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

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

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

Details of the Directors' interests in the share capital of the Company are set out in the Report on Directors' Remuneration and Interests on pages 57 to 62.

Corporate Governance

DCC has complied, throughout the year ended 31 March 2010, with the provisions set out in Section 1 of the Combined Code on Corporate Governance.

The Corporate Governance statement on pages 52 to 56 sets out the Company's appliance of the principles and compliance with the provisions of the Combined Code on Corporate Governance, the Group's system of internal control and the adoption of the going concern basis in preparing the financial statements.

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

Substantial Shareholdings

The Company has been advised of the following interests in its share capital as at 17 May 2010:

	No. of €0.25 Ordinary Shares	% of Issued Share Capital (excluding treasury shares)
FMR LLC on behalf of certain of its direct and indirect subsidiaries*	11,301,204	13.62%
Prudential plc group of companies*	7,218,346	8.70%
Invesco Limited*	5,907,711	7.12%
Capital Research and Management Company*	2,716,000	3.27%
Jim Flavin	2,500,000	3.01%

** Notified as non-beneficial interests*

Principal Subsidiaries and Joint Ventures

Details of the Company's principal operating subsidiaries and joint ventures are set out on pages 128 to 131.

Research and Development

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

Political Contributions

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

Accounting Records

The Directors are responsible for ensuring that proper books and accounting records, as outlined in Section 202 of the Companies Act, 1990, are kept by the Company. The Directors believe that they have complied with this requirement by providing adequate resources to maintain proper books and accounting records throughout the Group including the appointment of personnel with appropriate qualifications, experience and expertise. The books and accounting records of the Company are maintained at the Company's registered office, DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland.

Takeover Regulations

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

Auditors

The auditors, PricewaterhouseCoopers, will continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963. A resolution authorising the Directors to determine their remuneration will be proposed at the Annual General Meeting.

Michael Buckley, Tommy Breen
Directors
17 May 2010

Principal Risks and Uncertainties

The Board of DCC is responsible for the Group's risk management systems, which are designed to identify, manage and mitigate potential material risks to the achievement of the Group's strategic and business objectives. Details of the Group's risk management systems and internal controls are set out under 'Internal Control' in the Corporate Governance statement on pages 52 to 56.

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

Strategic Risks	Impact	Mitigation
Economic downturn	Demand for goods and services in the Group's businesses will be impacted by the current economic downturn, particularly in the UK, the Group's key market.	The Group's operations are diversified across five different business sectors. Whilst the current economic downturn will affect all businesses the impact will vary according to the sectors in which they operate. The Group will focus on operating efficiencies and business development.
Competitor activity	The Group's businesses face strong competition in their relevant markets. Failure to compete successfully will lead to a decline in market share and profitability.	Competitor activity is formally discussed at regular divisional board meetings. Subsidiary management are constantly focused on providing an efficient value added service to meet the demands of both customers and suppliers.
Acquisitions	Poor acquisition selection could lead to a loss of value. In addition a failure to properly integrate acquisitions could lead to operational and financial difficulties.	The Group conducts a stringent internal evaluation process prior to completing an acquisition. Only acquisitions which add value and are a strategic fit are considered. Group and subsidiary management have significant expertise in and experience of integrating acquisitions.

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

Compliance Risks	Impact	Mitigation
Regulation	DCC has operations in 16 countries. Failure to comply with statutory obligations could result in regulatory action, legal liability and damage to the Group's reputation.	All statutory requirements are managed by local management. Formal confirmation of compliance with statutory and other obligations is received by the Compliance Officer of DCC plc twice a year.

Financial Risks

The principal financial risks facing the Group are addressed in detail under 'Financial Risk Management' in the Financial Review on pages 36 to 43.

Corporate Governance

This statement describes how DCC has applied the principles set out in Section 1 of the Combined Code on Corporate Governance ('Combined Code') published in June 2008 by the Financial Reporting Council ('FRC') in the UK. A copy of the Combined Code can be obtained from the FRC's website, www.frc.org.uk.

On 28 May 2010, the FRC introduced changes to the Combined Code, now known as the UK Corporate Governance Code. The new edition of the Code is to apply to financial years beginning on or after 29 June 2010 but it is DCC's intention to apply the new Code for the current financial year commencing on 1 April 2010.

The Board of Directors

Role

The Board of DCC is responsible for the leadership, strategic direction and overall management of the Group. It has a formal schedule of matters specifically reserved to it for decision, which covers key areas of the Group's business including approval of the annual strategy statement, the financial statements, budgets (including capital expenditure), acquisitions and dividends.

The Board has delegated responsibility for the management of the Group to the Chief Executive and executive management.

There is a clear division of responsibilities between the Chairman and the Chief Executive, which is set out in writing and has been approved by the Board.

Chairman

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

The Chairman is the link between the Board and the Company. He is specifically responsible for establishing and maintaining an effective working relationship with the Chief Executive, for ensuring effective and appropriate communications with shareholders and for ensuring that members of the Board develop and maintain an understanding of the views of shareholders.

At the beginning of the financial year, having consulted with the other Directors and the Company Secretary, the Chairman sets a schedule of Board meetings to be held in the following twelve months, which includes the key agenda items for each meeting. Further details on these agenda items are outlined under Meetings on page 53.

Deputy Chairman and Senior Independent Director

The Deputy Chairman (who is also the Senior Independent Director) chairs meetings of the Board if the Chairman is unavailable or is conflicted in relation to any agenda item. He also leads the annual Board review of the performance of the Chairman.

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

Membership and Composition

The Board consists of three executive and seven non-executive Directors. The composition of the Board and the principal Board Committees is set out in the table below.

Brief biographies of the Directors are set out on pages 4 to 5.

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

Board and Committee Composition as at 31 March 2010:

Director	Role	Independent	Years on Board	Committee Composition		
				Audit Committee	Nomination Committee	Remuneration Committee
Michael Buckley	Non-executive Chairman	No[1]	4 years	-	Chairman	Member
Tommy Breen	Chief Executive	No	10 years	-	-	-
Róisín Brennan	Non-executive Director	Yes	4 years	-	-	Member
David Byrne	Deputy Chairman/Senior Independent Director	Yes	1 year	-	Member	Member
Maurice Keane	Non-executive Director	Yes	8 years	-	Member	Chairman
Kevin Melia	Non-executive Director	Yes	1 year	Member	-	-
John Moloney	Non-executive Director	Yes	1 year	Member	-	-
Donal Murphy	Executive Director	No	1 year	-	-	-
Fergal O'Dwyer	Executive Director	No	10 years	-	-	-
Bernard Somers	Non-executive Director	Yes	6 years	Chairman	-	-

Note 1 On his appointment as Chairman in May 2008, Mr Buckley met the independence criteria as set out in the Combined Code. Thereafter, as noted in the Code, the test of independence is not appropriate in relation to the Chairman.

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

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

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

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

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

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

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

The Board recognises the need for Directors, in particular new Directors, to be aware of their legal responsibilities as directors. The Chairman invites external experts to attend certain Board meetings to address the Board on corporate governance developments to ensure that Directors are kept up to date on the latest corporate governance guidance and best practice. There is a full, formal and tailored induction process for new non-executive Directors, which includes detailed presentations on the Group's operations.

Meetings
The Board holds regular meetings and there is contact as required between meetings in order to progress the Group's business. At the beginning of the financial year, having consulted with the other Directors and the Company Secretary, the Chairman sets a schedule of Board meetings to be held in the following twelve months, which includes the key agenda items for each meeting.

The key recurrent Board agenda themes are divided into normal business (which includes financial statements, budgets and interim management statements) and developmental business (which includes strategy, succession planning and Directors' education).

The current schedule envisages seven Board meetings each year but additional meetings are arranged as necessary. The non-executive Directors meet a number of times each year without executives being present. Four separate meetings of the non-executive Directors form part of the current schedule. In addition, the non-executive Directors, led by the Senior Independent Director, meet annually without the Chairman present to evaluate his performance.

During the year ended 31 March 2010, the Board held eight meetings. Individual attendance at these meetings is set out in the table on page 55.

Remuneration
Details of remuneration paid to the Directors are set out in the Report on Directors' Remuneration and Interests on pages 57 to 62.

Share Ownership and Dealing
Details of the Directors' interests in DCC shares are set out in the Report on Directors' Remuneration and Interests on pages 57 to 62. The Board has adopted The Model Code, as set out in the Listing Rules of the Irish Stock Exchange and the UK Listing Authority, as the code of dealings applicable to dealings in DCC shares by Directors and relevant Group employees. Under the policy, Directors and relevant Group employees are required to obtain clearance from the Chairman or Chief Executive before dealing in DCC shares and are prohibited from dealing in the shares during prohibited periods as defined by the Listing Rules.

Board Committees
Audit Committee
The Audit Committee comprises three independent non-executive Directors, Bernard Somers (Chairman), Kevin Melia and John Moloney. The Board has determined that Bernard Somers is the Committee's financial expert. The Committee met three times during the year ended 31 March 2010. Individual attendance at these meetings is set out in the table on page 55.

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

The role and responsibilities of the Audit Committee are set out in its written terms of reference, which are available on the Company's website www.dcc.ie, and include:
- monitoring the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance and reviewing significant financial reporting judgments contained in them;
- reviewing the half-year and annual financial statements before submission to the Board;
- considering and making recommendations to the Board in relation to the appointment, reappointment and removal of the external auditors;

Corporate Governance (continued)

- approving the terms of engagement of the external auditors;
- approving the remuneration of the external auditors, whether fees for audit or non-audit services, and ensuring that the level of fees is appropriate to enable an adequate audit to be conducted;
- assessing annually the independence and objectivity of the external auditors and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements and the relationship with the external auditors as a whole, including the provision of any non-audit services;
- reviewing the operation and the effectiveness of the Group Internal Audit function;
- reporting to the Board on its annual assessment of the operation of the Group's system of internal control, making any recommendations to the Board thereon and reviewing the Company's statements on internal control and risk management prior to endorsement by the Board; and
- reviewing the Group's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and ensuring that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

These responsibilities of the Committee are discharged in the following ways:

- The Committee reviews the interim and annual reports as well as any formal announcements relating to the financial statements before submission to the Board. The review focuses particularly on any changes in accounting policy and practices, major judgmental areas and compliance with stock exchange, legal and regulatory requirements;
- The Committee regularly reviews reports from the Risk Committee and the Enterprise Risk Management function (incorporating Group Internal Audit and Group Environmental, Health and Safety);
- The Committee reviews the half yearly report from Group Internal Audit, which includes summaries of the key findings of each internal audit in the period and the planned work programme. On an ongoing basis, the Committee ensures co-ordination between Group Internal Audit and the external auditors and ensures the Group Internal Audit function is adequately resourced and has appropriate standing within the Company;
- The Committee conducts an annual assessment of the operation of the Group's system of internal control based on a detailed review carried out by Group Internal Audit. The results of this assessment are reviewed by the Committee and are reported to the Board;
- The Committee makes recommendations to the Board in relation to the appointment of the external auditor. Each year, the Committee meets with the external auditor and reviews their procedures and the safeguards which have been put in place to ensure their objectivity and independence in accordance with regulatory and professional requirements;
- The Committee reviews the external audit plan and the findings from the external audit of the financial statements;
- The Committee has a process in place to ensure that the independence of the audit is not compromised, which includes monitoring the nature and extent of services provided by the external auditors through its annual review of fees paid to the external auditors for audit and non-audit work. Details of the amounts paid to the external auditors during the year for audit and other services are set out in note 6 on page 93; and
- The Committee has approved a policy on the engagement of the external auditors to provide non-audit services. The policy provides that the external auditor is permitted to provide non-audit services that are not, or are not perceived to be, in conflict with auditor independence, providing they have the skill, competence and integrity to carry out the work and are considered to be the most appropriate to undertake such work in the best interests of the DCC Group.

Nomination Committee

The Nomination Committee comprises Michael Buckley (Chairman) and two independent non-executive Directors, David Byrne and Maurice Keane. The Committee met three times during the year ended 31 March 2010. Individual attendance at these meetings is set out in the table on page 55.

The role and responsibilities of the Nomination Committee are set out in its written terms of reference, which are available on the Company's website www.dcc.ie. The principal responsibilities of the Committee are to keep Board renewal, structure, size and composition under constant review, including the skills, knowledge and experience required, taking account of the Group's businesses and strategic direction.

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

Remuneration Committee

The Remuneration Committee comprises three independent non-executive Directors, Maurice Keane (Chairman), Róisín Brennan and David Byrne, and the Chairman of the Board, Michael Buckley. The Committee met six times during the year ended 31 March 2010. Individual attendance at these meetings is set out in the table on page 55.

The role and responsibilities of the Remuneration Committee are set out in its written terms of reference, which are available on the Company's website www.dcc.ie. The principal responsibilities of the Committee are determining the policy for the remuneration of the Chairman, the Chief Executive, the other executive Directors and certain senior Group management and determining their remuneration packages, including salary, bonuses, pension rights and compensation payments, and the granting of awards under the Company's long term incentive schemes.

The Remuneration Committee consults with the Chief Executive on remuneration for the other executive Directors and for senior Group management. The Remuneration Committee is authorised to obtain access to professional advice if deemed desirable.

Details of the activities of the Remuneration Committee during the year, including its review of remuneration policy and structures, are set out in the Report on Directors' Remuneration and Interests on pages 57 to 62.

Oversight Committee

In August 2007, the Board established a Committee of non-executive Directors to oversee issues arising from the Supreme Court judgment in the Fyffes case and the subsequent Inspectorship process. The Committee comprised Michael Buckley, David Byrne and Maurice Keane and met as required.

Attendance at Board and Committee meetings during the year ended 31 March 2010:

Director	Board		Audit Committee		Nomination Committee		Remuneration Committee	
	A	B	A	B	A	B	A	B
Michael Buckley	8	8	-	-	3	3	6	6
Tommy Breen	8	8	-	-	-	-	-	-
Róisín Brennan	8	8	-	-	-	-	6	5
David Byrne	8	7	-	-	3	3	6	6
Maurice Keane	8	8	-	-	3	3	6	6
Kevin Melia	8	8	3	3	-	-	-	-
John Moloney	8	7	3	3	-	-	-	-
Donal Murphy	8	8	-	-	-	-	-	-
Fergal O'Dwyer	8	8	-	-	-	-	-	-
Bernard Somers	8	8	3	3	-	-	-	-

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

Performance Evaluation

The Board undertakes a formal annual evaluation of its own performance, that of each of its principal committees, the Audit, Nomination and Remuneration committees, and that of individual directors, using the 'Performance Evaluation Guidance' set out in the Higgs Suggestions for Good Practice.

As part of the Board evaluation of its own performance, a questionnaire is circulated to all Directors. The questionnaire is designed to obtain Directors' comments regarding the performance of the Board including any recommendations for improvement. Completed questionnaires are returned to the Senior Independent Director who summarises the results of the exercise for the Board.

The Chairman, on behalf of the Board, conducts evaluations of performance with each of the non-executive and the executive Directors on an annual basis.

The non-executive Directors, led by the Senior Independent Director, meet annually without the Chairman present to evaluate his performance, having taken into account the views of the executive Directors. The non-executive Directors also evaluate the performance of each executive Director.

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

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

The evaluation process is concluded by means of a detailed discussion by the Chairman and the Senior Independent Director on any issues raised. Finally, the Chairman reports to the Board on any suggestions for changes in Board practice.

Relations with Shareholders

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

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

General Meetings

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

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

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

Corporate Governance (continued)

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

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

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

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

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

The 2010 AGM will be held at 11 a.m. on 16 July 2010 at The Four Seasons Hotel, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland.

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.

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

- skilled and experienced Group and divisional management;
- an organisation structure with clearly defined lines of authority and accountability;
- a comprehensive system of financial reporting involving budgeting, monthly reporting and variance analysis;
- the operation of approved risk management policies (including treasury and IT);
- a Risk Committee, comprising senior Group management, whose main role is to keep under review and report to the Audit Committee on the principal risks facing the Group, the controls in place to manage those risks and the monitoring procedures;
- an independent Enterprise Risk Management function, which incorporates Group Internal Audit and Group Environmental, Health and Safety; and
- a formally constituted Audit Committee which reviews the operation of the Risk Committee and the Enterprise 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 took account of the principal business risks facing the Group, the controls in place to manage those risks (including financial, operational and compliance controls and risk management) and the procedures in place to monitor them.

Memorandum and Articles of Association

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

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

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

Report of the Directors

For the purposes of the European Communities (Directive 2006/46/EC) Regulations 2009, details of substantial shareholdings in the Company and details in relation to the purchase of the Company’s own shares are set out in the Report of the Directors on pages 48 to 49.

Going Concern

After making enquiries, the Directors have formed a judgment, at the time of approving the financial statements, that there is a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Directors’ responsibility for preparing the financial statements is explained on page 67 and the reporting responsibilities of the auditors are set out in their report on page 68.

Compliance Statement

DCC has complied, throughout the year ended 31 March 2010, with the provisions set out in Section 1 of the Combined Code on Corporate Governance.

Michael Buckley, Tommy Breen
Directors
17 May 2010

Report on Directors' Remuneration and Interests

Composition and Role of the Remuneration Committee

The Remuneration Committee comprises three independent non-executive Directors, Maurice Keane (Chairman), Róisín Brennan and David Byrne, and the Chairman of the Board, Michael Buckley.

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

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

Group Remuneration Policy

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

The Remuneration Committee seeks to ensure:

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

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

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

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

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

During the year, the Remuneration Committee, with input from the Chief Executive and the Head of Group HR, and with advice from external consultants, carried out a review of Group executive remuneration policy and remuneration structures. Further detail on this review, including the key points arising and the next steps, are covered later in this Report.

Executive Directors' Remuneration

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

Fixed Remuneration

Base salaries

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.

With the exception of an increase in salary for Donal Murphy on 1 January 2010, to reflect his much expanded role as Managing Director of DCC Energy, the Group's largest division, there have been no increases in the salaries of executive Directors for the calendar years commencing on 1 January 2009 and 1 January 2010.

Pension Benefits

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

Performance Related Remuneration

Annual bonuses

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

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

Report on Directors' Remuneration and Interests (continued)

Long term incentives
Executive Directors and other senior Group executives are eligible to participate in the Company's long term incentive schemes. The DCC plc Long Term Incentive Plan 2009 ('the Plan') was approved by shareholders at the 2009 Annual General Meeting, following the termination of the DCC plc 1998 Employee Share Option Scheme in 2008. The Plan reflects the Group's culture of long term performance based incentivisation and seeks to align the interests of executives with those of the Group's shareholders. Full details of the Plan are set out below.

DCC plc Long Term Incentive Plan 2009
Following the termination of the DCC plc 1998 Employee Share Option Scheme in 2008, the Remuneration Committee undertook a review of long term incentive arrangements for executive Directors and senior management, in which it was advised by independent consultants Mercer. Arising from the review, it was concluded that the Company should introduce a new long term incentive plan. Accordingly, following consultation with the Irish Association of Investment Managers and significant shareholders, the DCC plc Long Term Incentive Plan 2009 was approved at the 2009 Annual General Meeting.

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

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

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

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

An award will not vest (and in the case of an award in the form of an option, the option will not be exercisable) unless the Committee is satisfied that the Company's underlying financial performance has shown a sustained improvement in the period since the award date.

If this condition is met, the extent of vesting for awards granted to participants will be determined by the performance conditions set out below.

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

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

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

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

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

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

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

Vesting under the EPS performance condition is also contingent on:

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

No re-testing of the performance conditions is permitted.

The total number of awards granted under the Plan, in the form of nominal cost options, currently amounts to 0.3% of issued share capital.

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

Over the life of the Scheme, the total number of basic and second tier options granted, net of options lapsed, amounted to 7.1% of issued share capital, of which 2.5% is currently outstanding.

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

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

DCC Sharesave Scheme
The Group established a Revenue approved save as you earn scheme, the DCC Sharesave Scheme, in 2000. In June 2001, options were granted under the Scheme to those Group employees who entered into associated savings contracts. The options were granted at an option price of €8.79 per share, which represented a discount of 20% to the then market price as provided for by the rules of the Scheme. There are no options outstanding under the June 2001 grant. In December 2004, a second grant of options under this Scheme was made to Group employees at an option price of €12.63 per share, which represented a discount of 20% to the then market price. These options are exercisable between December 2007 and March 2011. At 31 March 2010, the options outstanding under the DCC Sharesave Scheme represent 0.05% of issued share capital.

Review of Remuneration Policy and Structures

During the year, the Remuneration Committee, with input from the Chief Executive and the Head of Group HR, carried out a comprehensive review of Group executive remuneration policy and remuneration structures. The Remuneration Committee engaged independent consultants, Towers Watson, to provide expert advice and benchmarking on all elements of DCC's executive remuneration.

Benchmarking
Extensive benchmarking of all elements of DCC remuneration was carried out by Towers Watson against a number of groupings of comparator companies:
- The FTSE 250 in total;
- The peer group for the DCC plc Long Term Incentive Plan 2009 ('the Plan');
- A more focused group of sixty FTSE companies, thirty of whom have market capitalisations just below DCC's and thirty of whom have market capitalisations just above DCC's ('the market capitalisation comparator group'); and
- A number of Irish listed industrial companies.

The data came from Towers Watson's directors' database and was based on the most recent published accounts. To ensure that the analysis was carried out on a like for like basis, the DCC executives' job roles were weighted using the Towers Watson global position rating system.

The benchmarking showed that actual remuneration levels overall were at or about the median of the market capitalisation comparator group. There were some anomalies in individual elements of remuneration and overall there was a case for increasing the upper potential limits for both the annual bonus scheme and the Plan to recognise top quartile performance.

The Policy Framework that has been Established
In the light, inter alia, of the benchmarking analysis, the Remuneration Committee has established the following framework for remuneration policy in respect of the senior executive cadre in the DCC Group:

(i) That the key reference group for overall remuneration purposes would be the market capitalisation comparison group. The other comparator groups would be used as secondary reference points.
(ii) That the basic policy objective would be to have top quartile overall remuneration for top quartile performance.
(iii) That the aim would be to have basic pay rates and the short term element of incentive payments at the median of the market capitalisation comparator group.
(iv) That the aim would be to have long term incentive rewards at the top quartile of the market capitalisation comparator group for top quartile performance.
(v) That the overall policy aim would be, over time, to have the longer term elements of total remuneration constituting at least half of the total for maximum performance and somewhat less than half for on target performance.
(vi) That insofar as adjustments to existing policies are needed to achieve these aims, the adjustments would be carried out over the medium term.
(vii) That any increase in the maximum annual bonus potential would be accompanied by:
  - appropriately stretched targets for qualifying for the increased element of the maximum potential bonus;
  - the introduction of a deferral mechanism for part of the bonus payments awarded, with the deferral element being represented by shares held in trust (thus to increase the longer term element of total remuneration and to align with Group share ownership policy);
  - a wider range of financial targets for qualification for various levels of bonus (threshold, target and maximum); and
  - a general provision for subsequent clawback of bonus, in certain circumstances.
(viii) That a formal shareholding policy would be introduced for the senior executive cadre. Because share ownership has been encouraged for many years in the Group, current executive Directors' shareholdings are substantial and exceed the benchmarks used in comparable companies, but such a policy would be built with a view to a future cadre of senior managers.

Report on Directors' Remuneration and Interests (continued)

Next Steps
During the course of the current financial year, the Committee will examine what specific adjustments should be made to the existing bonus scheme for implementation in 2011, in line with the framework set out above, and will oversee the detailed development of the required new policies relating to matters such as bonus deferral, bonus clawback and a shareholding policy for senior executives.

Non-Executive Directors' Remuneration

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

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

The Chairman, Michael Buckley, received a total fee of €225,000 for the year ended 31 March 2010, inclusive of the basic fee and committee fees. At Mr Buckley's request, his total fee has been reduced from €225,000 to €190,000 for the year commencing on 1 April 2010, following the conclusion of the Inspectorship process.

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

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

Directors' Service Agreements

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

Executive and Non-Executive Directors' Remuneration Details

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

Overall year on year comparisons are not meaningful as there were substantial changes in the composition of the Board between 1 December 2008 and 28 February 2009.

	Salary and Fees[1]		Bonus		Benefits[2]		Pension Contribution[3]		Total	
	2010 €'000	2009 €'000	**2010 €'000**	2009 €'000	**2010 €'000**	2009 €'000	**2010 €'000**	2009 €'000	**2010 €'000**	2009 €'000
Executive Directors										
Tommy Breen	**700**	677	**700**	642	**26**	25	**248**	189	**1,674**	1,533
Donal Murphy[4]	**316**	100	**274**	180	**22**	7	**108**	34	**720**	321
Fergal O'Dwyer	**365**	365	**274**	246	**22**	22	**131**	123	**792**	756
Jim Flavin[5]	**-**	133	**-**	-	**-**	5	**-**	20	**-**	158
Total for executive Directors	**1,381**	1,275	**1,248**	1,068	**70**	59	**487**	366	**3,186**	2,768
Non-executive Directors										
Michael Buckley[6]	**225**	201	**-**	-	**-**	-	**-**	-	**225**	201
Róisín Brennan	**65**	73	**-**	-	**-**	-	**-**	-	**65**	73
David Byrne[7]	**103**	25	**-**	-	**-**	-	**-**	-	**103**	25
Maurice Keane	**73**	77	**-**	-	**-**	-	**-**	-	**73**	77
Kevin Melia[4]	**68**	23	**-**	-	**-**	-	**-**	-	**68**	23
John Moloney[8]	**68**	10	**-**	-	**-**	-	**-**	-	**68**	10
Bernard Somers	**80**	93	**-**	-	**-**	-	**-**	-	**80**	93
Tony Barry[9]	**-**	56	**-**	-	**-**	-	**-**	-	**-**	56
Paddy Gallagher[10]	**-**	41	**-**	-	**-**	-	**-**	-	**-**	41
Total for non-executive Directors	**682**	599	**-**	-	**-**	-	**-**	-	**682**	599
Ex gratia pension to dependant of retired Director									**10**	10
Total									**3,878**	3,377

Notes
1 Fees are payable only to non-executive Directors and include Board Committee fees.
2 In the case of the executive Directors, benefits relate principally to the use of a company car.
3 Executive Director pension contributions in the year ended 31 March 2010 were made to a defined benefit scheme.
4 Kevin Melia and Donal Murphy were appointed as Directors on 1 December 2008.
5 Jim Flavin resigned as a Director on 27 May 2008.
6 Michael Buckley was appointed Chairman on 27 May 2008.
7 David Byrne was appointed as a Director on 1 January 2009.
8 John Moloney was appointed as a Director on 2 February 2009.
9 Tony Barry retired as a Director on 28 February 2009.
10 Paddy Gallagher retired as a Director on 1 December 2008.

Executive Directors' Defined Benefit Pensions

The table below sets out the increase in the accrued pension benefits to which executive Directors have become entitled during the year ended 31 March 2010 and the transfer value of the increase in accrued benefit, under the Company's defined benefit pension scheme:

Executive Director	Increase in accrued pension benefit (excl inflation) during the year[1] €'000	Transfer value equivalent to the increase in accrued pension benefit[2] €'000	Total accrued pension benefit at year end[3] €'000
Tommy Breen	84	1,381	339
Donal Murphy	23	190	89
Fergal O'Dwyer	7	79	152
Total	**114**	**1,650**	**580**

Notes

1 Increases are after adjustment for inflation over the year, if applicable, and reflect additional pensionable service and salary.

2 The transfer value equivalent to the increase in accrued pension benefit has been calculated on the basis of actuarial advice in accordance with Actuarial Guidance Note GN11. The transfer values do not represent sums paid to or due to the Directors named, but are the amounts that would transfer to another pension scheme in respect of the increase in accrued pension benefit during the year.

3 Figures represent the total accrued pension payable from normal retirement date, based on pensionable service at 31 March 2010.

Executive Directors' and Company Secretary's Long Term Incentives

DCC plc Long Term Incentive Plan 2009

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

	Number of options			Performance period	Earliest exercise date	Market price on award
	At 31 March 2009	Granted in year	At 31 March 2010			€
Executive Directors						
Tommy Breen	-	53,743	53,743	1 April 2009 – 31 March 2012	20 August 2012	15.63
Donal Murphy	-	21,113	21,113	1 April 2009 – 31 March 2012	20 August 2012	15.63
Fergal O'Dwyer	-	23,353	23,353	1 April 2009 – 31 March 2012	20 August 2012	15.63
Company Secretary						
Gerard Whyte	-	11,756	11,756	1 April 2009 – 31 March 2012	20 August 2012	15.63

DCC plc 1998 Employee Share Option Scheme

Details as at 31 March 2010 of the executive Directors' and the Company Secretary's options to subscribe for shares under the DCC plc 1998 Employee Share Option Scheme are set out in the table below.

	Number of options						Options exercised in year	
	At 31 March 2009	Granted in year	Exercised in year	At 31 March 2010	Weighted average option price at 31 March 2010 €	Normal Exercise Period	Exercise price €	Market price at date of exercise €
Executive Directors								
Tommy Breen								
Basic Tier	220,000	-	(50,000)	170,000	15.53	June 2001 – May 2018	7.00	18.86
Second Tier	145,000	-	(50,000)	95,000	10.31	June 2003 – Nov 2012	7.00	18.86
Donal Murphy								
Basic Tier	85,000	-	(20,000)	65,000	15.86	Aug 2001 – May 2018	7.00	18.86
Second Tier	45,000	-	(10,000)	35,000	10.47	Aug 2003 – Nov 2012	7.00	18.86
Fergal O'Dwyer								
Basic Tier	167,500	-	(50,000)	117,500	15.37	June 2001 – May 2018	7.00	18.86
Second Tier	120,000	-	(50,000)	70,000	10.32	June 2003 – Nov 2012	7.00	18.86
Company Secretary								
Gerard Whyte								
Basic Tier	96,000	-	(25,000)	71,000	15.29	June 2001 – May 2018	7.00	18.86
Second Tier	66,000	-	(25,000)	41,000	10.58	June 2003 – Nov 2012	7.00	18.86

Report on Directors' Remuneration and Interests (continued)

The market price of DCC shares on 31 March 2010 was €19.20 and the range during the year was €11.65 to €21.10.

DCC Sharesave Scheme
Details of the executive Directors' and the Company Secretary's options to subscribe for shares under the DCC Sharesave Scheme are set out below:

	Number of options At 31 March 2010	Number of options At 31 March 2009
Executive Directors		
Tommy Breen	-	-
Donal Murphy	-	653
Fergal O'Dwyer	-	-
Company Secretary		
Gerard Whyte	-	815

In the case of the Executive Director and the Company Secretary who had outstanding options at 31 March 2009, the associated savings contracts concluded on 1 March 2010 and these share options were exercised on that date.

Additional information in relation to the DCC plc Long Term Incentive Plan 2009, the DCC plc 1998 Employee Share Option Scheme and the DCC Sharesave Scheme appears in note 10 on page 95.

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

The interests of the Directors and the Company Secretary (including their respective family interests) in the share capital of DCC plc at 31 March 2010 (together with their interests at 31 March 2009) are set out below:

	No. of Ordinary Shares At 31 March 2010	No. of Ordinary Shares At 31 March 2009
Directors		
Michael Buckley	10,000	10,000
Tommy Breen	279,395	279,395
Róisín Brennan	-	-
David Byrne	-	-
Maurice Keane	5,000	5,000
Kevin Melia	1,250	-
John Moloney	2,000	-
Donal Murphy	80,113	70,460
Fergal O'Dwyer	254,889	254,889
Bernard Somers	1,000	1,000
Company Secretary		
Gerard Whyte	137,200	137,200

All of the above interests were beneficially owned. Apart from the interests disclosed above, the Directors and the Company Secretary had no interests in the share capital or loan stock of the Company or any other Group undertaking at 31 March 2010.

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

Appendix to Chairman's Statement
Stock Exchange Announcement issued by DCC on 19 January 2010

Findings Of Irish High Court Inspector's Report Welcomed By DCC

The Irish High Court has today ordered the publication of the report of its Inspector, Mr Bill Shipsey SC, into specific issues relating to the DCC Group's shareholding in Fyffes plc between 1995 and 2000. The Inspector's summary of the main conclusions of his report is attached in full as an Appendix to this announcement. The full text of Chapter 11 of his report containing the Inspector's detailed findings and conclusions is available on the DCC website www.dcc.ie.

DCC welcomes the findings of the Inspector.

The Inspector noted that ***"at the root of the application to appoint Inspectors lay a suggestion that DCC and its officers and directors did not take their compliance obligations seriously"*** and he has now found that ***"These concerns of the Director* were not borne out in the evidence adduced before me or in the course of my investigations."***

The Irish Director of Corporate Enforcement has today confirmed that he does not intend to take any action arising out of the Report.

The Inspector concluded ***"that:***
- ***the companies took their corporate responsibilities very seriously;***
- ***the directors, officers and employees, from the then Chief Executive down, placed a high value on legal and regulatory compliance;***
- ***the companies had good and effective corporate governance procedures and controls at board level;***
- ***the officers and executive directors of the companies were qualified, competent, and careful individuals;***
- ***DCC attracted and retained highly experienced and quality non-executive directors; and***
- ***the companies took legal advice when it was appropriate to do so and followed such advice when it was proffered."***

The Inspector also found:
- that there was no question of insider dealing in relation to the 1995 transfer of the beneficial interest in Fyffes shares by DCC plc and its subsidiary, S&L Investments, to Lotus Green, a Dutch resident subsidiary of DCC;
- that there was no breach in 1995 by DCC plc or S&L Investments of the notification obligations under Sections 67 and 91 of the Companies Act 1990 but that, in his view, Lotus Green should have made notification under those sections;
- that the decision by Lotus Green not to notify was made on the basis of legal advice that notification was not required, and that it was reasonable of the directors of Lotus Green to follow that advice, as it came from a trusted legal adviser, was given in good faith and in the firm belief that it was correct;
- that the actions of Jim Flavin, the then Chief Executive of DCC plc, in relation to the sale of Fyffes shares in February 2000 were not undertaken recklessly or with an absence of care; and that his conclusion that he was not in possession of price sensitive information had a rational, if legally wrong, basis, was not reached improperly and was completely corroborated by new evidence heard by the Inspector from the stockbrokers who acted for the purchasers of the shares; and
- that ***"the findings of Ms. Justice Laffoy** that Mr Flavin did not use the information in dealing and, further, that the information did not in any way motivate the share sales are findings which I believe have been surprisingly overlooked. They, together with the finding that Mr Flavin did not communicate the confidential information contained in the trading reports to any person, are important findings both generally with regard to the reputation of Mr Flavin and DCC, but also in the context of my investigation into the 2000 share sales. My findings reflect the honesty and integrity of Mr Flavin and, indeed, all of the officers and directors interviewed by me and highlight the fact that, while what might be described as a "perfect storm" in February 2000 which ultimately led to a finding that Section 108 had been breached by Mr Flavin, DCC and S & L (but not Lotus Green), the transactions were not tainted by dishonesty or deliberate wrongdoing".***

In summing up his conclusions, the Inspector said:

"At a time however when 'Ireland Inc' is taking a beating internationally from a perception of low standards in high corporate places the message from this report is that the actions and behaviour of DCC, S&L and Lotus Green between 1995 and 2000 in connection with the transactions under investigation measured up to the standards required by law notwithstanding Mr. Flavin's error of judgment." The Inspector referred to that error as ***"an error of appreciation and judgment: judgment as to what the Supreme Court would find as a matter of law to constitute 'price sensitive' information within the meaning of Section 108 of the Companies Act, 1990."***

and

"The good news from the perspective of the Director*, and corporate compliance in Ireland, is that the Court, the public and the market can be reassured and take comfort from the fact that one of Ireland's largest listed public companies had a well developed culture of compliance, maintained high corporate standards and was a good corporate citizen, notwithstanding the costly error of appreciation by its then Chief Executive. This should also be a source of considerable relief and reassurance for its seven thousand plus employees and shareholders."***

* Irish Director of Corporate Enforcement

** Ms Justice Laffoy was the Irish High Court Judge who heard the civil action between Fyffes plc and DCC plc and others in 2004 and 2005

*** Irish High Court

Appendix to Chairman's Statement
Stock Exchange Announcement issued by DCC on 19 January 2010
(continued)

Appendix[1]

Extract from Report of the Inspector dated 21 December 2009 into the Affairs of DCC plc, S&L Investments Limited and Lotus Green Limited pursuant to Section 8 of the Irish Companies Act, 1990

12.1. Summary

12.1.1 The Director of Corporate Enforcement fulfils a vital role in ensuring and promoting the highest standards of corporate responsibility and compliance in Ireland. He is both a corporate 'policeman', ensuring compliance with the requirements of the Companies Acts, and the enforcer of good corporate behaviour and governance. The limited liability company, in its public and private form, is his bailiwick. The proper functioning of the Irish economy (conducted largely through the medium of the limited liability company) depends on 'obedience to the rule of law' by those who benefit from trading with the privilege of limited liability and those who govern companies on behalf of all stakeholders.

12.1.2 Since the establishment of the Office of the Director of Corporate Enforcement in November 2001, the primary responsibility for initiating the investigation of companies has fallen to the Director. To ensure the effectiveness of the Office, he has extensive powers of investigation, including the power to seek the appointment of a High Court Inspector.

12.1.3 In this matter, for the reasons stated in the affidavit grounding the application, the Director chose to avail of the High Court Inspector option. He was motivated to act from his concern following the Supreme Court decision in **Fyffes plc v DCC plc and Others** which held that Jim Flavin, CEO and Deputy Chairman of DCC (a major Irish public company), "dealt" in shares in Fyffes (another major Irish public company of which he was a Director) when he was in possession of 'price sensitive information' in relation to Fyffes.

12.1.4 Understandably, the Director came to the view that the inter-partes litigation between Fyffes and DCC left many questions unanswered. In the circumstances, and having regard in particular to the Supreme Court decision, this was not wholly unreasonable. He took the view that the requirement of the DCC Group to repay a very substantial amount to Fyffes - in excess of €42 million - was not sufficient and that a thorough investigation by an Inspector was required. DCC and its subsidiaries opposed the application strenuously, arguing that it was brought by the Director for an improper purpose, and that the appointment of an Inspector was unnecessary and disproportionate. In July 2008 Mr. Justice Kelly gave a comprehensive judgment in the matter in which he agreed, on balance, with the Director that the appointment of an Inspector was in the public interest and was not disproportionate. For the benefit of those who may not read my full report, Mr. Justice Kelly made an Order that I be appointed as Inspector to the three companies DCC, S & L and Lotus Green to investigate –

(i) The transactions which were related to the acquisition, maintenance, transfer and disposal of the beneficial and legal interests of the three companies in Fyffes plc between February 1995 and April 2000 with particular reference to the periods between:

(a) Early February 1995 and end September 1995 and

(b) Early November 1999 to end April 2000, limited to those transactions, and

(ii) Whether Parts IV and V and any related provisions of the Companies Act, 1990 were breached by the three companies, their officers (including shadow directors), managers, employees, servants and agents at the relevant times and if so, to identify the circumstances in question, the provisions involved, the persons in default and all of the associated evidence in each case.

12.1.5 I approached the task of carrying out this investigation with an open mind. I read the contemporaneous documents and records of the transactions carefully. I subsequently carried out detailed interviews (on oath) in a searching and probative manner, having regard to the fact that this was an inquisitorial as opposed to the more familiar (to me) adversarial process. There was a temptation throughout my investigation to view it as an accident investigator coming across a corporate 'plane crash'. There was a natural and human tendency to try to find out why the 'dealing' which cost the DCC Group over €42 million in costs and damages happened and if, and how, it could have been prevented. A search for the corporate 'black box', as it were, which would reveal all and show who was responsible. However, what I discovered was in fact quite simple - a costly error in the judgment and appreciation by the founder and then Chief Executive of DCC as to the quality of the confidential Fyffes information he had in his possession.

12.1.6 I have attempted in this report to answer the unanswered questions and uncertainties to the best of my ability. I have carried it out without 'fear or favour' for any party. I have concluded that, contrary to the Director's understandable apprehension at the time of the application for my appointment, his concerns were largely unfounded and that:

- the companies took their corporate responsibilities very seriously.
- the directors, officers and employees, from the then Chief Executive down, placed a high value on legal and regulatory compliance;
- the companies had good and effective corporate governance procedures and controls at board level;
- the officers and executive directors of the companies were qualified, competent, and careful individuals;
- DCC attracted and retained highly experienced and quality non-executive directors; and,
- the companies took legal advice when it was appropriate to do so and followed such advice when it was proffered.

12.1.7 Secondly, I have concluded that the fact that the beneficial interest in the Fyffes shares was first transferred to, and then held by, Lotus Green, a Dutch-resident, wholly owned subsidiary of DCC in 1995, before being sold in February 2000, did not contribute to the finding of 'insider dealing' or affect the outcome in any material way.

12.1.8 Thirdly, I have concluded that there are facts and circumstances which suggest that the decision of Lotus Green not to make the necessary notification in relation to Lotus Green's acquisition of a beneficial interest in slightly more than 10% of the relevant share capital of Fyffes in 1995 infringed Section 67 and Section 91 of the Companies Act, 1990. This decision not to notify was made, however, with the benefit of legal advice from the companies trusted and respected legal adviser and, in all the circumstances, it was not unreasonable for the directors of the companies to follow that advice. I have also concluded that the legal advice, which I believe to have been incorrect, was given in good faith and in the firm belief that it was correct. The fact that Lotus Green did not notify under either Section 67 or Section 91 was known and, indeed, admitted prior to my appointment.

12.1.9 Fourthly, I have concluded that the decision of DCC and S & L to transfer the beneficial interest in the Fyffes shares to Lotus Green, and Lotus Green's acquisition of that interest in 1995, does not give rise to facts or circumstances suggesting a breach of Section 108 of the Companies Act, 1990. In my opinion, the Director's apprehension in this regard was misconceived.

12.1.10 For the reasons set out in detail in the earlier Chapter on my 'Findings and Conclusions' I am of opinion that a shareholder's consideration to sell its shares in a publicly quoted company, divorced from any knowledge or awareness of price sensitive information about that publicly quoted company, does not itself infringe (the now repealed) Section 108 of the Companies Act, 1990. The fact that the sale by a shareholder of its shares in a publicly quoted company might affect price sentiment in relation to that company's shares could not, on its own, constitute 'insider dealing' within the meaning of Section 108. If it did, a shareholder in DCC's position could never sell its shares for fear of what effect the sale of the shares might have on the publicly quoted company's share price.

12.1.11 Even if I am wrong in my conclusion as to the proper interpretation of Section 108 of the Companies Act, 1990, as summarised in the preceding paragraph, I do not believe a transfer within the same group of companies could ever be described as a 'fraud on the market'. If the Fyffes share price had fallen appreciably as a result of the decision of DCC and S & L to sell their beneficial interest in the shares to Lotus Green (which it did not), it is difficult to see how Lotus Green's 'loss' could have been actionable against its ultimate parent, DCC, and its associated company, S & L. Within the DCC Group there would have been no net gain or loss.

12.1.12 The 'mischief' which Section 108 sought to outlaw was dealing whilst in possession of price sensitive information, in this case in relation to Fyffes, and not the contemplation or intention of corporate owners of those shares (with a Director on the Fyffes board) to transfer them to a wholly owned subsidiary for tax saving reasons.

12.1.13 There was full compliance by each of the three companies with Section 67 of the 1990 Act in February 2000. There was an admitted failure to serve a notice on the Stock Exchange specifying or referring to Section 91, but there were three detailed Stock Exchange announcements by and on behalf of the three companies on the 4th, 9th and 15th February, 2000 which fulfilled in substance, if not in form, the Section 91 notification requirement.

12.1.14 The failure to formally serve or comply with section 91 was inadvertent. That it was of little or no consequence is borne out by the fact that the Director did not refer to this technical breach when seeking the appointment of Inspectors.

12.1.15 I have concluded that Mr. Flavin did not communicate the Fyffes' price sensitive information in his possession to anyone in the companies other than to the DCC Group Compliance Officer, Michael Scholefield, as part of a compliance procedure and the companies' legal adviser, Alvin Price, for the purpose of seeking legal advice. Therefore, although several persons within DCC including Fergal O'Dwyer and Mairead O'Malley facilitated the 'dealing' in the shares in a technical sense, I am satisfied that no one involved in effecting the share sales within DCC knew that Jim Flavin had any information of a price sensitive nature in his possession which could make the dealing unlawful.

12.1.16 I believe that the only effective method of avoiding the adverse consequences which have been visited on DCC and Mr. Flavin by the events which occurred in 2000 would have been to have had in place written arrangements of the type envisaged by Section 108(7) of the 1990 Act. Unfortunately for DCC and for Mr. Flavin this was not adverted to. Finally, I am satisfied that there are no related provisions which come into play apart from the principal provisions of Sections 67, 91 and 108 in Parts IV and V of the 1990 Act.

12.1.17 It is a truism of course that when embarking on any investigation one cannot know the outcome in advance. The Director, through his counsel at the outset of this process, fairly recognised the truth of this fact. The good news from the perspective of the Director, and corporate compliance in Ireland, is that the Court, the public and the market can be reassured and take comfort from the fact that one of Ireland's largest listed public companies had a well developed culture of compliance, maintained high corporate standards and was a good corporate citizen, notwithstanding the costly error of appreciation by its then Chief Executive. This should also be a source of considerable relief and reassurance for its seven thousand plus employees and shareholders.

Appendix to Chairman's Statement

Stock Exchange Announcement issued by DCC on 19 January 2010

(continued)

12.1.18 The error was a costly one for DCC and its former Executive Chairman and founder. It was costly for DCC in terms of the money it was required to pay to Fyffes, but it was, arguably, more costly in terms of the reputational damage to both DCC and Jim Flavin. No finding of mine can repair the reputational damage inflicted in this matter. At least, however, the suggestion that the dealing was intentionally wrongful, or that it was evidence of dishonesty on the part of Jim Flavin and of a culture of disrespect for the companies code in DCC can be dispelled.

12.1.19 The actions of Jim Flavin were not undertaken recklessly or with an absence of care. He was ultimately found to have misjudged the information he had in his possession when he was approached by the stockbrokers with a view to buying the shares, but he did not 'deal' without considering whether he or DCC were free to sell the shares. With hindsight, he placed far too much reliance on the actions of Fyffes. His familiarity with such guidance as existed from the Stock Exchange in Ireland and the U.K. as to what constituted 'insider dealing' or 'price sensitive information', did not protect or assist him.

12.1.20 At a time however when 'Ireland Inc' is taking a beating internationally from a perception of low standards in high corporate places the message from this report is that the actions and behaviour of DCC, S&L and Lotus Green between 1995 and 2000 in connection with the transactions under investigation measured up to the standards required by law notwithstanding Mr. Flavin's error of judgment.

Note

[1] This Appendix comprises the entire text of the Inspector's summary of the main conclusions of his report, as contained in Section 12.1 of the report.

Statement of Directors' Responsibilities

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

Irish company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group.

In preparing these financial statements the Directors are required to:

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

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

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

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

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

Directors' Statement Pursuant to the Transparency Regulations

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

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

On behalf of the Board

Michael Buckley
Non-executive Chairman

Tommy Breen
Chief Executive

Report of the Independent Auditors

For the year ended 31 March 2010

To the Members of DCC plc

We have audited the Group and Company financial statements (the ‘financial statements’) of DCC plc for the year ended 31 March 2010 which comprise the Group Income Statement, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements, the Group and Company Statement of Comprehensive Income, the Group and Company Statement of Changes in Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective Responsibilities of Directors and Auditors

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

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

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

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

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

We review whether the Corporate Governance statement reflects the Company’s compliance with the nine provisions of the Financial Reporting Council’s June 2008 Combined Code specified for our review by the Listing Rules of the Irish Stock Exchange, and we report if it does not. We are not required to consider whether the Board’s statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group’s corporate governance procedures or its risk and control procedures.

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

Basis of Audit Opinion

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

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

Opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 31 March 2010 and of its profit and cash flows for the year then ended;
- the Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Acts, 1963 to 2009, of the state of the Company's affairs as at 31 March 2010 and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009 and Article 4 of the IAS Regulation.

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

In our opinion the information given in the Report of the Directors is consistent with the financial statements.

The net assets of the Company, as stated in the Company Balance Sheet are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 March 2010 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
17 May 2010

Group Income Statement

For the year ended 31 March 2010

	Note	2010 Pre exceptionals €'000	2010 Exceptionals (note 11) €'000	2010 Total €'000	2009 Pre exceptionals €'000	2009 Exceptionals (note 11) €'000	2009 Total €'000
Revenue	4	**6,724,971**	**-**	**6,724,971**	6,400,126	-	6,400,126
Cost of sales		**(6,054,577)**	**-**	**(6,054,577)**	(5,735,419)	-	(5,735,419)
Gross profit		**670,394**	**-**	**670,394**	664,707	-	664,707
Administration expenses		**(234,181)**	**-**	**(234,181)**	(244,227)	-	(244,227)
Selling and distribution expenses		**(251,118)**	**-**	**(251,118)**	(252,307)	-	(252,307)
Other operating income	5	**9,703**	**827**	**10,530**	14,320	6,176	20,496
Other operating expenses	5	**(1,965)**	**(10,591)**	**(12,556)**	(2,097)	(26,015)	(28,112)
Operating profit before amortisation of intangible assets	4	**192,833**	**(9,764)**	**183,069**	180,396	(19,839)	160,557
Amortisation of intangible assets	4	**(6,150)**	**-**	**(6,150)**	(5,719)	-	(5,719)
Operating profit		**186,683**	**(9,764)**	**176,919**	174,677	(19,839)	154,838
Finance costs	12	**(17,983)**	**(1,285)**	**(19,268)**	(41,262)	-	(41,262)
Finance income	12	**7,098**	**-**	**7,098**	20,152	3,919	24,071
Share of associates' profit after tax	14	**152**	**-**	**152**	168	-	168
Profit before tax		**175,950**	**(11,049)**	**164,901**	153,735	(15,920)	137,815
Income tax expense	15	**(33,207)**	**-**	**(33,207)**	(19,436)	(1,500)	(20,936)
Profit after tax for the financial year		**142,743**	**(11,049)**	**131,694**	134,299	(17,420)	116,879
Profit attributable to:							
Owners of the Parent				**130,803**			116,314
Minority interest				**891**			565
				131,694			116,879
Earnings per ordinary share							
Basic	18			**158.76c**			142.36c
Diluted	18			**157.92c**			141.36c

Michael Buckley, Tommy Breen, Directors

Group Statement of Comprehensive Income

For the year ended 31 March 2010

	2010 €'000	2009 €'000
Group profit for the financial year	**131,694**	116,879
Other comprehensive income:		
Currency translation effects	**23,353**	(85,812)
Group defined benefit pension obligations:		
- actuarial loss	**(1,595)**	(9,517)
- movement in deferred tax asset	**861**	911
Gains/(losses) relating to cash flow hedges	**986**	(1,600)
Movement in deferred tax liability on cash flow hedges	**(107)**	204
Other comprehensive income/(expense) for the financial year, net of tax	**23,498**	(95,814)
Total comprehensive income for the financial year	**155,192**	21,065
Attributable to:		
Owners of the Parent	**154,212**	20,500
Minority interest	**980**	565
	155,192	21,065

Michael Buckley, Tommy Breen, Directors

Group Balance Sheet
As at 31 March 2010

ASSETS	Note	2010 €'000	2009 €'000
Non-current assets			
Property, plant and equipment	19	**358,096**	319,301
Intangible assets	20	**595,090**	443,188
Investments in associates	21	**2,393**	2,208
Deferred income tax assets	31	**12,166**	9,435
Derivative financial instruments	28	**101,921**	128,313
		1,069,666	902,445
Current assets			
Inventories	23	**234,898**	208,759
Trade and other receivables	24	**922,019**	672,782
Derivative financial instruments	28	**1,343**	322
Cash and cash equivalents	27	**714,917**	426,789
		1,873,177	1,308,652
Total assets		**2,942,843**	2,211,097
EQUITY			
Capital and reserves attributable to owners of the Parent			
Share capital	36	**22,057**	22,057
Share premium	37	**124,687**	124,687
Other reserves - share options	38	**9,148**	7,807
Cash flow hedge reserve	38	**(295)**	(1,174)
Foreign currency translation reserve	38	**(129,772)**	(153,036)
Other reserves	38	**1,400**	1,400
Retained earnings	39	**806,452**	720,909
		833,677	722,650
Minority interest	40	**3,249**	3,581
Total equity		**836,926**	726,231
LIABILITIES			
Non-current liabilities			
Borrowings	29	**793,663**	525,405
Derivative financial instruments	28	**19,331**	17,372
Deferred income tax liabilities	31	**23,479**	15,827
Retirement benefit obligations	32	**23,690**	29,498
Provisions for liabilities and charges	34	**11,429**	5,309
Deferred acquisition consideration	33	**49,351**	15,057
Government grants	35	**3,678**	1,995
		924,621	610,463
Current liabilities			
Trade and other payables	25	**1,039,641**	696,294
Current income tax liabilities		**71,699**	54,948
Borrowings	29	**58,169**	101,657
Derivative financial instruments	28	**557**	1,660
Provisions for liabilities and charges	34	**6,372**	13,754
Deferred acquisition consideration	33	**4,858**	6,090
		1,181,296	874,403
Total liabilities		**2,105,917**	1,484,866
Total equity and liabilities		**2,942,843**	2,211,097

Michael Buckley, Tommy Breen, Directors

Group Statement of Changes in Equity

For the year ended 31 March 2010

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

For the year ended 31 March 2009

	Share capital €'000	Share premium €'000	Retained earnings €'000	Other reserves (note 38) €'000	Total €'000	Minority interest €'000	Total equity €'000
	Attributable to owners of the Parent						
At 1 April 2008	22,057	124,687	650,871	(58,951)	738,664	3,771	742,435
Profit for the financial year	-	-	116,314	-	116,314	565	116,879
Other comprehensive income/(expense):							
Currency translation	-	-	-	(85,812)	(85,812)	-	(85,812)
Group defined benefit pension obligations:							
- actuarial loss	-	-	(9,517)	-	(9,517)	-	(9,517)
- movement in deferred tax asset	-	-	911	-	911	-	911
Losses relating to cash flow hedges	-	-	-	(1,600)	(1,600)	-	(1,600)
Movement in deferred tax liability on cash flow hedges	-	-	-	204	204	-	204
Total comprehensive income	-	-	107,708	(87,208)	20,500	565	21,065
Re-issue of treasury shares	-	-	10,267	-	10,267	-	10,267
Share based payment	-	-	-	1,156	1,156	-	1,156
Dividends	-	-	(47,937)	-	(47,937)	-	(47,937)
Other movements in minority interest	-	-	-	-	-	(755)	(755)
At 31 March 2009	22,057	124,687	720,909	(145,003)	722,650	3,581	726,231

Michael Buckley, Tommy Breen, Directors

Group Cash Flow Statement

For the year ended 31 March 2010

	Note	2010 €'000	2009 €'000
Cash generated from operations	41	**297,757**	304,874
Exceptionals		**(12,842)**	(60,940)
Interest paid		**(15,980)**	(38,274)
Income tax paid		**(20,548)**	(14,147)
Net cash flows from operating activities		**248,387**	191,513
Investing activities			
Inflows			
Proceeds from disposal of property, plant and equipment		**9,831**	5,484
Government grants received	35	**1,799**	1,130
Proceeds on disposal of associate		**827**	8,481
Interest received		**3,507**	16,417
		15,964	31,512
Outflows			
Purchase of property, plant and equipment		**(47,268)**	(56,970)
Acquisition of subsidiaries	45	**(129,515)**	(89,725)
Deferred acquisition consideration paid		**(4,127)**	(11,987)
		(180,910)	(158,682)
Net cash flows from investing activities		**(164,946)**	(127,170)
Financing activities			
Inflows			
Re-issue of treasury shares		**7,657**	10,267
Increase in finance lease liabilities		**1,035**	-
Increase in interest-bearing loans and borrowings		**293,568**	84,348
		302,260	94,615
Outflows			
Repayment of interest-bearing loans and borrowings		**(43,424)**	(92,938)
Repayment of finance lease liabilities		**(618)**	(1,129)
Dividends paid to owners of the Parent	17	**(52,183)**	(47,937)
Dividends paid to minority interests	40	**(275)**	(766)
		(96,500)	(142,770)
Net cash flows from financing activities		**205,760**	(48,155)
Change in cash and cash equivalents		**289,201**	16,188
Translation adjustment		**10,243**	(36,717)
Cash and cash equivalents at beginning of year		**375,517**	396,046
Cash and cash equivalents at end of year	30	**674,961**	375,517
Cash and cash equivalents consists of:			
Cash and short term bank deposits	27	**714,917**	426,789
Overdrafts	30	**(39,956)**	(51,272)
	30	**674,961**	375,517

Michael Buckley, Tommy Breen, Directors

Company Statement of Comprehensive Income

For the year ended 31 March 2010

	Note	2010 €'000	2009 €'000
Profit for the financial year	16	**3,852**	1,702
Total comprehensive income for the financial year		**3,852**	1,702
Attributable to:			
Owners of the Parent		**3,852**	1,702

Company Balance Sheet

As at 31 March 2010

	Note	2010 €'000	2009 €'000
ASSETS			
Non-current assets			
Investments in associates	21	**1,244**	1,244
Investments in subsidiary undertakings	22	**168,065**	161,065
		169,309	162,309
Current assets			
Trade and other receivables	24	**421,462**	452,817
Cash and cash equivalents	27	**6,232**	815
		427,694	453,632
Total assets		**597,003**	615,941
EQUITY			
Capital and reserves attributable to owners of the Parent			
Share capital	36	**22,057**	22,057
Share premium	37	**124,687**	124,687
Other reserves	38	**344**	344
Retained earnings	39	**153,643**	194,317
Total equity		**300,731**	341,405
LIABILITIES			
Non-current liabilities			
Amounts due to subsidiary undertakings		**10,387**	10,387
		10,387	10,387
Current liabilities			
Trade and other payables	25	**285,885**	264,149
		285,885	264,149
Total liabilities		**296,272**	274,536
Total equity and liabilities		**597,003**	615,941

Michael Buckley, Tommy Breen, Directors

Company Statement of Changes in Equity
For the year ended 31 March 2010

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

For the year ended 31 March 2009	Share capital €'000	Share premium €'000	Retained earnings €'000	Other reserves (note 38) €'000	Total equity €'000
At 1 April 2008	22,057	124,687	230,285	344	377,373
Profit for the financial year	-	-	1,702	-	1,702
Total comprehensive income	-	-	1,702	-	1,702
Re-issue of treasury shares	-	-	10,267	-	10,267
Dividends	-	-	(47,937)	-	(47,937)
At 31 March 2009	22,057	124,687	194,317	344	341,405

Michael Buckley, Tommy Breen, Directors

Company Cash Flow Statement

For the year ended 31 March 2010

	Note	2010 €'000	2009 €'000
Cash generated from operations	41	**51,388**	31,207
Interest paid		**(965)**	(1,069)
Income tax received		**2**	1
Net cash flows from operating activities		**50,425**	30,139
Investing activities			
Inflows			
Interest received		**6,518**	5,682
		6,518	5,682
Outflows			
Acquisition of subsidiaries		**(7,000)**	-
		(7,000)	-
Net cash flows from investing activities		**(482)**	5,682
Financing activities			
Inflows			
Re-issue of treasury shares		**7,657**	10,267
		7,657	10,267
Outflows			
Dividends paid to owners of the Parent	17	**(52,183)**	(47,937)
		(52,183)	(47,937)
Net cash flows from financing activities		**(44,526)**	(37,670)
Change in cash and cash equivalents		**5,417**	(1,849)
Cash and cash equivalents at beginning of year		**815**	2,664
Cash and cash equivalents at end of year		**6,232**	815

Michael Buckley, Tommy Breen, Directors

Notes to the Financial Statements

1. Summary of Significant Accounting Policies

Statement of Compliance

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

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

Basis of Preparation

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

The accounting policies applied in the preparation of the financial statements for the year ended 31 March 2010 are set out below. These policies have been applied consistently by the Group's subsidiaries, joint ventures and associates for all periods presented in these consolidated financial statements.

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

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

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

- Amendment to IFRS 2 *Share-based Payments: Vesting Conditions and Cancellations*. This amendment clarifies the accounting treatment of cancellations and vesting conditions. This amendment has had no impact on the Group's accounts.
- IFRS 8 *Operating Segments*. IFRS 8 replaces IAS 14 and uses a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. Adoption of IFRS 8 has not resulted in any changes to the basis of segmentation.
- Amendment to IAS 1 *Presentation of Financial Statements (Revised)*. This standard requires information in the financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income which sets out all items of income and expense (that is, all non-owner changes in equity). Entities have a choice as to whether they present comprehensive income within a single statement or in two statements. The Group has elected to present two statements; an Income Statement and a Statement of Comprehensive Income.
- Amendment to IFRS 7 *Financial Instruments: Disclosures*. This amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level using a fair value measurement hierarchy. This amendment results in additional disclosures but has had no impact on the Group's financial position or results.
- Amendment to IAS 23 *Borrowing Costs*. This amendment requires an entity to capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, as part of the cost of that asset. This amendment has had no impact on the Group's accounts.
- Amendment to IAS 32 *Puttable Financial Instruments and Obligations Arising on Liquidation*. This amendment has had no impact on the Group's accounts.
- IFRIC Interpretation 13 *Customer Loyalty Programmes*. This interpretation gives guidance on accounting for customer loyalty award credits. This IFRIC has had no impact on the Group's accounts.
- IFRIC Interpretation 15 *Agreements for the Construction of Real Estate*. This interpretation gives guidance on determining the recognition of revenue among real estate developers. This IFRIC has had no impact on the Group's accounts.
- IFRIC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*. This interpretation provides guidance on accounting for the hedge of a net investment in a foreign operation in an entity's consolidated financial statements. This IFRIC has had no impact on the Group's accounts.
- *Improvements to IFRSs.* The improvements include changes in presentation, recognition and measurement plus terminology and editorial changes. These improvements have not had a significant impact on the Group's accounts.

1. Summary of Significant Accounting Policies (continued)

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

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

- *Improvements to IFRSs* (effective date: DCC financial year beginning 1 April 2010). The improvements include changes in presentation, recognition and measurement plus terminology and editorial changes. These improvements are not expected to have a significant impact on the Group's accounts.
- IFRS 1 Revised *First-time Adoption of International Financial Reporting Standards* (effective date: DCC financial year beginning 1 April 2010). This revised standard clarifies the requirements for first-time adoption of new and amended IFRSs. This standard will not have a significant impact on the Group's accounts.
- IFRS 3 Revised *Business Combinations* (effective date: DCC financial year beginning 1 April 2010). This standard establishes principles for how an acquirer recognises, measures and discloses in its financial statements the goodwill acquired in a business combination and the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. Contingent consideration will be measured at fair value with subsequent changes recognised in the Income Statement and transaction costs, other than share and debt issue costs, will be expensed as incurred.
- Amendment to IAS 27 *Consolidated and Separate Financial Statements* (effective date: DCC financial year beginning 1 April 2010). The objective of this amendment is to enhance the relevance, reliability and comparability of the information that a parent entity provides in its separate financial statements and in its consolidated financial statements for a group of entities under its control. The introduction of this amendment will impact on Group reporting and will be dependent on future acquisitions.
- Amendment to IAS 39 *Eligible Hedged Items* (effective date: DCC financial year beginning 1 April 2010). This amendment clarifies how the principles that determine whether a hedged risk (or portions of cash flows) is eligible for designation should be applied. This amendment will not have a significant impact on the Group's financial statements.
- IFRIC Interpretation 17 *Distributions of Non-cash Assets to Owners* (effective date: DCC financial year beginning 1 April 2010). This interpretation gives guidance on measuring the distribution of assets, other than cash, when paying a dividend to the owners of the entity. This IFRIC will have no effect on the Group's financial statements.
- IFRIC Interpretation 18 *Transfers of Assets from Customers* (effective date: DCC financial year beginning 1 April 2010). This interpretation gives guidance for utility companies on receipt from customers of property, plant and equipment that must be used to connect those customers to a utilities network. This IFRIC will have no effect on the Group's financial statements.
- Amendment to IFRS 2 *Share-based Payments: Group Cash-Settled Share-based Payment Transactions* (effective date: DCC financial year beginning 1 April 2010). This amendment incorporates the changes previously applied under IFRIC 8 and IFRIC 11. This standard will not have a significant impact on the Group's accounts.
- IFRIC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments* (effective date: DCC financial year beginning 1 April 2011). This interpretation addresses the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to extinguish all or part of the liability. This IFRIC will have no effect on the Group's financial statements.
- IAS 24 Revised *Related Party Disclosures* (effective date: DCC financial year beginning 1 April 2011). This revised standard simplifies the definition of related parties and provides a partial exemption from the disclosure requirements for government-related entities. This standard will not have a significant impact on the Group's accounts.
- IFRS 9 *Financial Instruments* (effective date: DCC financial year beginning 1 April 2013). This standard will eventually replace IAS 39 *Financial Instruments: Recognition and Measurement*. It currently establishes principles for the financial reporting of financial assets in order for users of the financial statements to assess the amounts, timing and uncertainty of the entity's future cash flows. This standard will not have a significant impact on the Group's accounts.

Basis of Consolidation

Subsidiaries

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

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

Joint ventures

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

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Associates

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

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

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

Transactions eliminated on consolidation

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

Revenue Recognition

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

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

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

Segment Reporting

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

Foreign Currency Translation

Functional and presentation currency

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

Transactions and balances

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

Group companies

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

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

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

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Exceptional Items

The Group has adopted an Income Statement format which seeks to highlight significant items within the Group results for the year. Such items may include restructuring, profit or loss on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, profit or loss on disposal of property, plant and equipment, IAS 39 ineffective mark to market movements and impairment of assets. Judgment is used by the Group in assessing the particular items, which by virtue of their scale and nature, should be presented in the Income Statement and disclosed in the related notes as exceptional items.

Property, Plant and Equipment

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

	Annual Rate
Freehold and long term leasehold buildings	2%
Plant and machinery	5 - 33⅓%
Cylinders	6⅔%
Motor vehicles	10 - 33⅓%
Fixtures, fittings & office equipment	10 - 33⅓%

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

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

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

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

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

Business Combinations

The purchase method of accounting is employed in accounting for the acquisition of subsidiaries by the Group. The Group elected to avail of the exemption under IFRS 1 *First-time Adoption of International Financial Reporting Standards,* whereby business combinations prior to the transition date of 1 April 2004 are not restated. IFRS 3 *Business Combinations* was therefore applied with effect from the transition date of 1 April 2004 and goodwill amortisation ceased from that date.

The cost of a business combination is measured as the aggregate of the fair value at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued in exchange for control together with any directly attributable expenses. Where acquisitions involve further payments which are deferred or contingent on levels of performance achieved in the years following the acquisition, the fair value of the deferred component is determined through discounting the amounts payable to their present value. The discount component is unwound as an interest charge in the Income Statement over the life of the obligation. When the initial accounting for a business combination is determined provisionally, any adjustments to the provisional values allocated to assets and liabilities are made within twelve months of the acquisition date and reflected as a restatement of the acquisition balance sheet.

Minority Interests

The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised. Subsequently, any losses applicable to the minority interest in excess of the minority interest are allocated against interests of the parent.

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the Income Statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary.

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Goodwill

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

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

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

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

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

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

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

Intangible Assets (other than Goodwill)

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

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

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

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

Leases

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

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

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

1. Summary of Significant Accounting Policies (continued)

Inventories

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

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

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

Trade Receivables

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

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

Trade Payables

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

Cash and Cash Equivalents

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

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

Derivative Financial Instruments

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

Derivative financial instruments are recognised at inception at fair value, being the present value of estimated future cash flows. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Changes in the fair value of any derivative financial instrument which does not qualify for hedge accounting is recognised immediately in the Income Statement.

Hedging

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

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

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

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Fair value hedge
In the case of fair value hedges which satisfy the conditions for hedge accounting, any gain or loss arising from the re-measurement of the fair value of the hedging instrument is reported in the Income Statement within 'Finance Costs' or 'Finance Income'.

In addition, any gain or loss on the hedged item which is attributable to the hedged risk is adjusted against the carrying amount of the hedged item and reflected in the Income Statement within 'Finance Costs' or 'Finance Income'.

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

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

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

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

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

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

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

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

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

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

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

1. Summary of Significant Accounting Policies (continued)

Income Tax

Current tax

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

Deferred tax

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

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

(i) where the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and

(ii) where, in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, the timing of the reversal of the temporary difference is subject to control by the Group and it is probable that reversal will not occur in the foreseeable future.

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

(i) where the deferred tax asset arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and

(ii) where, in respect of deductible temporary differences associated with investment in subsidiaries, joint ventures and associates, a deferred tax asset is recognised only if it is probable that the deductible temporary difference will reverse in the foreseeable future and that sufficient taxable profits will be available against which the temporary difference can be utilised.

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

Pension and other Post Employment Obligations

The Group operates defined contribution and defined benefit pension schemes.

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

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

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

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

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

Notes to the Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Share-Based Payment Transactions

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

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

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

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

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

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

Government Grants

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

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

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

Shareholders' Equity

Treasury Shares

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

Dividends

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

2. Financial Risk Management

Financial Risk Factors

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

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

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

2. Financial Risk Management (continued)

Fair Value Estimation

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

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of techniques and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

The nominal value less impairment provision of trade receivables and payables approximate to their fair values.

3. Critical Accounting Estimates and Judgments

The Group's main accounting policies affecting its results of operations and financial condition are set out on pages 78 to 86. In determining and applying accounting policies, judgment is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Group should it later be determined that a different choice would be more appropriate. Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and judgments:

Goodwill

The Group has capitalised goodwill of €561.1 million at 31 March 2010. Goodwill is required to be tested for impairment at least annually or more frequently if changes in circumstances or the occurrence of events indicating potential impairment exist. The Group uses the present value of future cash flows to determine recoverable amount. In calculating the value in use, management judgment is required in forecasting cash flows of cash generating units, in determining terminal growth values and in selecting an appropriate discount rate. Sensitivities to changes in assumptions are detailed in note 20.

Post-Retirement Benefits

The Group operates a number of defined benefit retirement plans. The Group's total obligation in respect of defined benefit plans is calculated by independent, qualified actuaries, updated at least annually and totals €103.6 million at 31 March 2010. At 31 March 2010 the Group also has plan assets totalling €79.9 million, giving a net pension liability of €23.7 million. The size of the obligation is sensitive to actuarial assumptions. These include demographic assumptions covering mortality and longevity, and economic assumptions covering price inflation, benefit and salary increases together with the discount rate used. The size of the plan assets is also sensitive to asset return levels and the level of contributions from the Group. Sensitivities to changes in assumptions are detailed in note 32.

Taxation

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

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

Business Combinations

The Group uses the purchase method of accounting for acquisitions which requires that the assets and liabilities assumed are recorded at their respective fair values at the date of acquisition. The application of the purchase method requires certain estimates and assumptions particularly concerning the determination of the fair values of the acquired assets and liabilities assumed at the date of acquisition.

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

Provision for Impairment of Trade Receivables

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

Notes to the Financial Statements (continued)

3. Critical Accounting Estimates and Judgments (continued)

Useful Lives for Property, Plant and Equipment and Intangible Assets

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

4. Segment Information

Analysis by operating segment and by geography

DCC is a procurement, sales, marketing, distribution and business support services group headquartered in Dublin, with international operations across four continents. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as Mr. Tommy Breen, Chief Executive. The Group is organised into five main operating segments: DCC Energy, DCC SerCom, DCC Healthcare, DCC Environmental and DCC Food & Beverage.

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

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

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

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

DCC Food & Beverage markets and sells food and beverages in Ireland and wine in Britain. These include healthy foods, snackfoods, fresh coffee and wine to a broad range of catering, convenience store, food service and multiple grocer customers. DCC Food & Beverage is also a leading provider of frozen food distribution in Ireland.

The chief operating decision maker monitors the operating results of segments separately in order to allocate resources between segments and to assess performance. Segment performance is predominantly evaluated based on operating profit. As performance is also evaluated based on return on capital employed, supplemental information on net tangible capital employed is also provided below. Net finance costs and income tax are managed on a centralised basis and therefore these items are not allocated between operating segments for the purpose of presenting information to the chief operating decision maker and accordingly are not included in the detailed segmental analysis below.

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

The reportable segments under IFRS 8 are consistent with those previously reported under the primary format of segment reporting under IAS 14.

4. Segment Information (continued)

The segment results for the year ended 31 March 2010 are as follows:

Income Statement items

	Year ended 31 March 2010						
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Unallocated €'000	Total €'000
Segment revenue	**4,420,122**	**1,618,455**	**334,044**	**77,366**	**274,984**	**-**	**6,724,971**
Operating profit*	**113,105**	**40,835**	**21,143**	**9,297**	**8,453**	**-**	**192,833**
Amortisation of intangible assets	**(4,510)**	**(318)**	**(394)**	**(799)**	**(129)**	**-**	**(6,150)**
Net operating exceptionals (note 11)	**(4,195)**	**(1,051)**	**(897)**	**-**	**(3,621)**	**-**	**(9,764)**
Operating profit	**104,400**	**39,466**	**19,852**	**8,498**	**4,703**	**-**	**176,919**
Finance costs							**(19,268)**
Finance income							**7,098**
Share of associates' profit after tax							**152**
Profit before income tax							**164,901**
Income tax expense							**(33,207)**
Profit for the year							**131,694**

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

	Year ended 31 March 2009						
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Unallocated €'000	Total €'000
Segment revenue	4,130,842	1,551,316	331,223	81,772	304,973	-	6,400,126
Operating profit*	100,694	40,138	17,300	10,224	12,040	-	180,396
Amortisation of intangible assets	(2,830)	(882)	(704)	(807)	(496)	-	(5,719)
Net operating exceptionals (note 11)	(5,803)	(2,768)	(6,077)	(467)	(3,974)	(750)	(19,839)
Operating profit	92,061	36,488	10,519	8,950	7,570	(750)	154,838
Finance costs							(41,262)
Finance income							24,071
Share of associates' profit after tax							168
Profit before income tax							137,815
Income tax expense							(20,936)
Profit for the year							116,879

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

Notes to the Financial Statements (continued)

4. Segment Information (continued)

Balance Sheet items

	As at 31 March 2010					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment assets	**1,062,927**	**539,656**	**231,622**	**147,677**	**128,221**	**2,110,103**
Reconciliation to total assets as reported in the Group Balance Sheet						
Investment in associates						**2,393**
Derivative financial instruments (current and non-current)						**103,264**
Deferred income tax assets						**12,166**
Cash and cash equivalents						**714,917**
Total assets as reported in the Group Balance Sheet						**2,942,843**
Segment liabilities	**622,331**	**294,337**	**69,842**	**26,622**	**68,000**	**1,081,132**
Reconciliation to total liabilities as reported in the Group Balance Sheet						
Interest-bearing loans and borrowings (current and non-current)						**851,832**
Derivative financial instruments (current and non-current)						**19,888**
Income tax liabilities (current and deferred)						**95,178**
Deferred acquisition consideration (current and non-current)						**54,209**
Government grants						**3,678**
Total liabilities as reported in the Group Balance Sheet						**2,105,917**

	As at 31 March 2009					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment assets	732,332	466,079	204,628	96,114	144,877	1,644,030
Reconciliation to total assets as reported in the Group Balance Sheet						
Investment in associates						2,208
Derivative financial instruments (current and non-current)						128,635
Deferred income tax assets						9,435
Cash and cash equivalents						426,789
Total assets as reported in the Group Balance Sheet						2,211,097
Segment liabilities	370,951	227,801	56,305	17,019	72,779	744,855
Reconciliation to total liabilities as reported in the Group Balance Sheet						
Interest-bearing loans and borrowings (current and non-current)						627,062
Derivative financial instruments (current and non-current)						19,032
Income tax liabilities (current and deferred)						70,775
Deferred acquisition consideration (current and non-current)						21,147
Government grants						1,995
Total liabilities as reported in the Group Balance Sheet						1,484,866

4. Segment Information (continued)

Net tangible capital employed

The denominator in the Group's return on tangible capital employed calculations is the average of the Group's opening and closing net tangible capital employed. The following tables provide an analysis of the net tangible capital employed positions at 31 March 2010 and 31 March 2009.

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

	As at 31 March 2009					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Segment assets	732,332	466,079	204,628	96,114	144,877	1,644,030
Intangible assets	(211,436)	(73,178)	(89,018)	(38,428)	(31,128)	(443,188)
Deferred income tax assets	2,144	1,492	3,684	185	1,930	9,435
Assets employed	523,040	394,393	119,294	57,871	115,679	1,210,277
Segment liabilities	370,951	227,801	56,305	17,019	72,779	744,855
Income tax liabilities (current and deferred)	31,407	18,097	9,052	6,646	5,573	70,775
Government grants	-	183	1,385	427	-	1,995
Liabilities employed	402,358	246,081	66,742	24,092	78,352	817,625
Net tangible capital employed	120,682	148,312	52,552	33,779	37,327	392,652

Notes to the Financial Statements (continued)

4. Segment Information (continued)

Other segment information

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

	Year ended 31 March 2009					
	DCC Energy €'000	DCC SerCom €'000	DCC Healthcare €'000	DCC Environmental €'000	DCC Food & Beverage €'000	Total €'000
Capital expenditure	31,447	3,952	6,737	9,876	4,108	56,120
Depreciation	25,391	3,745	5,071	6,601	4,601	45,409
Intangible assets acquired	54,181	10,586	8,689	2,085	2,266	77,807
Impairment of goodwill	-	-	3,346	-	2,115	5,461

Geographical analysis

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

	Year ended 31 March							
	Republic of Ireland		UK		Rest of the World		Total	
	2010 €'000	2009 €'000	**2010 €'000**	2009 €'000	**2010 €'000**	2009 €'000	**2010 €'000**	2009 €'000
Income Statement items								
Revenue	**1,107,364**	1,004,169	**4,748,268**	4,819,165	**869,339**	576,792	**6,724,971**	6,400,126
Operating profit*	**34,191**	44,277	**133,361**	121,580	**25,281**	14,539	**192,833**	180,396
Amortisation of intangible assets	**(962)**	(1,741)	**(4,317)**	(3,887)	**(871)**	(91)	**(6,150)**	(5,719)
Net operating exceptionals	**(3,175)**	(4,867)	**(5,429)**	(11,145)	**(1,160)**	(3,827)	**(9,764)**	(19,839)
Segment result	**30,054**	37,669	**123,615**	106,548	**23,250**	10,621	**176,919**	154,838
Balance Sheet items								
Segment assets	**404,043**	424,271	**1,397,514**	1,050,120	**308,546**	169,639	**2,110,103**	1,644,030
Segment liabilities	**182,011**	190,961	**696,349**	456,414	**202,772**	97,480	**1,081,132**	744,855
Other segment information								
Capital expenditure	**9,245**	14,955	**34,213**	39,476	**3,471**	1,689	**46,929**	56,120
Depreciation	**15,385**	14,986	**30,145**	29,470	**1,426**	953	**46,956**	45,409
Intangible assets acquired	**10,363**	7,953	**106,281**	62,485	**31,781**	7,369	**148,425**	77,807
Impairment of goodwill	**-**	115	**1,908**	2,318	**-**	3,028	**1,908**	5,461

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

5. Other Operating Income/Expense

Other operating income and expense comprise the following charges/(credits)	2010 €'000	2009 €'000
Other income		
Fair value gains on non-hedge accounted derivative financial instruments - commodities	**(300)**	-
Fair value gains on non-hedge accounted derivative financial instruments - forward exchange contracts	**-**	(1,245)
Other operating income	**(9,403)**	(13,075)
	(9,703)	(14,320)
Other expenses		
Expensing of employee share options (note 10)	**1,341**	1,156
Fair value losses on non-hedge accounted derivative financial instruments - forward exchange contracts	**26**	-
Other operating expenses	**598**	941
	1,965	2,097

6. Group Operating Profit

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

	2010 €'000	2009 €'000
Provision for impairment of trade receivables (note 46)	**8,946**	18,996
Directors' fees and salaries	**2,063**	1,874
Amortisation of government grants (note 35)	**(800)**	(830)
Operating lease rentals		
- land and buildings	**12,665**	11,457
- plant and machinery	**717**	513
- motor vehicles	**11,017**	8,228
	24,399	20,198
During the year the Group obtained the following services from the Group's auditors (PricewaterhouseCoopers):		
Audit fees	**1,487**	1,351
Acquisition related due diligence and litigation support	**326**	303
Tax compliance and advisory services	**1,507**	2,186
	3,320	3,840

7. Directors' Emoluments and Interests

Directors' emoluments (which are included in operating costs) and interests are presented in the audited Report on Directors' Remuneration and Interests on pages 57 to 62.

Notes to the Financial Statements (continued)

8. Proportionate Consolidation of Joint Ventures

Impact on Group Income Statement

Year ended 31 March Group share of:	2010 €'000	2009 €'000
Revenue	**33,635**	43,510
Cost of sales	**(22,466)**	(30,125)
Gross profit	**11,169**	13,385
Operating costs	**(7,523)**	(9,206)
Exceptional items	**(821)**	(336)
Amortisation of intangible assets	**(300)**	(428)
Operating profit	**2,525**	3,415
Finance (costs)/income (net)	**(24)**	199
Profit before income tax	**2,501**	3,614
Income tax expense	**(884)**	(1,237)
Profit for the financial year	**1,617**	2,377

Impact on Group Balance Sheet

As at 31 March Group share of:	2010 €'000	2009 €'000
Non-current assets	**6,957**	23,745
Current assets	**2,731**	9,574
Total assets	**9,688**	33,319
Total equity	**6,452**	20,423
Non-current liabilities	**6**	5,440
Current liabilities	**3,230**	7,456
Total liabilities	**3,236**	12,896
Total equity and liabilities	**9,688**	33,319

Impact on Group Cash Flow Statement

Year ended 31 March Group share of:	2010 €'000	2009 €'000
Net cash flow from operating activities	**4,356**	(2,206)
Net cash flow from investing activities	**(3,039)**	(4,511)
Net cash flow from financing activities	**(64)**	69
Net increase/(decrease) in cash and cash equivalents	**1,253**	(6,648)
Joint venture becoming a subsidiary	**(2,324)**	-
Cash/(overdraft) acquired on acquisition	**65**	(15)
Translation adjustment	**107**	(339)
Cash and cash equivalents at beginning of year	**2,038**	9,040
Cash and cash equivalents at end of year	**1,139**	2,038

Reconciliation of cash and cash equivalents to net cash

	2010	2009
Cash and cash equivalents as above	**1,139**	2,038
Interest-bearing loans and borrowings (current and non-current)	**-**	(61)
Net cash at 31 March	**1,139**	1,977

The Group's share of its joint ventures' capital commitments for property, plant and equipment at 31 March 2010 is €0.415 million (2009: €2.858 million).

Details of the Group's principal joint ventures are shown in the Group directory on pages 128 to 131.

9. Employment

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

	2010 Number	2009 Number
DCC Energy	**3,098**	2,833
DCC SerCom	**1,421**	1,403
DCC Healthcare	**1,324**	1,347
DCC Environmental	**550**	544
DCC Food & Beverage	**1,003**	1,055
	7,396	7,182

The employee benefit expense (excluding termination payments – note 11) for the above were:	2010 €'000	2009 €'000
Wages and salaries	**250,928**	264,585
Social welfare costs	**29,058**	29,905
Share based payment expense (note 10)	**1,341**	1,156
Pension costs - defined contribution plans	**6,899**	7,570
Pension costs - defined benefit plans (note 32)	**2,662**	3,090
	290,888	306,306

10. Employee Share Options

The Group's employee share options are equity-settled share-based payments as defined in IFRS 2 *Share-based Payment*. The IFRS requires that a recognised valuation methodology be employed to determine the fair value of share options granted. The expense reported in the Income Statement of €1.341 million (2009: €1.156 million) has been arrived at by applying a Monte Carlo simulation technique for share awards issued under the DCC plc Long Term Incentive Plan 2009, a binomial model, which is a lattice option-pricing model, for options issued under the DCC plc 1998 Employee Share Option Scheme, and the Black Scholes option valuation model for options issued under the DCC Sharesave Scheme 2001.

Impact on Income Statement

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

The total share option expense is analysed as follows:

Date of grant	Grant price €	Duration of vesting period	Number of share awards/ options granted	Weighted average fair value €	Expense in Income Statement 2010 €'000	Expense in Income Statement 2009 €'000
DCC plc Long Term Incentive Plan 2009						
20 August 2009	15.63	3 years	255,406	8.97	**439**	-
DCC Sharesave Scheme 2001						
10 December 2004	12.63	3 and 5 years	716,010	4.67	**90**	44
DCC plc 1998 Employee Share Option Scheme						
12 November 2002	10.38	3 and 5 years	609,500	2.81	**(43)**	(213)
22 December 2003	10.70	3 and 5 years	132,000	2.76	**-**	29
18 May 2004	12.75	3 and 5 years	162,500	3.42	**(5)**	33
9 November 2004	15.65	3 and 5 years	219,500	4.15	**18**	19
15 December 2005	16.70	3 and 5 years	215,000	4.52	**(44)**	181
23 June 2006	18.05	3 years	223,500	4.54	**13**	222
23 July 2007	23.35	3 years	323,000	6.35	**435**	419
20 December 2007	19.50	3 years	25,000	5.22	**44**	43
20 May 2008	15.68	3 years	315,500	4.32	**394**	379
					812	1,112
Total expense					**1,341**	1,156

Notes to the Financial Statements (continued)

10. Employee Share Options (continued)

Share options

DCC plc Long Term Incentive Plan 2009

At 31 March 2010, under the DCC plc Long Term Incentive Plan 2009, Group employees hold options to subscribe for 251,887 ordinary shares.

The general terms of the DCC plc Long Term Incentive Plan 2009 are set out in the audited Report on Directors' Remuneration and Interests on pages 57 to 62.

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

	2010 Number of share awards
Granted	**255,406**
Lapsed	**(3,519)**
At 31 March	**251,887**

The share awards outstanding at the year end have a weighted average remaining contractual life of 6.4 years.

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

	€
Granted during the year ended 31 March 2010	**8.97**

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

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

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

Analysis of closing balance - outstanding at end of year

Date of grant	Date of expiry	2010 Number of share awards
20 August 2009	20 August 2016	**251,887**
Total outstanding at 31 March		**251,887**

Analysis of closing balance – exercisable at end of year

As at 31 March 2010, none of the outstanding share awards under the DCC plc Long Term Incentive Plan 2009 were exercisable.

DCC plc 1998 Employee Share Option Scheme

At 31 March 2010, under the DCC plc 1998 Employee Share Option Scheme, Group employees hold basic tier options to subscribe for 1,430,500 ordinary shares and second tier options to subscribe for 782,500 ordinary shares.

The general terms of the DCC plc 1998 Employee Share Option Scheme are set out in the audited Report on Directors' Remuneration and Interests on pages 57 to 62.

10. Employee Share Options (continued)

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

	2010		2009	
	Average exercise price in € per share	Options	Average exercise price in € per share	Options
At 1 April	**12.75**	**3,033,000**	11.12	4,262,128
Granted	**-**	**-**	15.68	315,500
Exercised	**8.06**	**(718,500)**	7.54	(1,267,128)
Lapsed	**15.76**	**(101,500)**	14.83	(277,500)
At 31 March	**14.14**	**2,213,000**	12.75	3,033,000
Total exercisable at 31 March	**12.58**	**801,500**	10.45	1,520,000

The weighted average share price at the dates of exercise for share options exercised during the year under the DCC plc 1998 Employee Share Option Scheme was €18.53 (2009: €14.73). The share options outstanding at the year end have a weighted average remaining contractual life of 4.4 years (2009: 4.4 years).

The weighted average fair values assigned to options granted under the DCC plc 1998 Employee Share Option Scheme, which were computed in accordance with the binomial valuation methodology, were as follows:

	3 year €
Granted during the year ended 31 March 2010	-
Granted during the year ended 31 March 2009	4.32

The fair values of options granted under the DCC plc 1998 Employee Share Option Scheme were determined using the following assumptions:

	2009 3 year
Weighted average exercise price (in €)	15.68
Risk-free interest rate (%)	4.60
Dividend yield (%)	2.50
Expected volatility (%)	25.0
Expected life in years	8.0

The expected volatility is based on historic volatility over the past 8 years. The expected life is the average expected period to exercise. The risk free rate of return is the yield on zero coupon government bonds of a term consistent with the assumed option life.

Analysis of closing balance – outstanding at end of year

		2010		2009	
Date of grant	Date of expiry	Exercise price in € per share	Options	Exercise price in € per share	Options
9 November 1999	9 November 2009	**-**	**-**	7.00	557,500
16 May 2000	7 June 2010	**10.65**	**25,000**	10.65	50,000
21 November 2000	21 November 2010	**11.25**	**128,500**	11.25	166,500
13 November 2001	13 November 2011	**10.25**	**431,500**	10.25	494,500
12 November 2002	12 November 2012	**10.38**	**350,000**	10.38	374,000
22 December 2003	22 December 2013	**10.70**	**114,000**	10.70	119,500
18 May 2004	18 May 2014	**12.75**	**133,000**	12.75	142,500
9 November 2004	9 November 2014	**15.65**	**160,500**	15.65	166,500
15 December 2005	15 December 2015	**16.70**	**143,500**	16.70	183,000
23 June 2006	23 June 2016	**18.05**	**177,500**	18.05	190,500
23 July 2007	23 July 2017	**23.35**	**232,000**	23.35	248,000
20 December 2007	20 December 2017	**19.50**	**25,000**	19.50	25,000
20 May 2008	20 May 2018	**15.68**	**292,500**	15.68	315,500
Total outstanding at 31 March			**2,213,000**		3,033,000

Notes to the Financial Statements (continued)

10. Employee Share Options (continued)

Analysis of closing balance – exercisable at end of year

		2010		2009	
Date of grant	Date of expiry	Exercise price in € per share	Options	Exercise price in € per share	Options
9 November 1999	9 November 2009	-	-	7.00	557,500
16 May 2000	7 June 2010	**10.65**	**25,000**	10.65	50,000
21 November 2000	21 November 2010	**11.25**	**128,500**	11.25	166,500
13 November 2001	13 November 2011	**10.25**	**191,000**	10.25	241,000
12 November 2002	12 November 2012	**10.38**	**86,500**	10.38	95,500
22 December 2003	22 December 2013	**10.70**	**46,500**	10.70	52,000
18 May 2004	18 May 2014	**12.75**	**70,000**	12.75	76,000
9 November 2004	9 November 2014	**15.65**	**110,500**	15.65	113,500
15 December 2005	15 December 2015	**16.70**	**143,500**	16.70	168,000
Total exercisable at 31 March			**801,500**		1,520,000

DCC Sharesave Scheme 2001

Under the DCC Sharesave Scheme 2001, Group employees hold options to subscribe for 45,791 ordinary shares. The general terms of the DCC Sharesave Scheme 2001 are set out in the audited Report on Directors' Remuneration and Interests on pages 57 to 62. Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2010		2009	
	Average exercise price in € per share	Options	Average exercise price in € per share	Options
At 1 April	**12.63**	**223,398**	12.63	328,679
Exercised	**12.63**	**(147,554)**	12.63	(57,452)
Lapsed	**12.63**	**(30,053)**	12.63	(47,829)
At 31 March	**12.63**	**45,791**	12.63	223,398

The weighted average share price at the dates of exercise for share options exercised during the year under the DCC Sharesave Scheme 2001 was €19.18 (2009: €15.62). The share options outstanding at the year end have a weighted average remaining contractual life of 0.9 years (2009: 1.9 years).

Analysis of closing balance - outstanding at end of year

		2010		2009	
Date of grant	Date of expiry	Exercise price in € per share	Options	Exercise price in € per share	Options
10 December 2004	1 March 2011	**12.63**	**45,791**	12.63	223,398
Total outstanding at 31 March			**45,791**		223,398

Analysis of closing balance – exercisable at end of year

As at 31 March 2010, 45,791 (2009: none) of the outstanding options under the DCC Sharesave Scheme 2001 were exercisable.

11. Exceptionals

	2010 €'000	2009 €'000
Restructuring costs and other	**(8,683)**	(14,536)
Impairment of goodwill	**(1,908)**	(2,433)
Profit on disposal of associate	**827**	6,176
Closure of Days Healthcare Germany	**-**	(9,046)
Operating exceptional items	**(9,764)**	(19,839)
Mark to market (losses)/gains (included in interest)	**(1,285)**	3,919
Net exceptional items before taxation	**(11,049)**	(15,920)
Exceptional taxation charge	**-**	(1,500)
Net exceptional items after taxation	**(11,049)**	(17,420)

11. Exceptionals (continued)

Exceptional restructuring costs, mainly comprising redundancy costs, were incurred in relation to recently acquired and existing Group businesses.

There was a non-cash goodwill impairment charge. An impairment review is performed annually for each cash-generating unit to which a carrying amount of goodwill has been allocated. The Group has written down the carrying value of goodwill amounts in relation to certain DCC Food & Beverage subsidiaries and accordingly a charge of €1.908 million has been taken in the year ended 31 March 2010.

Most of the Group's debt has been raised in the US Private Placement debt market and swapped, using long term interest, currency and cross currency derivatives, to floating rate sterling and euro. Under IAS 39, after "marking to market" swaps designated as fair value hedges and the related fixed rate debt, the level of ineffectiveness is taken to the Income Statement.

12. Finance Costs and Finance Income

	2010 €'000	2009 €'000
Finance costs		
On bank loans, overdrafts and Unsecured Notes		
- repayable within 5 years, not by instalments	**(7,013)**	(13,116)
- repayable within 5 years, by instalments	**(146)**	(165)
- repayable wholly or partly in more than 5 years	**(3,306)**	(21,373)
On loan notes		
- repayable within 5 years, not by instalments	**(23)**	(74)
On finance leases	**(147)**	(157)
Other interest	**(1,901)**	(946)
	(12,536)	(35,831)
Other finance costs:		
Interest on defined benefit pension scheme liabilities (note 32)	**(4,997)**	(5,006)
Unwinding of discount applicable to deferred acquisition consideration	**(450)**	(425)
Mark-to-market of swaps and related debt* (note 11)	**(1,285)**	-
	(19,268)	(41,262)
Finance income		
Interest on cash and term deposits	**3,537**	15,724
Other income receivable	**105**	156
Expected return on defined benefit pension scheme assets (note 32)	**3,456**	4,272
Mark-to-market of swaps and related debt* (note 11)	**-**	3,919
	7,098	24,071
Net finance cost	**(12,170)**	(17,191)

	2010 €'000	2009 €'000
* Mark-to-market of swaps and related debt		
- interest rate swaps designated as fair value hedges	**(3,962)**	15,649
- cross currency interest rate swaps designated as fair value hedges	**(22,465)**	104,431
- adjusted hedged fixed rate debt	**27,066**	(140,928)
- currency swaps not designated as hedges	**(1,924)**	24,744
- interest rate swaps not designated as hedges	**-**	23
	(1,285)	3,919

13. Foreign Currency

The exchange rates used in translating sterling Balance Sheets and Income Statement amounts were as follows:

	2010 €1=Stg£	2009 €1=Stg£
Balance Sheet (closing rate)	**0.889**	0.930
Income Statement (average rate)	**0.887**	0.826

Notes to the Financial Statements (continued)

14. Share of Associates' Profit after Tax

The Group's share of associates' profit after tax is equity-accounted and is presented as a single line item in the Group Income Statement. The profit after tax generated by the Group's associates is analysed as follows:

	2010 €'000	2009 €'000
Group share of:		
Revenue	**10,778**	9,725
Profit before finance costs	**203**	340
Finance (costs)/income (net)	**(46)**	(52)
Profit before income tax	**157**	288
Income tax expense	**(5)**	(120)
Profit after tax	**152**	168

15. Income Tax Expense

(i) Income tax expense recognised in the Income Statement	2010 €'000	2009 €'000
Current taxation		
Irish Corporation Tax at 12.5%	**9,097**	5,589
Less manufacturing relief	**(165)**	(308)
United Kingdom Corporation Tax at 28%	**15,332**	2,353
Other overseas tax	**7,778**	5,869
Under provision in respect of prior years	**3,870**	-
Total current taxation	**35,912**	13,503
Deferred tax		
Irish at 12.5%	**(1,196)**	(555)
United Kingdom at 28%	**3,321**	4,990
Tax on net exceptionals (note 11)	**-**	1,500
Other overseas deferred tax	**85**	(158)
(Over)/under provision in respect of prior years	**(4,915)**	1,656
Total deferred tax (credit)/charge	**(2,705)**	7,433
Total income tax expense	**33,207**	20,936
(ii) Deferred tax recognised directly in Equity		
Defined benefit pension obligations	**(861)**	(911)
Cash flow hedges	**107**	(204)
	(754)	(1,115)
(iii) Reconciliation of effective tax rate		
Profit on ordinary activities before taxation	**164,901**	137,815
Share of associates' profit after tax	**(152)**	(168)
Amortisation of intangible assets	**6,150**	5,719
	170,899	143,366
Total income tax expense	**33,207**	20,936
Deferred tax attaching to amortisation of intangible assets	**1,363**	1,271
	34,570	22,207
Taxation as a percentage of profit before share of associates' profit after tax, amortisation of intangible assets and net exceptionals	**19.0%**	13.0%
Impact of net exceptionals	**1.2%**	2.5%
Taxation as a percentage of profit before share of associates' profit after tax and amortisation of intangible assets	**20.2%**	15.5%

15. Income Tax Expense (continued)

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

	2010 %	2009 %
Irish corporation tax rate	**12.5**	12.5
Manufacturing relief	**(0.1)**	(0.1)
Effect of earnings taxed at different rates and other	**7.8**	3.1
	20.2	15.5

(iv) Factors that may affect future tax rates and other disclosures

The standard rate of corporation tax in Ireland is 12.5% and in the UK the standard rate of corporation tax is 28%.

No provision for tax has been recognised in respect of the unremitted earnings of subsidiaries as there is no commitment to remit earnings. Similarly, no deferred tax assets or liabilities have been recognised in respect of temporary differences associated with investments in subsidiaries.

16. Profit Attributable to DCC plc

Profit after taxation for the year attributable to equity shareholders amounting to €3.852 million (2009: €1.702 million) has been accounted for in the financial statements of the Company. In accordance with Section 148(8) of the Companies Act 1963, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting. The Company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by Section 7(1A) of the Companies (Amendment) Act 1986.

17. Dividends

Dividends paid and proposed per Ordinary Share are as follows:	2010 €'000	2009 €'000
Final - paid 39.73 cent per share on 23 July 2009 (2009: paid 36.12 cent per share on 24 July 2008)	**32,657**	29,373
Interim - paid 23.74 cent per share on 4 December 2009 (2009: paid 22.61 cent per share on 5 December 2008)	**19,526**	18,564
	52,183	47,937

The Directors are proposing a final dividend in respect of the year ended 31 March 2010 of 43.70 cent per ordinary share (€36.273 million). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

18. Earnings per Ordinary Share

	2010 €'000	2009 €'000
Profit attributable to owners of the Parent	**130,803**	116,314
Amortisation of intangible assets after tax	**4,787**	4,448
Exceptionals after tax (note 11)	**11,049**	17,420
Adjusted profit after taxation and minority interests	**146,639**	138,182

Basic earnings per ordinary share	2010 cent	2009 cent
Basic earnings per ordinary share	**158.76c**	142.36c
Amortisation of intangible assets after tax	**5.81c**	5.45c
Exceptionals after tax	**13.41c**	21.32c
Adjusted basic earnings per ordinary share	**177.98c**	169.13c
Weighted average number of ordinary shares in issue (thousands)	**82,391**	81,704

Basic earnings per share is calculated by dividing the profit attributable to owners of the Parent by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares. The adjusted figures for basic earnings per ordinary share are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

Notes to the Financial Statements (continued)

18. Earnings per Ordinary Share (continued)

Diluted earnings per ordinary share	2010 cent	2009 cent
Diluted earnings per ordinary share	**157.92c**	141.36c
Amortisation of intangible assets after tax	**5.78c**	5.40c
Exceptionals after tax	**13.34c**	21.17c
Adjusted diluted earnings per ordinary share	**177.04c**	167.93c
Weighted average number of ordinary shares in issue (thousands)	**82,830**	82,284

The earnings used for the purpose of the diluted earnings per share calculations were €130.803 million (2009: €116.314 million) and €146.639 million (2009: €138.182 million) for the purposes of the adjusted diluted earnings per share calculations.

The weighted average number of ordinary shares used in calculating the diluted earnings per share for the year ended 31 March 2010 was 82.830 million (2009: 82.284 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:

	2010 '000	2009 '000
Weighted average number of ordinary shares in issue	**82,391**	81,704
Dilutive effect of options	**439**	580
Weighted average number of ordinary shares for diluted earnings per share	**82,830**	82,284

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Share options are the Company's only category of dilutive potential ordinary shares.

Employee share options, which are performance-based, are treated as contingently issuable shares because their issue is contingent upon satisfaction of specified performance conditions in addition to the passage of time. These contingently issuable shares are excluded from the computation of diluted earnings per ordinary share where the conditions governing exercisability have not been satisfied as at the end of the reporting period.

The adjusted figures for diluted earnings per ordinary share are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

19. Property, Plant and Equipment

Group	Land & buildings €'000	Plant & machinery & cylinders €'000	Fixtures & fittings & office equipment €'000	Motor vehicles €'000	Total €'000
Year ended 31 March 2010					
Opening net book amount	**118,352**	**119,924**	**29,364**	**51,661**	**319,301**
Exchange differences	**2,657**	**3,894**	**901**	**2,031**	**9,483**
Acquisition of subsidiaries (note 45)	**18,539**	**8,929**	**800**	**10,264**	**38,532**
Additions	**3,661**	**30,580**	**7,033**	**5,655**	**46,929**
Disposals	**(1,926)**	**(2,631)**	**(884)**	**(3,752)**	**(9,193)**
Depreciation charge	**(2,564)**	**(21,353)**	**(9,642)**	**(13,397)**	**(46,956)**
Reclassifications	**21**	**(678)**	**179**	**478**	**-**
Closing net book amount	**138,740**	**138,665**	**27,751**	**52,940**	**358,096**
At 31 March 2010					
Cost	**159,466**	**362,245**	**91,022**	**124,548**	**737,281**
Accumulated depreciation	**(20,726)**	**(223,580)**	**(63,271)**	**(71,608)**	**(379,185)**
Net book amount	**138,740**	**138,665**	**27,751**	**52,940**	**358,096**
Year ended 31 March 2009					
Opening net book amount	122,851	125,198	33,595	55,414	337,058
Exchange differences	(9,625)	(13,901)	(3,104)	(6,414)	(33,044)
Acquisition of subsidiaries (note 45)	4,864	3,954	370	153	9,341
Additions	4,241	26,716	7,992	17,171	56,120
Disposals	(1,088)	(1,904)	(254)	(1,519)	(4,765)
Depreciation charge	(2,891)	(20,073)	(9,303)	(13,142)	(45,409)
Reclassifications	-	(66)	68	(2)	-
Closing net book amount	118,352	119,924	29,364	51,661	319,301
At 31 March 2009					
Cost	135,610	315,171	85,457	106,776	643,014
Accumulated depreciation	(17,258)	(195,247)	(56,093)	(55,115)	(323,713)
Net book amount	118,352	119,924	29,364	51,661	319,301

Assets held under finance leases

The net carrying amount and the depreciation charge during the year in respect of assets held under finance leases and accordingly capitalised in property, plant and equipment are as follows:

	2010 €'000	2009 €'000
Cost	**55,712**	49,225
Accumulated depreciation	**(52,784)**	(47,296)
Net book amount	**2,928**	1,929
Depreciation charge for the year	**1,119**	1,461

Notes to the Financial Statements (continued)

20. Intangible Assets

Group	Goodwill €'000	Customer relationships €'000	Total €'000
Year ended 31 March 2010			
Opening net book amount	**429,299**	**13,889**	**443,188**
Exchange differences	**11,012**	**943**	**11,955**
Arising on acquisition (note 45)	**123,094**	**25,331**	**148,425**
Revisions to prior year acquisitions (note 45)	**(420)**	**-**	**(420)**
Impairment charge	**(1,908)**	**-**	**(1,908)**
Amortisation charge	**-**	**(6,150)**	**(6,150)**
Closing net book amount	**561,077**	**34,013**	**595,090**
At 31 March 2010			
Cost	**588,695**	**66,687**	**655,382**
Accumulated amortisation	**(27,618)**	**(32,674)**	**(60,292)**
Net book amount	**561,077**	**34,013**	**595,090**
Year ended 31 March 2009			
Opening net book amount	403,269	13,614	416,883
Exchange differences	(33,206)	(1,409)	(34,615)
Arising on acquisition (note 45)	69,896	7,911	77,807
Revisions to prior year acquisitions	(754)	-	(754)
Impairment charge	(5,461)	-	(5,461)
Other movements	(4,445)	(508)	(4,953)
Amortisation charge	-	(5,719)	(5,719)
Closing net book amount	429,299	13,889	443,188
At 31 March 2009			
Cost	456,917	40,413	497,330
Accumulated amortisation	(27,618)	(26,524)	(54,142)
Net book amount	429,299	13,889	443,188

Goodwill acquired in business combinations is allocated, at acquisition, to the cash-generating units (CGUs) that are expected to benefit from that business combination. A summary of the allocation of the carrying value of goodwill by segment is as follows:

	2010 €'000	2009 €'000
DCC Energy	**294,850**	201,470
DCC SerCom	**77,719**	72,285
DCC Healthcare	**96,378**	87,583
DCC Environmental	**62,757**	36,962
DCC Food & Beverage	**29,373**	30,999
	561,077	429,299

In accordance with IAS 36 *Impairment of Assets*, the cash generating units to which significant amounts of goodwill have been allocated are as follows:

	2010 €'000	2009 €'000
GB Oils Group	**197,556**	126,817
Fannin Healthcare Group	**71,845**	64,154

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to cash-generating units (CGUs) for the purpose of impairment testing. Goodwill is tested for impairment by review of profit and cash flow forecasts and budgets.

The CGUs represent the lowest level within the Group at which the associated goodwill is monitored for management purposes and are not larger than the primary and secondary segments determined in accordance with IFRS 8 *Operating Segments*.

20. Intangible Assets (continued)

The recoverable amount of each CGU is based on a value in use computation. The cash flow forecasts employed for this computation are extracted from a three year plan and specifically exclude future acquisition activity. Cash flows for a further two years are based on the assumptions underlying the three year plan. A terminal value reflecting inflation (2010: 2.5%; 2009: 2.5%) is applied to the year five cash flows. A present value of the future cash flows is calculated using a before-tax discount rate representing the Group's estimated before-tax average cost of capital (2010: 8.0%; 2009: 8.0%).

Applying these techniques, an impairment charge of €1.908 million arose in 2010 (2009: €5.461 million). The impairment charge arose in the Group's Food & Beverage division primarily due to competitive pressures in the UK wine market.

Key assumptions include management's estimates of future profitability, capital expenditure requirements, working capital investment and tax considerations. Forecasts are generally based on historical performance together with management's expectation of future trends affecting the industry and other developments and initiatives in the business.

Sensitivity analysis was performed using a discount rate of 10.0% and a terminal growth rate of 1.5% and resulted in an excess in the recoverable amount of all CGUs over their carrying amount after the impairment charge noted above. Management believes that any reasonable change in any of the key assumptions would not cause the carrying value of goodwill to exceed the recoverable amount.

21. Investments in Associates

	2010 €'000	2009 €'000
At 1 April	**2,208**	4,678
Share of profit less dividends	**152**	168
Disposals	**-**	(2,194)
Exchange adjustments and other	**33**	(444)
At 31 March	**2,393**	2,208

Investments in associates at 31 March 2010 includes goodwill of €0.534 million (2009: €0.534 million).

The Group's geographical share of the assets (including goodwill) and liabilities of its associates is as follows:

	Non-current assets €'000	Current assets €'000	Non-current liabilities €'000	Current liabilities €'000	Net assets €'000
As at 31 March 2010					
Ireland	**873**	**3,351**	**(1,609)**	**(222)**	**2,393**
As at 31 March 2009					
Ireland	1,002	3,399	(504)	(1,689)	2,208

Details of the Group's associates are as follows:

Name and Registered Office	Nature of Business	% Shareholding	Relevant Share Capital
John Hinde International Limited, IDA Business Park, Southern Cross Road, Bray, Co Wicklow.	Sale of tourism, gift and novelty products.	32.6%	10,726 ordinary shares of €1.25 each.
Lee Oil (Cork) Limited, Clonminam Industrial Estate, Portlaoise, Co Laois.	Sale and distribution of oil products.	50.0%	100 ordinary shares of €1.26 each.

Company	2010 €'000	2009 €'000
At 31 March	**1,244**	1,244

Notes to the Financial Statements (continued)

22. Investments in Subsidiary Undertakings

Company	2010 €'000	2009 €'000
At 1 April	**161,065**	161,065
Additions	**7,000**	-
At 31 March	**168,065**	161,065

Details of the Group's principal operating subsidiaries are shown on pages 128 to 131. Non-wholly owned subsidiaries include Broderick Bros. Limited (93.8%), Virtus Limited (51%), Ausmedic Australia Pty Limited (60%), Metron Medical Australia Pty Limited (60%), Aukbritt International Pty Limited (60%), DCC Environmental Britain Limited (70%) (which owns 100% of Wastecycle Limited and William Tracey Limited) where put and call options exist to acquire the remaining 30% and Physio-Med Services Limited (94%) where put and call options exist to acquire the remaining 6%.

The Group's principal overseas holding company subsidiaries are DCC Limited, a company operating, incorporated and registered in England and Wales and DCC International Holdings B.V., a company operating, incorporated and registered in The Netherlands. The registered office of DCC Limited is at Days Healthcare UK Limited, North Road, Bridgend Industrial Estate, Bridgend, CF31 3TP, Wales. The registered office of DCC International Holdings B.V. is Teleport Boulevard 140, 1043 EJ Amsterdam, The Netherlands.

23. Inventories

Group	2010 €'000	2009 €'000
Raw materials	**9,073**	8,287
Work in progress	**2,047**	2,104
Finished goods	**223,778**	198,368
	234,898	208,759

24. Trade and Other Receivables

Group	2010 €'000	2009 €'000
Trade receivables	**877,575**	643,470
Provision for impairment of trade receivables (note 46)	**(30,590)**	(30,753)
Prepayments and accrued income	**47,156**	39,547
Value added tax recoverable	**10,464**	5,447
Other debtors	**17,414**	15,071
	922,019	672,782

Company	2010 €'000	2009 €'000
Amounts owed by subsidiary undertakings	**421,444**	452,582
Prepayments and accrued income	**1**	111
Value added tax recoverable	**17**	124
	421,462	452,817

25. Trade and Other Payables

Group	2010 €'000	2009 €'000
Trade payables	**852,794**	548,098
Other creditors and accruals	**139,706**	116,159
PAYE and National Insurance	**11,744**	8,749
Value added tax	**31,167**	15,271
Government grants (note 35)	**175**	141
Interest payable	**4,002**	7,484
Amounts due in respect of property, plant and equipment	**53**	392
	1,039,641	696,294

Company	2010 €'000	2009 €'000
Amounts due to subsidiary undertakings	**284,734**	262,887
Other creditors and accruals	**1,151**	1,262
	285,885	264,149

26. Movement in Working Capital

Group	Inventories €'000	Trade and other receivables €'000	Trade and other payables €'000	Total €'000
Year ended 31 March 2010				
At 1 April 2009	**208,759**	**672,782**	**(696,294)**	**185,247**
Translation adjustment	**6,131**	**21,462**	**(20,908)**	**6,685**
Arising on acquisition (note 45)	**9,917**	**86,765**	**(102,869)**	**(6,187)**
Exceptional items, interest accruals and other	**(959)**	**477**	**3,827**	**3,345**
Increase/(decrease) in working capital (note 41)	**11,050**	**140,533**	**(223,397)**	**(71,814)**
At 31 March 2010	**234,898**	**922,019**	**(1,039,641)**	**117,276**
Year ended 31 March 2009				
At 1 April 2008	219,752	807,433	(796,902)	230,283
Translation adjustment	(22,841)	(82,889)	79,327	(26,403)
Arising on acquisition (note 45)	16,125	113,140	(118,362)	10,903
Exceptional items, interest accruals and other	126	(519)	50,858	50,465
(Decrease)/increase in working capital (note 41)	(4,403)	(164,383)	88,785	(80,001)
At 31 March 2009	208,759	672,782	(696,294)	185,247

Company	Trade and other receivables €'000	Trade and other payables €'000	Total €'000
Year ended 31 March 2010			
At 1 April 2009	**452,817**	**(274,536)**	**178,281**
Decrease in working capital (note 41)	**(31,355)**	**(21,736)**	**(53,091)**
At 31 March 2010	**421,462**	**(296,272)**	**125,190**
Year ended 31 March 2009			
At 1 April 2008	494,630	(282,230)	212,400
(Decrease)/increase in working capital (note 41)	(41,813)	7,694	(34,119)
At 31 March 2009	452,817	(274,536)	178,281

27. Cash and Cash Equivalents

Group	2010 €'000	2009 €'000
Cash at bank and in hand	**178,746**	152,182
Short-term bank deposits	**536,171**	274,607
	714,917	426,789

Cash at bank earns interest at floating rates based on daily bank deposit rates. The short-term deposits are for periods up to three months and earn interest at the respective short-term deposit rates.

Cash and cash equivalents include the following for the purposes of the Group Cash Flow Statement:

	2010 €'000	2009 €'000
Cash and short-term bank deposits	**714,917**	426,789
Bank overdrafts	**(39,956)**	(51,272)
	674,961	375,517

Bank overdrafts are included within current borrowings (note 29) in the Group Balance Sheet.

Company	2010 €'000	2009 €'000
Cash at bank and in hand	**6,232**	815

Notes to the Financial Statements (continued)

28. Derivative Financial Instruments

Group	2010 €'000	2009 €'000
Non-current assets		
Interest rate swaps - fair value hedges	**20,343**	24,304
Cross currency interest rate swaps - fair value hedges	**81,578**	104,009
	101,921	128,313
Current assets		
Forward contracts - cash flow hedges	**38**	215
Commodity contracts - cash flow hedges	**137**	-
Forward contracts - not designated as hedges	**409**	107
Commodity contracts - not designated as hedges	**759**	-
	1,343	322
Total assets	**103,264**	128,635
Non-current liabilities		
Currency swaps - not designated as hedges	**(19,296)**	(17,372)
Cross currency interest rate swaps - fair value hedges	**(34)**	-
Interest rate swaps - fair value hedges	**(1)**	-
	(19,331)	(17,372)
Current liabilities		
Forward contracts - cash flow hedges	**(231)**	(1,100)
Commodity contracts - cash flow hedges	**(293)**	(451)
Forward contracts - not designated as hedges	**(33)**	(109)
	(557)	(1,660)
Total liabilities	**(19,888)**	(19,032)
Net asset arising on derivative financial instruments	**83,376**	109,603

The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than twelve months and as a current asset or liability if the maturity of the hedged item is less than twelve months.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts designated as fair value hedges under IAS 39 at 31 March 2010 total US$200.0 million, Stg£55.0 million and €20.0 million. At 31 March 2010, the fixed interest rates vary from 4.58% to 6.18% and the floating rates are based on US$ LIBOR, sterling LIBOR and EURIBOR.

Currency swaps

The Group utilises currency swaps in conjunction with interest rate swaps designated as fair value hedges (as noted above) to swap fixed rate US$ denominated debt into floating rate euro debt. The currency swaps (which swap floating US$ denominated debt based on US$ LIBOR into floating euro denominated debt based on EURIBOR) have notional principal amounts of US$200.0 million/€167.113 million and are not designated as hedges under IAS 39.

Cross currency interest rate swaps

The Group utilises cross currency interest rate swaps to swap fixed rate US$ denominated debt of US$683.0 million into floating rate sterling debt of Stg£306.967 million and floating rate euro debt of €110.051 million. At 31 March 2010 the fixed interest rates vary from 4.37% to 6.19%. These swaps are designated as fair value hedges under IAS 39.

Forward foreign exchange contracts

The notional principal amounts of outstanding forward foreign exchange contracts at 31 March 2010 total €25.283 million (2009: €34.322 million). Gains and losses recognised in the cash flow hedge reserve in equity (note 38) at 31 March 2010 on forward foreign exchange contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to twelve months after the balance sheet date.

Commodity price forward contracts

The notional principal amounts of outstanding forward commodity contracts at 31 March 2010 total €3.535 million (31 March 2009: €1.505 million). Gains and losses recognised in the cash flow hedge reserve in equity (note 38) at 31 March 2010 on forward commodity contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to twelve months after the balance sheet date.

29. Borrowings

Group	2010 €'000	2009 €'000
Non-current:		
Bank borrowings	**1,776**	1,029
Finance leases*	**732**	799
Unsecured Notes due 2011 to 2022	**791,155**	523,577
	793,663	525,405
Current:		
Bank borrowings	**47,318**	100,854
Finance leases*	**1,341**	800
Loan notes	**9,510**	3
	58,169	101,657
Total borrowings	**851,832**	627,062

**Secured on specific plant and equipment*

The maturity of non-current borrowings is as follows:	2010 €'000	2009 €'000
Between 1 and 2 years	**6,503**	1,361
Between 2 and 5 years	**293,301**	84,334
Over 5 years	**493,859**	439,710
	793,663	525,405

Bank borrowings, finance leases and loan notes

Interest on bank borrowings, finance leases and loan notes is at floating rates set in advance for periods ranging from overnight to six months by reference to inter-bank interest rates (EURIBOR, sterling LIBOR and US$ LIBOR) and consequently fair value approximates carrying amounts.

The Group had various bank borrowing facilities available at 31 March 2010, including an undrawn committed bank facility.

Unsecured Notes due 2011 to 2022

The Group's Unsecured Notes due 2011 to 2022 is comprised of fixed rate debt of US$7.5 million issued in 1996 and maturing in 2011 (the '2011 Notes'), fixed rate debt of US$200.0 million and Stg£30.0 million issued in 2004 and maturing in 2014 and 2016 (the '2004/16 Notes'), fixed rate debt of US$200.0 million and Stg£25.0 million issued in 2007 and maturing in 2017 and 2019 (the '2017/19 Notes'), fixed rate debt of US$120.0 million issued in 2008 and maturing in 2013 and 2015 (the '2013/15 Notes') and fixed rate debt of US$363.0 million and €20.0 million issued in 2010 and maturing in 2015, 2017, 2020 and 2022 (the '2015/17/20/22 Notes').

The 2013/15 Notes which are all denominated in US$ have been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating sterling rates, repricing quarterly based on sterling LIBOR.

The 2014/16 Notes denominated in US$ have been swapped from fixed to floating US$ rates (using interest rate swaps designated as fair value hedges under IAS 39) and further swapped (using currency swaps not designated as hedges under IAS 39) from floating US$ to floating euro rates, repricing semi-annually based on EURIBOR. The 2014/16 Notes denominated in sterling have been swapped from fixed to floating sterling rates (using an interest rate swap designated as a fair value hedge under IAS 39), repricing semi-annually based on sterling LIBOR.

The 2017/19 Notes denominated in US$ have been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating sterling rates, repricing quarterly based on sterling LIBOR. The 2017/19 Notes denominated in sterling have been swapped from fixed to floating sterling rates (using an interest rate swap designated as a fair value hedge under IAS 39), repricing quarterly based on sterling LIBOR.

Of the 2015/17/20/22 Notes denominated in US$, $213.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating sterling rates, repricing quarterly based on sterling LIBOR and $150.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating euro rates, repricing quarterly based on EURIBOR. The 2015/17/20/22 Notes denominated in euro have been swapped from fixed to floating euro rates (using an interest rate swap designated as a fair value hedge under IAS 39), repricing quarterly based on EURIBOR.

Notes to the Financial Statements (continued)

29. Borrowings (continued)

The maturity and interest profile of the Unsecured Notes is as follows:

	2010	2009
Average maturity	**7.0 years**	6.9 years
Average fixed interest rates*		
- US$ denominated	**5.56%**	5.70%
- sterling denominated	**5.95%**	5.95%
- euro denominated	**4.58%**	n/a
Average floating rate including swaps		
- sterling denominated	**1.94%**	3.91%
- euro denominated	**2.02%**	5.96%

**Issued and repayable at par*

30. Analysis of Net Debt

Reconciliation of opening to closing net debt

The reconciliation of opening to closing net debt for the year ended 31 March 2010 is as follows:

	At 1 April 2009 €'000	Cash flow €'000	Fair value adjustment €'000	Translation adjustment €'000	At 31 March 2010 €'000
Cash and short term bank deposits	426,789	276,773	-	11,355	714,917
Overdrafts	(51,272)	12,428	-	(1,112)	(39,956)
Cash and cash equivalents	375,517	289,201	-	10,243	674,961
Bank loans and loan notes	(50,614)	31,886	-	80	(18,648)
Finance leases	(1,599)	(417)	-	(57)	(2,073)
Unsecured Notes due 2011 to 2022	(523,577)	(284,031)	27,066	(10,613)	(791,155)
Derivative financial instruments (net)	109,603	2,001	(28,351)	123	83,376
Group net debt (including share of net cash in joint ventures)	(90,670)	38,640	(1,285)	(224)	(53,539)
Group net debt (excluding share of net cash in joint ventures)	(92,647)	39,582	(1,285)	(328)	(54,678)

The reconciliation of opening to closing net debt for the year ended 31 March 2009 is as follows:

	At 1 April 2008 €'000	Cash flow €'000	Fair value adjustment €'000	Translation adjustment €'000	At 31 March 2009 €'000
Cash and short term bank deposits	485,840	(17,330)	-	(41,721)	426,789
Overdrafts	(89,794)	33,518	-	5,004	(51,272)
Cash and cash equivalents	396,046	16,188	-	(36,717)	375,517
Bank loans and loan notes	(69,538)	19,376	-	(452)	(50,614)
Finance leases	(2,934)	1,129	-	206	(1,599)
Unsecured Notes due 2011 to 2019	(413,399)	(9,632)	(140,928)	40,382	(523,577)
Derivative financial instruments (net)	(33,894)	(1,154)	144,847	(196)	109,603
Group net debt (including share of net cash in joint ventures)	(123,719)	25,907	3,919	3,223	(90,670)
Group net debt (excluding share of net cash in joint ventures)	(132,759)	32,639	3,919	3,554	(92,647)

Currency profile

The currency profile of net debt at 31 March 2010 is as follows:

	Euro €'000	Sterling €'000	US Dollar €'000	Other €'000	Total €'000
Cash and cash equivalents	198,437	500,337	14,885	1,258	714,917
Borrowings	(305,228)	(538,923)	(5,732)	(1,949)	(851,832)
Derivatives	(6,028)	88,398	1,006	-	83,376
	(112,819)	49,812	10,159	(691)	(53,539)

30. Analysis of Net Debt (continued)

The currency profile of net debt at 31 March 2009 is as follows:

	Euro €'000	Sterling €'000	US Dollar €'000	Other €'000	Total €'000
Cash and cash equivalents	143,924	265,707	16,658	500	426,789
Borrowings	(240,082)	(377,848)	(7,049)	(2,083)	(627,062)
Derivatives	(709)	110,235	77	-	109,603
	(96,867)	(1,906)	9,686	(1,583)	(90,670)

Interest rate profile

Cash and cash equivalents at 31 March 2010 and 31 March 2009 have maturity periods up to three months (note 27).

Bank borrowings and finance leases are at floating interest rates for periods less than six months while the Group's Unsecured Notes due 2013 to 2022 have been swapped to floating rates which reset on a quarterly or semi-annual basis (note 29). The Group's Unsecured Notes due 2011 are at a fixed US dollar rate.

31. Deferred Income Tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

Group	**2010 €'000**	2009 €'000
Deferred income tax assets (deductible temporary differences):		
Deficits on Group defined benefit pension obligations	**3,961**	4,109
Employee share options	**515**	515
Other deductible temporary differences	**7,690**	4,811
	12,166	9,435
Deferred income tax liabilities (taxable temporary differences):		
Accelerated tax depreciation and fair value adjustments arising on acquisition	**23,266**	15,607
Rolled-over capital gains	**213**	220
	23,479	15,827

The gross movement on the deferred income tax account is as follows:	**2010 €'000**	2009 €'000
At 1 April	**6,392**	1,507
Exchange differences	**(348)**	(303)
Acquisition of subsidiary	**8,728**	(1,130)
Income Statement (credit)/charge (note 15)	**(2,705)**	7,433
Tax credited to equity (note 15)	**(754)**	(1,115)
At 31 March	**11,313**	6,392

32. Retirement Benefit Obligations

Group

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

The Group operates eight defined benefit pension schemes in the Republic of Ireland and three in the UK. The projected unit credit method has been employed in determining the present value of the defined benefit obligation arising, the related current service cost and, where applicable, past service cost.

Full actuarial valuations were carried out between 1 September 2006 and 1 April 2009. In general, actuarial valuations are not available for public inspection, although the results of valuations are advised to the members of the various pension schemes. Actuarial valuations have been updated to 31 March 2010 for International Accounting Standard 19 by a qualified actuary.

Notes to the Financial Statements (continued)

32. Retirement Benefit Obligations (continued)

The principal actuarial assumptions used were as follows:

	2010	2009
Republic of Ireland schemes		
Rate of increase in salaries	**4.00%**	3.75% - 4.00%
Rate of increase in pensions in payment	**2.00% - 3.00%**	2.00% - 3.00%
Discount rate	**5.40%**	5.95%
Inflation assumption	**2.00%**	2.00%
UK schemes		
Rate of increase in salaries	**4.65%**	4.40%
Rate of increase in pensions in payment	**3.65%**	3.40%
Discount rate	**5.55%**	6.90%
Inflation assumption	**3.65%**	3.40%

The expected long term rates of return on the assets of the schemes were as follows:

	2010	2009
Republic of Ireland schemes		
Equities	**7.50%**	8.00%
Bonds	**4.00%**	4.00%
Property	**6.00%**	7.00%
Cash	**2.00%**	3.00%
UK schemes		
Equities	**8.05%**	7.50%
Bonds	**4.55%**	4.00%
Property	**7.05%**	6.50%
Cash	**0.50%**	0.50%

The expected rate of return for equities and property has been calculated assuming that equities and property will outperform bonds by 3.5% and 2.0% per annum respectively over the long term in the Republic of Ireland schemes and 3.5% and 2.5% per annum respectively over the long term in the UK schemes. The expected rate of return for bonds has been based on bond indices as at 31 March.

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in both geographic regions. The average life expectancy in years of a pensioner retiring at age 65 is as follows:

	2010	2009
Current pensioners		
Male	**22.0**	21.5
Female	**25.1**	24.5
Future pensioners		
Male	**23.3**	22.5
Female	**26.4**	25.5

The Group does not operate any post-employment medical benefit schemes.

The net pension liability recognised in the Balance Sheet is analysed as follows:

	2010		
	ROI €'000	UK €'000	Total €'000
Equities	**36,754**	**6,103**	**42,857**
Bonds	**17,028**	**6,220**	**23,248**
Property	**1,659**	**980**	**2,639**
Cash	**10,491**	**718**	**11,209**
Total market value at 31 March 2010	**65,932**	**14,021**	**79,953**
Present value of scheme liabilities	**(83,188)**	**(20,455)**	**(103,643)**
Net pension liability at 31 March 2010	**(17,256)**	**(6,434)**	**(23,690)**

32. Retirement Benefit Obligations (continued)

	2009		
	ROI €'000	UK €'000	Total €'000
Equities	25,086	5,148	30,234
Bonds	12,317	4,284	16,601
Property	2,167	27	2,194
Cash	2,485	751	3,236
Total market value at 31 March 2009	42,055	10,210	52,265
Present value of scheme liabilities	(68,843)	(12,920)	(81,763)
Net pension liability at 31 March 2009	(26,788)	(2,710)	(29,498)

The amounts recognised in the Group Income Statement in respect of defined benefit pension schemes is as follows:

	2010 €'000	2009 €'000
Current service cost	**2,662**	3,090
Total, included in employee benefit expenses (note 9)	**2,662**	3,090
Interest cost, included in finance costs (note 12)	**(4,997)**	(5,006)
Expected return on plan assets, included in finance income (note 12)	**3,456**	4,272
Total	**(1,541)**	(734)

Based on the assumptions employed for the valuation of assets and liabilities at 31 March 2010, the net charge in the Group Income Statement in the year ending 31 March 2011 is expected to increase marginally on the current year figures.

The actuarial gain recognised in the Group Statement of Comprehensive Income is as follows:

	2010 €'000	2009 €'000
Actual return less expected return on pension scheme assets	**13,178**	(21,904)
Experience gains and losses arising on the scheme liabilities	**2,231**	(589)
Changes in assumptions underlying the present value of the scheme liabilities	**(17,004)**	12,976
Total, included in the Group Statement of Comprehensive Income	**(1,595)**	(9,517)

The movement in the fair value of plan assets is as follows:

	2010 €'000	2009 €'000
At 1 April	**52,265**	67,907
Expected return on assets	**3,456**	4,272
Actuarial gain/(loss)	**13,178**	(21,904)
Contributions by employers	**11,665**	5,137
Contributions by members	**368**	384
Benefits paid	**(2,445)**	(1,766)
Acquisition of subsidiary	**1,011**	-
Exchange	**455**	(1,765)
At 31 March	**79,953**	52,265

The actual return on plan assets was a gain of €16.634 million (2009: loss of €17.632 million).

Notes to the Financial Statements (continued)

32. Retirement Benefit Obligations (continued)

The movement in the present value of defined benefit obligations is as follows:

	2010 €'000	2009 €'000
At 1 April	**81,763**	89,758
Current service cost	**2,662**	3,090
Interest cost	**4,997**	5,006
Actuarial loss/(gain)	**14,773**	(12,387)
Contributions by members	**368**	384
Benefits paid	**(2,445)**	(1,766)
Acquisition of subsidiary	**954**	-
Exchange	**571**	(2,322)
At 31 March	**103,643**	81,763

The level of contributions for the forthcoming financial year are expected to be approximately €6 million which is lower than the current year which included some contributions in excess of service costs, in line with actuarial advice, which are not expected to recur in the year ending 31 March 2011.

History of scheme assets, liabilities and actuarial gains and losses

The five-year history in respect of assets, liabilities and actuarial gains and losses for the Group are as follows:

	2010 €'000	2009 €'000	2008 €'000	2007 €'000	2006 €'000
Fair value of assets	**79,953**	52,265	67,907	74,980	67,294
Present value of liabilities	**(103,643)**	(81,763)	(89,758)	(91,352)	(87,973)
Net pension liability	**(23,690)**	(29,498)	(21,851)	(16,372)	(20,679)
Difference between the expected and actual return on scheme assets	**13,178**	(21,904)	(13,935)	904	8,697
As a percentage of scheme assets	**16.5%**	(41.9%)	(20.5%)	1.2%	12.9%
Experience gains and losses on scheme liabilities	**2,231**	(589)	(3,737)	884	(383)
As a percentage of the present value of the scheme liabilities	**(2.2%)**	0.7%	4.2%	(1.0%)	0.4%
Total recognised in the Group Statement of Comprehensive Income	**(1,595)**	(9,517)	(9,086)	1,576	1,779
As a percentage of the present value of the scheme liabilities	**1.5%**	11.6%	10.1%	(1.7%)	(2.0%)

Cumulatively since transition to IFRS on 1 April 2004, €24.585 million has been recognised as a charge in the Group Statement of Comprehensive Income as follows:

	€'000
Recognised in the financial year ended 31 March 2005	**(7,742)**
Recognised in the financial year ended 31 March 2006	**1,779**
Recognised in the financial year ended 31 March 2007	**1,576**
Recognised in the financial year ended 31 March 2008	**(9,086)**
Recognised in the financial year ended 31 March 2009	**(9,517)**
Recognised in the financial year ended 31 March 2010	**(1,595)**
	(24,585)

Sensitivity analysis for principal assumptions used to measure scheme liabilities

There are inherent uncertainties surrounding the financial assumptions adopted in calculating the actuarial valuation of the Group's defined benefit pension schemes. The following table analyses, for the Group's Irish and UK pension schemes, the estimated impact on plan liabilities resulting from changes to key actuarial assumptions, whilst holding all other assumptions constant.

Assumption	Change in assumption	Impact on Irish plan liabilities	Impact on UK plan liabilities
Discount rate	Increase/decrease by 0.25%	Increase/decrease by 5.6%	Increase/decrease by 5.7%
Price inflation	Increase/decrease by 0.25%	Increase/decrease by 3.9%	Increase/decrease by 6.7%
Mortality	Increase/decrease by one year	Increase/decrease by 1.9%	Increase/decrease by 2.5%

33. Deferred Acquisition Consideration

Group

The Group's deferred acquisition consideration of €54.209 million (2009: €21.147 million) as stated on the Balance Sheet consists of €12.885 million of € floating rate provisions (2009: €8.223 million) and €41.324 million of Stg£ floating rate provisions (2009: €12.924 million) payable as follows:

	2010 €'000	2009 €'000
Within one year	**4,858**	6,090
Between one and two years	**5,059**	3,165
Between two and five years	**44,292**	11,892
	54,209	21,147
Analysed as:		
Non-current liabilities	**49,351**	15,057
Current liabilities	**4,858**	6,090
	54,209	21,147

34. Provisions for Liabilities and Charges

The reconciliation of the movement in provisions for liabilities and charges for the year ended 31 March 2010 is as follows:

Group	**Environmental and remediation €'000**	**Insurance and other €'000**	**Rationalisation, restructuring and redundancy €'000**	**Total €'000**
At 1 April 2009	**4,231**	**4,168**	**10,664**	**19,063**
Provided during the year	**(189)**	**30**	**6,843**	**6,684**
Utilised during the year	**-**	**(1,087)**	**(12,609)**	**(13,696)**
Arising on acquisition (note 45)	**4,317**	**1,082**	**-**	**5,399**
Exchange and other	**186**	**27**	**138**	**351**
At 31 March 2010	**8,545**	**4,220**	**5,036**	**17,801**
Analysed as:				
Non-current liabilities	**8,120**	**1,294**	**2,015**	**11,429**
Current liabilities	**425**	**2,926**	**3,021**	**6,372**
	8,545	**4,220**	**5,036**	**17,801**

The reconciliation of the movement in provisions for liabilities and charges for the year ended 31 March 2009 is as follows:

Group	Environmental and remediation €'000	Insurance and other €'000	Rationalisation, restructuring and redundancy €'000	Total €'000
At 1 April 2008	5,399	3,463	4,501	13,363
Provided during the year	(194)	354	19,161	19,321
Utilised during the year	-	(426)	(13,073)	(13,499)
Exchange and other	(974)	777	75	(122)
At 31 March 2009	4,231	4,168	10,664	19,063
Analysed as:				
Non-current liabilities	4,028	707	574	5,309
Current liabilities	203	3,461	10,090	13,754
	4,231	4,168	10,664	19,063

Environmental and remediation

This provision relates to obligations governing site remediation and improvement costs to be incurred in compliance with environmental regulations. The net present value of the estimated costs is capitalised as property, plant and equipment. The unwinding of the discount element on the provision is reflected in the Income Statement. Provision is made for the net present value of post closure costs based on the quantity of waste input into the landfill during the year. Ongoing costs incurred during the operating life of the sites are written off directly to the Income Statement and are not charged to the provision. The majority of the obligations will unwind over a 30-year timeframe.

Notes to the Financial Statements (continued)

34. Provisions for Liabilities and Charges (continued)

Insurance and other

The insurance provision relates to employers liability and public and products liability and reflects an estimation of the excess not recoverable from insurers arising from claims against Group companies. A significant element of the provision is subject to external assessments. The claims triangles applied in valuation indicate that these provisions have an average life of four years (2009: four years).

Rationalisation and redundancy

This provision relates to various rationalisation and restructuring programs across the Group. The majority of this provision falls due within one year.

35. Government Grants

Group	2010 €'000	2009 €'000
At 1 April	**2,136**	2,070
Amortisation in year	**(800)**	(830)
Received in year	**1,799**	1,130
Arising on acquisition (note 45)	**650**	6
Exchange and other adjustments	**68**	(240)
At 31 March	**3,853**	2,136
Disclosed as due within one year (note 25)	**(175)**	(141)
	3,678	1,995

36. Share Capital

Group and Company	2010 €'000	2009 €'000
Authorised		
152,368,568 ordinary shares of €0.25 each	**38,092**	38,092
Issued		
88,229,404 ordinary shares (including 5,224,345 ordinary shares held as Treasury Shares) of €0.25 each, fully paid (2009: 88,229,404 ordinary shares (including 6,090,399 ordinary shares held as Treasury Shares) of €0.25 each, fully paid)	**22,057**	22,057

As at 31 March 2010, the total authorised number of ordinary shares is 152,368,568 shares (2009: 152,368,568 shares) with a par value of €0.25 per share (2009: €0.25 per share).

During the year the Company reissued 866,054 Treasury Shares for a consideration (net of expenses) of €7.657 million.

All shares, whether fully or partly paid, carry equal voting rights and rank for dividends to the extent to which the total amount payable on each share is paid up.

Details of share options granted under the Company's share option schemes and the terms attaching thereto are provided in note 10 to the financial statements and in the audited Report on Directors' Remuneration and Interests on pages 57 to 62.

37. Share Premium

Group and Company	2010 €'000	2009 €'000
At 31 March	**124,687**	124,687

Notes to the Financial Statements (continued)

38. Other Reserves

Group	Share options[1] €'000	Cash flow hedge reserve[2] €'000	Foreign currency translation reserve[3] €'000	Other reserves[4] €'000	Total €'000
At 1 April 2008	6,651	222	(67,224)	1,400	(58,951)
Currency translation	-	-	(85,812)	-	(85,812)
Cash flow hedges					
- fair value losses in year	-	(7,023)	-	-	(7,023)
- tax on fair value losses	-	1,217	-	-	1,217
- transfers to sales	-	707	-	-	707
- transfers to cost of sales	-	4,716	-	-	4,716
- tax on transfers to income tax expense	-	(1,013)	-	-	(1,013)
Share based payment	1,156	-	-	-	1,156
At 31 March 2009	**7,807**	**(1,174)**	**(153,036)**	**1,400**	**(145,003)**
Currency translation	**-**	**-**	**23,264**	**-**	**23,264**
Cash flow hedges					
- fair value gains in year	**-**	**4,062**	**-**	**-**	**4,062**
- tax on fair value gains	**-**	**(926)**	**-**	**-**	**(926)**
- transfers to sales	**-**	**(180)**	**-**	**-**	**(180)**
- transfers to cost of sales	**-**	**(2,896)**	**-**	**-**	**(2,896)**
- tax on transfers to income tax expense	**-**	**819**	**-**	**-**	**819**
Share based payment	**1,341**	**-**	**-**	**-**	**1,341**
At 31 March 2010	**9,148**	**(295)**	**(129,772)**	**1,400**	**(119,519)**

Company	Other reserves[5] €'000
At 31 March 2010 and 31 March 2009	**344**

1 The share option reserve comprises the amounts expensed in the Income Statement in connection with share based payments.

2 The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

3 The foreign currency translation reserve represents all foreign exchange differences from 1 April 2004 arising from the translation of the net assets of the Group's non-euro denominated operations, including the translation of the profits and losses of such operations from the average rate for the year to the closing rate at the balance sheet date.

4 The Group's other reserves comprise a capital conversion reserve fund and an unrealised gain on the disposal of an associate.

5 The Company's other reserves is a capital conversion reserve fund.

39. Retained Earnings

Group	2010 €'000	2009 €'000
At 1 April	**720,909**	650,871
Net income recognised in Income Statement	**130,803**	116,314
Net income recognised directly in equity		
- actuarial loss on Group defined benefit pension schemes	**(1,595)**	(9,517)
- deferred tax on actuarial loss	**861**	911
Re-issue of treasury shares (net of expenses)	**7,657**	10,267
Dividends	**(52,183)**	(47,937)
At 31 March	**806,452**	720,909

Company	2010 €'000	2009 €'000
At 1 April	**194,317**	230,285
Total comprehensive income for the financial year	**3,852**	1,702
Re-issue of treasury shares (net of expenses)	**7,657**	10,267
Dividends	**(52,183)**	(47,937)
At 31 March	**153,643**	194,317

The cost to the Group and the Company of €67.775 million to acquire the 5,224,345 shares held in Treasury has been deducted from the Group and Company Retained Earnings. These shares were acquired at prices ranging from €10.50 to €17.90 each (average: €12.97) between 12 November 2003 and 19 June 2006.

Notes to the Financial Statements (continued)

40. Minority Interest

Group	2010 €'000	2009 €'000
At 1 April	**3,581**	3,771
Acquisition of minority interest in subsidiary undertaking (note 45)	**(1,037)**	12
Share of profit for the financial year	**891**	565
Dividends to minorities	**(275)**	(766)
Exchange and other adjustments	**89**	(1)
At 31 March	**3,249**	3,581

41. Cash Generated from Operations

Group	2010 €'000	2009 €'000
Profit for the financial year	**131,694**	116,879
Add back non-operating (income)/expense		
- tax (note 15)	**33,207**	20,936
- share of profit from associates (note 14)	**(152)**	(168)
- net operating exceptionals (note 11)	**9,764**	19,839
- net finance costs (note 12)	**12,170**	17,191
Operating profit before exceptionals	**186,683**	174,677
- share-based payments expense (note 10)	**1,341**	1,156
- depreciation (note 19)	**46,956**	45,409
- amortisation (note 20)	**6,150**	5,719
- profit on sale of property, plant and equipment	**(1,515)**	(719)
- amortisation of government grants (note 35)	**(800)**	(830)
- other	**(12,872)**	(539)
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):		
- inventories (note 26)	**(11,050)**	4,403
- trade and other receivables (note 26)	**(140,533)**	164,383
- trade and other payables (note 26)	**223,397**	(88,785)
Cash generated from operations	**297,757**	304,874

Company	2010 €'000	2009 €'000
Profit for the financial year	**3,852**	1,702
Add back non-operating income		
- tax	**(2)**	(1)
- net finance costs	**(5,553)**	(4,613)
Operating profit	**(1,703)**	(2,912)
Changes in working capital:		
- trade and other receivables (note 26)	**31,355**	41,813
- trade and other payables (note 26)	**21,736**	(7,694)
Cash generated from operations	**51,388**	31,207

42. Contingencies

Guarantees

The Company and certain subsidiaries have given guarantees of €1,042.033 million (2009: €724.802 million) in respect of borrowings and other obligations arising in the ordinary course of business of the Company and other Group undertakings.

Other

Pursuant to the provisions of Section 17, Companies (Amendment) Act, 1986, the Company has guaranteed the liabilities of the following subsidiaries; Alvabay Limited, DCC Business Expansion Fund Limited, DCC Corporate 2007 Limited, DCC Corporate Partners Limited, DCC Energy Limited, DCC Finance Limited, DCC Financial Services Holdings Limited, DCC Funding 2007 Limited, DCC Healthcare Limited, DCC Management Services Limited, DCC Nominees Limited, DCC SerCom Limited, Emo Oil Limited, Fannin Limited, Fannin Compounding Limited, Flogas Ireland Limited, Great Gas Petroleum (Ireland) Limited, SerCom (Holdings) Limited, SerCom Property Limited, Shannon Environmental Holdings Limited and Sharptext Limited. As a result, these companies will be exempted from the filing provisions of Section 7, Companies (Amendment) Act, 1986.

43. Capital Expenditure Commitments

Group	2010 €'000	2009 €'000
Capital expenditure on property, plant and equipment that has been contracted for but has not been provided for in the financial statements	**2,665**	3,048
Capital expenditure on property, plant and equipment that has been authorised by the Directors but has not yet been contracted for	**60,487**	37,833
	63,152	40,881

44. Commitments under Operating and Finance Leases

Group

Operating leases

Future minimum rentals payable under non-cancellable operating leases at 31 March are as follows:

	2010 €'000	2009 €'000
Within one year	**18,154**	12,219
After one year but not more than five years	**42,223**	36,727
More than five years	**79,130**	84,354
	139,507	133,300

The Group leases a number of properties under operating leases. The leases typically run for a period of 10 to 25 years. Rents are generally reviewed every five years.

During the year ended 31 March 2010, €24.399 million (2009: €20.198 million) was recognised as an expense in the Income Statement in respect of operating leases.

Finance leases

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	2010		2009	
	Minimum payments €'000	Present value of payments €'000	Minimum payments €'000	Present value of payments €'000
Within one year	**1,347**	**1,341**	807	800
After one year but not more than five years	**752**	**732**	832	799
	2,099	**2,073**	1,639	1,599
Less: amounts allocated to future finance costs	**(26)**	**-**	(40)	-
Present value of minimum lease payments	**2,073**	**2,073**	1,599	1,599

Notes to the Financial Statements (continued)

45. Business Combinations

The principal acquisitions completed by the Group during the year, together with percentages acquired were as follows:
- the acquisition of the trade, assets and goodwill of Shell's oil distribution business in Denmark, announced on 19 May 2009;
- Bayford Oil Limited (100%): a UK based oil distribution business, announced on 1 October 2009;
- Shell Direct Austria GmbH (100%): an Austrian fuel distribution business, announced on 10 November 2009;
- Brogan Holdings Ltd ('Brogans') (100%): a UK based fuel distribution and fuel card business, announced on 14 December 2009; and
- DCC Environmental Britain Limited (70%): the company which holds 100% of William Tracey Limited and Wastecycle Limited, announced on 21 January 2010.

The carrying amounts of the assets and liabilities acquired (excluding net cash acquired), determined in accordance with IFRS before completion of the business combinations, together with the fair value adjustments made to those carrying values were as follows:

	2010 €'000 Brogans	2010 €'000 Others	2010 €'000 Total	2009 €'000 Total
Assets				
Non-current assets				
Property, plant and equipment (note 19)	7,759	30,773	38,532	9,341
Intangible assets - other intangible assets (note 20)	10,097	15,234	25,331	7,911
Deferred income tax assets	-	479	479	3,415
Total non-current assets	17,856	46,486	64,342	20,667
Current assets				
Inventories (note 26)	3,398	6,519	9,917	16,125
Trade and other receivables (note 26)	26,888	59,877	86,765	113,140
Total current assets	30,286	66,396	96,682	129,265
Equity				
Minority interest (note 40)	-	1,037	1,037	(12)
Total equity	-	1,037	1,037	(12)
Liabilities				
Non-current liabilities				
Deferred income tax liabilities	(3,501)	(5,706)	(9,207)	(2,285)
Retirement benefit obligations	-	57	57	-
Provisions for liabilities and charges (note 34)	-	(5,399)	(5,399)	-
Deferred acquisition consideration	-	(450)	(450)	-
Government grants (note 35)	-	(650)	(650)	(6)
Total non-current liabilities	(3,501)	(12,148)	(15,649)	(2,291)
Current liabilities				
Trade and other payables (note 26)	(30,713)	(72,156)	(102,869)	(118,362)
Current income tax liabilities	(552)	(822)	(1,374)	(734)
Total current liabilities	(31,265)	(72,978)	(104,243)	(119,096)
Identifiable net assets acquired	13,376	28,793	42,169	28,533
Intangible assets - goodwill (note 20)	34,805	88,289	123,094	69,896
Total consideration (enterprise value)	48,181	117,082	165,263	98,429
Satisfied by:				
Cash	53,955	88,484	142,439	100,034
Net cash acquired	(5,774)	(7,150)	(12,924)	(10,309)
Net cash outflow	48,181	81,334	129,515	89,725
Deferred acquisition consideration	-	35,748	35,748	8,704
Total consideration	48,181	117,082	165,263	98,429

45. Business Combinations (continued)

The acquisition of Brogans has been deemed to be a substantial transaction and separate disclosure of the fair values of the identifiable assets and liabilities has therefore been made. None of the remaining business combinations completed during the year were considered sufficiently material to warrant separate disclosure of the fair values attributable to those combinations. The carrying amounts of the assets and liabilities acquired, determined in accordance with IFRS, before completion of the combination together with the adjustments made to those carrying values disclosed above were as follows:

Brogans	Book value €'000	Fair value adjustments €'000	Fair value €'000
Non-current assets (excluding goodwill)	7,759	10,097	17,856
Current assets	30,286	-	30,286
Non-current liabilities and minority interest	(435)	(3,066)	(3,501)
Current liabilities	(31,265)	-	(31,265)
Identifiable net assets acquired	6,345	7,031	13,376
Goodwill arising on acquisition	41,836	(7,031)	34,805
Total consideration (enterprise value)	48,181	-	48,181

Other acquisitions	Book value €'000	Fair value adjustments €'000	Fair value €'000
Non-current assets (excluding goodwill)	31,252	15,234	46,486
Current assets	68,113	(1,717)	66,396
Non-current liabilities and minority interest	(6,076)	(5,035)	(11,111)
Current liabilities	(72,894)	(84)	(72,978)
Identifiable net assets acquired	20,395	8,398	28,793
Goodwill arising on acquisition	96,687	(8,398)	88,289
Total consideration (enterprise value)	117,082	-	117,082

Total	Book value €'000	Fair value adjustments €'000	Fair value €'000
Non-current assets (excluding goodwill)	39,011	25,331	64,342
Current assets	98,399	(1,717)	96,682
Non-current liabilities and minority interest	(6,511)	(8,101)	(14,612)
Current liabilities	(104,159)	(84)	(104,243)
Identifiable net assets acquired	26,740	15,429	42,169
Goodwill arising on acquisition	138,523	(15,429)	123,094
Total consideration (enterprise value)	165,263	-	165,263

The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis in respect of a number of the business combinations above given the timing of closure of these transactions. Any amendments to these fair values within the twelve month timeframe from the date of acquisition will be disclosable in the 2011 Annual Report as stipulated by IFRS 3.

The principal factors contributing to the recognition of goodwill on business combinations entered into by the Group are the expected profitability of the acquired business and the realisation of cost savings and synergies with existing Group entities.

The total adjustments processed during the year to the fair value of business combinations completed during the year ended 31 March 2009 where those fair values were not readily determinable as at 31 March 2009 were as follows:

Total	Initial fair value assigned €'000	Adjustments to provisional fair values €'000	Revised fair value €'000
Non-current assets (excluding goodwill)	20,667	-	20,667
Current assets	129,265	420	129,685
Non-current liabilities and minority interest	(2,303)	-	(2,303)
Current liabilities	(119,096)	-	(119,096)
Identifiable net assets acquired	28,533	420	28,953
Goodwill arising on acquisition	69,896	(420)	69,476
Total consideration (enterprise value)	98,429	-	98,429

Notes to the Financial Statements (continued)

45. Business Combinations (continued)

The post-acquisition impact of business combinations completed during the year on Group profit for the financial year was as follows:

	2010 €'000	2009 €'000
Revenue	**454,841**	624,717
Cost of sales	**(415,701)**	(588,184)
Gross profit	**39,140**	36,533
Operating costs	**(22,606)**	(26,574)
	16,534	9,959
Operating exceptional items	**(117)**	(766)
Operating profit	**16,417**	9,193
Finance costs (net)	**(512)**	(86)
Profit before tax	**15,905**	9,107
Income tax expense	**(3,891)**	(2,199)
Profit for the financial year	**12,014**	6,908

The revenue and profit of the Group for the financial year determined in accordance with IFRS as though the acquisition date for all business combinations effected during the year had been the beginning of that year would be as follows:

	2010 €'000	2009 €'000
Revenue	**7,559,862**	7,016,264
Group profit for the financial year	**139,020**	117,019

46. Financial Risk and Capital Management

Capital risk management

The Group's objectives when managing its capital structure are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, while maintaining a strong balance sheet to support the continued organic and acquisitive growth of its businesses and to maintain investor, creditor and market confidence.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or buy back existing shares, increase or reduce debt or sell assets.

The policy for net debt is to ensure a structure of longer term debt funding and cash balances with deposit maturities up to three months.

The capital structure of the Group, which comprises capital and reserves attributable to the owners of the Parent, net debt and deferred acquisition consideration, may be summarised as follows:

Group	2010 €'000	2009 €'000
Capital and reserves attributable to the owners of the Parent	**833,677**	722,650
Net debt (note 30)	**53,539**	90,670
Deferred acquisition consideration (note 33)	**54,209**	21,147
At 31 March	**941,425**	834,467

Financial risk management

Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board of Directors, most recently in February 2010. These policies and guidelines primarily cover credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. The Group does not trade in financial instruments nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange and commodity price exposures within approved policies and guidelines.

There are no significant concentrations of risk and there has been no significant change during the financial year, or since the end of the year, to the types of financial risks faced by the Group or the Group's approach to the management of those risks.

46. Financial Risk and Capital Management (continued)

(i) Credit risk management

Credit risk arises from credit exposure to trade debtors, cash and cash equivalents including deposits with banks and financial institutions, derivative and financial instruments.

Trade receivables arise from a wide and varied customer base spread throughout the Group's operations and as such there is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilisation of credit limits is regularly monitored and a significant element of credit risk is covered by credit insurance.

Risk of counterparty default arising on cash and cash equivalents and derivative financial instruments is controlled within a framework of dealing with high quality institutions and, by policy, limiting the amount of credit exposure to any one bank or institution. DCC transacts with a variety of high credit quality financial institutions for the purpose of placing deposits and entering into derivative contracts. The Group actively monitors its credit exposure to each counterparty to ensure compliance with the counterparty risk limits of the Board approved treasury policy. Of the total cash and cash equivalents at 31 March 2010 of €714.917 million, 99.4% (€710.525 million) was with financial institutions with a minimum rating in the P-1 (short-term) category of Moodys. As at 31 March 2010 derivative transactions were with counterparties with ratings ranging from A- to AA (long-term) with Standard and Poors or Baa2 to Aa3 (long-term) with Moodys. In the normal course of business, the Group operates notional cash pooling systems, where a legal right of set-off applies.

Management does not expect any significant counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each asset.

Included in the Group's trade and other receivables as at 31 March 2010 are balances of €94.127 million (2009: €98.421 million) which are past due at the reporting date but not impaired in the majority of cases. The aged analysis of these balances is as follows:

Group	2010 €'000	2009 €'000
Less than 1 month overdue	**69,087**	62,428
1 - 3 months overdue	**16,055**	25,639
3 - 6 months overdue	**5,130**	8,207
Over 6 months overdue	**3,855**	2,147
	94,127	98,421

The movement in the provision for impairment of trade receivables during the year is as follows:

Group	2010 €'000	2009 €'000
At 1 April	**30,753**	15,624
Provision for impairment recognised in the year	**8,946**	18,996
Amounts recovered during the year	**343**	930
Amounts written off during the year	**(12,861)**	(6,238)
Arising on acquisition	**1,522**	3,357
Exchange differences	**1,887**	(1,916)
At 31 March	**30,590**	30,753

Company

There were no past due or impaired trade receivables in the Company at 31 March 2010 (31 March 2009: none).

(ii) Liquidity risk management

The Group maintains a strong balance sheet with long term debt funding and cash balances with deposit maturities up to three months. Wherever possible, surplus funds in the Group are transferred to the centralised treasury department through the repayment of borrowings, deposits and dividends. These are then lent to Group companies or contributed as equity to fund Group operations, used to retire external debt or invested externally. The Group does not use off-balance sheet special purpose entities as a source of liquidity or for other financing purposes. In addition, the Group maintains significant committed and uncommitted credit lines with its relationship banks. Compliance with the Group's biannual debt covenants is monitored continuously based on the management accounts. Sensitivity analyses using various scenarios are applied to forecasts to assess their impact on covenants and net debt. During the year to 31 March 2010 all covenants have been complied with and based on current forecasts it is expected that all covenants will continue to be complied with for the foreseeable future.

Notes to the Financial Statements (continued)

46. Financial Risk and Capital Management (continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period to contractual maturity at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group

As at 31 March 2010	**Less than 1 year €'000**	**Between 1 and 2 years €'000**	**Between 2 and 5 years €'000**	**Over 5 years €'000**	**Total €'000**
Trade and other payables	**1,039,641**	**-**	**-**	**-**	**1,039,641**
Borrowings (principal repayments)	**58,169**	**6,503**	**279,585**	**426,130**	**770,387**
Derivative financial instruments	**557**	**-**	**-**	**-**	**557**
Future finance charges	**15,914**	**14,175**	**36,297**	**33,886**	**100,272**
	1,114,281	**20,678**	**315,882**	**460,016**	**1,910,857**
Less: future finance charges	**(15,914)**	**(14,175)**	**(36,297)**	**(33,886)**	**(100,272)**
	1,098,367	**6,503**	**279,585**	**426,130**	**1,810,585**

Group

As at 31 March 2009	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Trade and other payables	696,294	-	-	-	696,294
Borrowings (principal repayments)	101,657	1,361	66,108	349,425	518,551
Derivative financial instruments	1,660	-	-	-	1,660
Future finance charges	13,023	10,673	29,744	14,649	68,089
	812,634	12,034	95,852	364,074	1,284,594
Less: future finance charges	(13,023)	(10,673)	(29,744)	(14,649)	(68,089)
	799,611	1,361	66,108	349,425	1,216,505

The Group has sufficient cash resources and liquid assets to enable it to meet its current borrowing obligations and trade and other payables.

Company

As at 31 March 2010	**Less than 1 year €'000**	**Between 1 and 2 years €'000**	**Between 2 and 5 years €'000**	**Over 5 years €'000**	**Total €'000**
Trade and other payables	**285,885**	**-**	**10,387**	**-**	**296,272**

Company

As at 31 March 2009	Less than 1 year €'000	Between 1 and 2 years €'000	Between 2 and 5 years €'000	Over 5 years €'000	Total €'000
Trade and other payables	264,149	-	10,387	-	274,536

The Company has sufficient cash resources and liquid assets to enable it to meet its trade and other payables.

(iii) Market risk management

Foreign exchange risk management

DCC's reporting currency and that in which its share capital is denominated is the euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations giving rise to exposure to other currencies, primarily sterling and the US dollar.

Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign currency exposures within approved policies and guidelines using forward currency contracts.

The portion of the Group's operating profits which are sterling denominated are offset to a limited degree by certain natural economic hedges that exist within the Group in that a proportion of the purchases by certain of its Irish businesses are sterling denominated. The Group does not hedge the remaining translation exposure on the translation of the profits of foreign currency subsidiaries on the basis that they are not intended to be repatriated.

The Group has investments in sterling operations which are highly cash generative. The Group seeks to manage the resultant foreign currency translation risk through borrowings denominated in or swapped (utilising currency swaps or cross currency interest rate swaps) into sterling, although this hedge is offset by the strong ongoing cash flow generated by the Group's sterling operations leaving the Group with a net investment in sterling assets. The 4.6% increase in the value of sterling against the euro during the year ended 31 March 2010 gave rise to a translation gain of €23.4 million on the translation of the Group's sterling denominated net asset position at 31 March 2010 as set out in the Statement of Comprehensive Income. Included in this figure is €12.0 million relating to the Group's sterling denominated intangible assets.

46. Financial Risk and Capital Management (continued)

The Group has a moderate level of transactional currency exposure arising from sales or purchases by operating units in currencies other than their functional currencies. Where sales or purchases are invoiced in other then the local currency and there is not a natural hedge with other activities within the Group, DCC generally hedges between 50% and 90% of those transactions for the subsequent two months. The Group also hedges a proportion of anticipated transactions in certain subsidiaries for periods ranging up to twelve months with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes.

Sensitivity to currency movements:
Group
A change in the value of other currencies by 10% against the euro would have a €12.4 million (2009: €11.2 million) impact on the Group's profit before tax, would change the Group's equity by €58.4 million and change the Group's net debt by €5.9 million (2009: €45.5 million and €0.6 million respectively). These amounts include an insignificant amount of transactional currency exposure.

Company
The Company does not have significant levels of non-functional currency assets and liabilities at 31 March 2010 or at 31 March 2009.

Interest rate risk management
On a net debt basis, the Group is exposed to changes in interest rates, primarily changes in EURIBOR and sterling LIBOR. Having borrowed at both fixed and floating rates of interest, DCC has swapped its fixed rate borrowings to floating interest rates, using interest rate and cross currency interest rate swaps. Overall interest rate risk on gross borrowings is mitigated by matching, to the extent possible, the maturity of its cash balances with the interest rate reset periods on the swaps related to its borrowings.

Sensitivity of interest charges to interest rate movements:
Group
Based on the composition of net debt at 31 March 2010 a one percentage point (100 basis points) change in average floating interest rates would have a €1.5 million (2009: €1.5 million) impact on the Group's profit before tax.

Company
The effective interest rates earned during the year on cash at bank ranged from 0.1% to 2.0%.

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

Sensitivity to commodity price movements:
Group
An increase or decrease of 10% in the commodity cost price of oil would have a nil impact on the Group's profit before tax (2009: nil) and a nil impact on the Group's equity (2009: nil).

The impact on the Group's profit before tax and on the Group's equity of an increase or decrease of 10% in the commodity cost price of LPG would be dependant on seasonal variations, competitive pressures and the underlying absolute cost of the commodity at the time and, as such, is difficult to quantify but would not be material.

Company
The Company has no exposure to commodity price risk.

Notes to the Financial Statements (continued)

46. Financial Risk and Capital Management (continued)

Fair values of financial assets and financial liabilities

The fair values of borrowings (none of which are listed) and derivative financial instruments are measured by discounting cash flows at prevailing interest and exchange rates. The carrying value of non-interest bearing financial assets and financial liabilities and cash and cash equivalents approximates their fair values. The following is a comparison by category of book values and fair values of the Group's and Company's financial assets and financial liabilities:

Group	2010		2009	
	Book value €'000	Fair value €'000	Book value €'000	Fair value €'000
Financial assets				
Derivative financial instruments	**103,264**	**103,264**	128,635	128,635
Trade and other receivables	**922,019**	**922,019**	672,782	672,782
Cash and cash equivalents	**714,917**	**714,917**	426,789	426,789
	1,740,200	**1,740,200**	1,228,206	1,228,206
Financial liabilities				
Borrowings	**(851,832)**	**(821,022)**	(627,062)	(570,949)
Derivative financial instruments	**(19,888)**	**(19,888)**	(19,032)	(19,032)
Trade and other payables	**(1,039,641)**	**(1,039,641)**	(696,294)	(696,294)
	(1,911,361)	**(1,880,551)**	(1,342,388)	(1,286,275)
Company				
Financial assets				
Trade and other receivables	**421,462**	**421,462**	452,817	452,817
Cash and cash equivalents	**6,232**	**6,232**	815	815
	427,694	**427,694**	453,632	453,632
Financial liabilities				
Trade and other payables	**(285,885)**	**(285,885)**	(265,149)	(265,149)
	(285,885)	**(285,885)**	(265,149)	(265,149)

The Group has adopted the following fair value measurement hierarchy in relation to its financial assets and financial liabilities that are carried in the Balance Sheet at fair value as at the year end:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs, other than quoted prices included within level 1, that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Group Fair value measurement as at 31 March 2010	**Level 1 €'000**	**Level 2 €'000**	**Level 3 €'000**	**Total €'000**
Financial assets				
Derivative financial instruments used for hedging	**-**	**103,264**	**-**	**103,264**
	-	**103,264**	**-**	**103,264**
Financial liabilities				
Unsecured Notes due 2011 to 2022 carried at fair value	**-**	**785,590**	**-**	**785,590**
Derivative financial instruments used for hedging	**-**	**19,888**	**-**	**19,888**
	-	**805,478**	**-**	**805,478**

Group Fair value measurement as at 31 March 2009	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial assets				
Derivative financial instruments used for hedging	-	128,635	-	128,635
	-	128,635	-	128,635
Financial liabilities				
Unsecured Notes due 2011 to 2019 carried at fair value	-	517,952	-	517,952
Derivative financial instruments used for hedging	-	19,032	-	19,032
	-	536,984	-	536,984

47. Related Party Transactions

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group under IAS 24 *Related Party Disclosures* relate to the existence of subsidiaries, joint ventures and associates and transactions with these entities entered into by the Group and the identification and compensation of key management personnel as addressed in more detail below:

Group

Subsidiaries, joint ventures and associates

The consolidated financial statements include the financial statements of the Company and its subsidiaries, joint ventures and associates as documented in the accounting policies on pages 78 to 86. A listing of the principal subsidiaries and joint ventures is provided in the Group Directory on pages 128 to 131 of this Annual Report.

Transactions are entered into in the normal course of business on an arm's length basis.

Sales to and purchases from, together with outstanding payables and receivables to and from subsidiaries and joint ventures are eliminated in the preparation of the consolidated financial statements.

Business combinations

As announced on 21 January 2010, DCC plc and Michael Tracey, the Managing Director of the William Tracey Group, formed a new holding company, DCC Environmental Britain Limited, which owns DCC's British environmental operations. Michael Tracey is a related party of DCC plc. Prior to the reorganisation DCC and Michael Tracey each owned 50% of the William Tracey Group and owned 90% and 10% respectively of Wastecycle Limited. In return for a consideration of Stg£8.455 million paid by DCC to Michael Tracey, both the William Tracey Group and Wastecycle became 100% subsidiaries of DCC Environmental Britain Limited which is owned 70% by DCC and 30% by Michael Tracey. Put and call options have been put in place over Michael Tracey's 30% shareholding in DCC Environmental Britain Limited to allow for the eventual sale of his shareholding to DCC at market value.

Compensation of key management personnel

For the purposes of the disclosure requirements under IAS 24, the term 'key management personnel' (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Company) comprises the Board of Directors which manages the business and affairs of the Company. Full disclosure in relation to the compensation entitlements of the Board of Directors is provided in the audited Report on Directors' Remuneration and Interests on pages 57 to 62 of this Annual Report.

Company

Subsidiaries, joint ventures and associates

During the year the Company did not receive dividends from its subsidiaries or associates (2009: nil). Details of loan balances to/from subsidiaries are provided in the Company Balance Sheet on page 75, in note 24 'Trade and Other Receivables' and in note 25 'Trade and Other Payables'.

During the year the Company was charged a management fee of €2.892 million (2009: €2.352 million) by its subsidiary, DCC Management Services Limited.

48. Events After the Balance Sheet Date

On 4 May 2010 the Group acquired 100% of F. Peart Limited ('Pearts'), a medium sized oil distribution business which operates from four locations in the north of England for a consideration of €15.0 million. The carrying amounts of the assets and liabilities acquired, determined in accordance with IFRS, before completion of the combination together with the adjustments made to those carrying values disclosed above were as follows:

Pearts	Book value €'000	Fair value adjustments €'000	Fair value €'000
Non-current assets (excluding goodwill)	1,740	2,535	4,275
Current assets	15,658	-	15,658
Non-current liabilities and minority interest	(385)	(709)	(1,094)
Current liabilities	(15,217)	-	(15,217)
Identifiable net assets acquired	1,796	1,826	3,622
Goodwill arising on acquisition	13,186	(1,826)	11,360
Total consideration (enterprise value)	14,982	-	14,982

49. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 17 May 2010.

Group Directory

Principal Subsidiaries and Joint Ventures

DCC Energy

Company name & address	Principal activity	Contact details
DCC Energy Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: energy@dcc.ie www.dcc.ie
Oil		
GB Oils Limited 302 Bridgewater Place, Birchwood Park, Warrington WA3 6XG, England	Procurement, sales, marketing and distribution of petroleum products	Tel: +44 1925 858 500 Fax: +44 1925 858 501 Email: info@gb-oils.co.uk www.gb-oils.co.uk
Emo Oil Limited Clonminam Industrial Estate, Portlaoise, Co. Laois, Ireland	Procurement, sales, marketing and distribution of petroleum products	Tel: +353 578 674 700 Fax: +353 578 674 775 Email: info@emo.ie www.emo.ie
Great Gas Petroleum (Ireland) Limited Market House, Churchtown, Mallow, Co Cork, Ireland	Procurement, sales, marketing and distribution of petroleum products	Tel: +353 22 23 989 Fax: +353 22 23 980 Email: info@greatgas.com www.greatgas.com
DCC Energy Limited Airport Road West, Sydenham, Belfast BT3 9ED, Northern Ireland	Procurement, sales, marketing and distribution of petroleum products	Tel: +44 28 9073 2611 Fax: +44 28 9045 0243 Email: enquiries@emooil.com www.emooil.com
DCC Energi Danmark A/S Skodsborgvej 305E, DK-2850 Naerum, Danmark	Procurement, sales, marketing and distribution of petroleum products	Tel: +45 7010 2010 Fax: +45 4558 0190 Email: info@kundeservice.dccenergi.dk www.dccenergi.dk
Shell Direct Austria GmbH Alte Poststraße 400, A-8055 Graz, Austria	Procurement, sales, marketing and distribution of petroleum products	Tel: +43 316 210 Fax: +43 316 210 20 Email: info@shell-direct.at www.shell-direct.at
LPG		
Flogas UK Limited 81 Raynsway, Syston, Leicester LE7 1PF, England	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +44 116 2649 000 Fax: +44 116 2649 001 Email: enquiries@flogas.co.uk www.flogas.co.uk
Flogas Ireland Limited Dublin Road, Drogheda, Co. Louth, Ireland	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +353 41 9831 041 Fax: +353 41 9834 652 Email: info@flogas.ie www.flogas.ie
Fuel Cards		
Fuel Card Services Limited Alexandra House, Lawnswood Business Park, Redvers Close, Leeds LS16 6QY, England	Sale of motor fuels through fuel cards	Tel: +44 113 384 6264 Fax: +44 844 870 9827 Email: info@fuelcardservices.com www.fuelcardservices.com

DCC SerCom

Company name & address	Principal activity	Contact details
SerCom Distribution Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: sercom@dcc.ie www.sercomdistribution.com
Retail		
Gem Distribution Limited St. George House, Parkway, Harlow Business Park, Harlow, Essex CM19 5QF, England	Procurement, sales, marketing and distribution of computer software and peripherals	Tel: +44 1279 822 800 Fax: +44 1279 416 228 Email: info@gem.co.uk www.gem.co.uk
Multichannel Solutions for Entertainment (MSE) Limited Unit 2, Loughlinstown Industrial Estate, Ballybrack, Co. Dublin, Ireland	Procurement, sales, marketing and distribution of DVDs and computer games and accessories	Tel: +353 1 2826 444 Fax: +353 1 2826 532 www.msegroup.ie

DCC SerCom (continued)

Company name & address	Principal activity	Contact details
Banque Magnetique SAS Paris Nord 2, Parc des Reflets, 99 Avenue de la Pyramide, 95700 Roissy en France	Procurement, sales, marketing and distribution of computer peripherals and accessories	Tel: +33 1 49 90 93 93 Fax: +33 1 49 90 93 07 Email: c.dupont@banquemagnetique.fr www.banquemagnetique.fr
Reseller		
Micro Peripherals Limited Shorten Brook Way, Altham Business Park, Altham, Accrington, Lancashire BB5 5YJ, England	Procurement, sales, marketing and distribution of computer products	Tel: +44 1282 776 776 Fax: +44 1282 770 001 Email: enquiries@micro-p.com www.micro-p.com
Sharptext Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Procurement, sales, marketing and distribution of computer products	Tel: +353 1 4087 171 Fax: +353 1 4193 111 Email: sharptext@sharptext.com www.sharptext.com
Enterprise		
Altimate Group SAS Energy Park IV, 34 Avenue de l'Europe, 78140 Velizy, France	Distribution of enterprise infrastructure products in France, Iberia & Benelux	Tel: +33 1 34 58 47 00 Fax: +33 1 34 58 47 27 Email: info@altimate-group.com www.altimate-group.com
Supply Chain Management		
SerCom Solutions Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Provision of supply chain management and procurement services	Tel: +353 1 4056 500 Fax: +353 1 4056 555 Email: kevin.vaughan@sercomsolutions.com www.sercomsolutions.com

DCC Healthcare

Company name & address	Principal activity	Contact details
DCC Healthcare Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: healthcare@dcc.ie www.dcc.ie
Hospital Supplies & Services		
Fannin Limited Fannin House, South County Business Park, Leopardstown, Dublin 18, Ireland	Procurement, sales and marketing of pharmaceutical, medical and laboratory products and provision of related value-added services	Tel: +353 1 2907 000 Fax: +353 1 2954 777 Email: information@fannin.ie www.fannin.ie
Squadron Medical Limited Unit A, Griffen Close, Ireland Industrial Estate, Staveley, Chesterfield S43 3LJ, England	Provision of value-added distribution services to hospitals and healthcare providers	Tel: +44 1246 470 999 Fax: +44 1246 284 030
The TPS Healthcare Group Limited 27-35 Napier Place, Wardpark, North Cumbernauld, Glasgow G68 0LL, Scotland	Provision of value-added distribution services to hospitals and healthcare providers	Tel: +44 1236 739 668 Fax: +44 1236 738 376 Email:corporate@tpshealthcare.com www.tpshealthcare.com
Virtus Limited 4 Lower Dundrum Road, Dublin 14, Ireland	Manufacture of fabric health care products, primarily mattresses	Tel: +353 1 298 8766 Fax: +353 1 298 8645
Health & Beauty Solutions		
DCC Health & Beauty Solutions 9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Outsourced solutions for the health and beauty industry	Tel: +44 1928 573 734 Fax: +44 1420 566 566 Email: enquiries@dcchealthandbeauty.com www.dcchealthandbeauty.com
Laleham Healthcare Limited Sycamore Park, Mill Lane, Alton, Hampshire GU34 2PR, England	Contract manufacture and packing of nutraceuticals and cosmetics (liquids and creams)	Tel: +44 1420 566 500 Fax: +44 1420 566 566 Email: reception@laleham-healthcare.com www.laleham-healthcare.com

Group Directory (continued)

DCC Healthcare (continued)

Company name & address	Principal activity	Contact details
Thompson & Capper Limited 9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Development, contract manufacture and packing of tablet and hard gel capsule nutraceuticals	Tel: +44 1928 573 734 Fax: +44 1928 580 694 Email: enquiries@tablets2buy.com www.tablets2buy.com
EuroCaps Limited Crown Business Park, Dukes Town, Tredegar, Gwent NP22 4EF, Wales	Development and contract manufacture of soft gel capsule nutraceuticals	Tel: +44 1495 308 900 Fax: +44 1495 308 990 Email: info@softgels.co.uk www.softgels.co.uk
Mobility & Rehab **Days Healthcare UK Limited** North Road, Bridgend Industrial Estate, Bridgend CF31 3TP, Wales	Development, procurement, sales and marketing of mobility and rehabilitation products	Tel: +44 1656 664 700 Fax: +44 1656 664 750 Email: info@dayshealthcare.com www.dayshealthcare.com
Physio Med Services Limited 7-23 Glossop Brook Business Park, Surrey Street, Glossop, Derbyshire SK13 7AJ, England	Procurement, sales and marketing of rehabilition products	Tel: +44 1457 860 444 Fax: +44 1457 860 555 Email: sales@physio-med.com www.physio-med.com
Ausmedic Australia Pty Limited Unit 4/37 Leighton Place, Hornsby, NSW 2077, Australia	Procurement, sales and marketing of mobility and rehabilitation products	Tel: +61 2 94773422 Fax: +61 2 94773522 Email: sales@ausmedic.com www.ausmedic.com

DCC Environmental

Company name & address	Principal activity	Contact details
DCC Environmental Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: environmental@dcc.ie www.dcc.ie
Enva Ireland Limited Clonminam Industrial Estate, Portlaoise, Co. Laois, Ireland	Specialist waste treatment/management services	Tel: +353 578 678 600 Fax: +353 578 678 699 Email: info@enva.ie www.enva.ie
Wastecycle Limited Enviro Building, Private Road No. 4, Colwick Industrial Estate, Nottingham NG4 2JT, England	Recycling and waste management company	Tel: +44 115 9403 111 Fax: +44 115 940 4141 Email: enquiries@wastecycle.co.uk www.wastecycle.co.uk
William Tracey Limited 49 Burnbrae Road, Linwood, Paisley, Renfrewshire PA3 3BD, Scotland	Recycling and waste management company	Tel: +44 1505 321 000 Fax: +44 1505 335 555 Email: info@wmtracey.co.uk www.wmtracey.co.uk

DCC Food & Beverage

Company name & address	Principal activity	Contact details
DCC Food & Beverage Limited DCC House, Brewery Road, Stillorgan, Blackrock, Co. Dublin, Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: foods@dcc.ie www.dcc.ie
Healthfoods **Kelkin Limited** Unit 1, Crosslands Industrial Park, Ballymount Cross, Dublin 12, Ireland	Procurement, sales, marketing and distribution of branded healthy foods, beverages and vms products	Tel: +353 1 4600 400 Fax: +353 1 4600 411 Email: info@kelkin.ie www.kelkin.ie
Indulgence **Robert Roberts Limited** 79 Broomhill Road, Tallaght, Dublin 24, Ireland	Procurement, sales, marketing and distribution of food and beverages	Tel: +353 1 4047 300 Fax: +353 1 4599 369 Email: info@robt-roberts.ie www.robt-roberts.ie

DCC Food & Beverage (continued)

Company name & address	Principal activity	Contact details
Bottle Green Limited 19 New Street, Horsforth, Leeds LS18 4BH, England	Procurement, sales, marketing and distribution of wine	Tel: +44 113 2054 500 Fax: +44 113 2054 501 Email: info@bottlegreen.com www.bottlegreen.com
KP (Ireland) Limited* 79 Broomhill Road, Tallaght, Dublin 24, Ireland	Manufacture of snack foods	Tel: +353 1 4047 300 Fax: +353 1 4599 369
Logistics		
Allied Foods Limited Second Avenue, Cookstown Industrial Estate, Dublin 24, Ireland	Chilled and frozen food distribution	Tel: +353 1 466 2600 Fax: +353 1 466 2688 Email: info@alliedfoods.ie
Other		
Kylemore Foods Group* McKee Avenue, Finglas, Dublin 11, Ireland	Operation of restaurants and contract catering	Tel: +353 1 814 0600 Fax: +353 1 814 0601 Email: info@kylemore.ie www.kylemore.ie

* 50% owned joint venture

Shareholder Information

Share Price Data	2010	2009
	€	€
Share price at 17 May	18.58	
Market capitalisation at 17 May	1,542m	
Share price at 31 March	19.20	11.40
Market capitalisation at 31 March	1,594m	936m
Share price movement during the year		
- High	21.10	17.00
- Low	11.65	10.05

Shareholdings as at 31 March 2010

Range of shares held	Number of accounts	% of accounts	Number of shares[1]	% of shares
Over 250,000	43	1.3	64,610,742	77.8
100,001 – 250,000	49	1.5	8,197,346	9.9
10,001 – 100,000	196	6.0	6,831,713	8.2
Less than 10,000	2,980	91.2	3,365,258	4.1
Total	3,268	100.0	83,005,059	100.0

Geographic division[2]	Number of shares[1]	% of shares
Ireland	8,050,328	9.7
UK	26,490,579	31.9
North America	24,216,632	29.2
Europe/Other	6,382,673	7.7
Retail[3]	17,864,847	21.5
Total	83,005,059	100.0

[1]Excludes 5,224,345 shares held as Treasury Shares

[2]This represents the best estimate of the number of shares controlled by fund managers resident in the relevant geographic regions

[3]Retail includes private shareholders, management and broker holdings

Share Listings

DCC plc is an Irish registered company whose shares are traded on the Irish Stock Exchange and the London Stock Exchange.

CREST

DCC is a member of the CREST share settlement system. Shareholders have the choice of holding their shares in electronic form or in the form of paper share certificates. Shareholders should consult their stockbroker if they wish to hold shares in electronic form.

Dividends

DCC normally pays dividends twice yearly, in July and in December. Dividends are paid in euro to all shareholders (other than shareholders with addresses in the United Kingdom who may elect to receive dividends in sterling). Shareholders may also elect to receive dividend payments by electronic funds transfer directly into their bank accounts, rather than by cheque. Shareholders should contact the Company's Registrar for details of these options.

The Company is obliged to deduct Dividend Withholding Tax ("DWT") at the standard rate of income tax in Ireland (currently 20%) from dividends paid to its shareholders, unless a particular shareholder is entitled to an exemption from DWT and has completed and returned to the Company's Registrar a declaration form claiming entitlement to the particular exemption.

Exemption from DWT may be available to shareholders resident in another EU Member State or in a country with which the Republic of Ireland has a double taxation agreement in place and to non-individual shareholders resident in Ireland (for example companies, pension funds and charities).

An explanatory leaflet entitled "Dividend Withholding Tax – General Information Leaflet" has been published by the Irish Revenue Commissioners and can be obtained by contacting the Company's Registrar. This leaflet can also be downloaded from the Irish Revenue Commissioners' website at www.revenue.ie. Declaration forms for claiming an exemption are available from the Company's Registrar.

Website

Through DCC's website, www.dcc.ie, stakeholders and other interested parties can access information on DCC in an easy-to-follow and user-friendly format. As well as information on the Group's activities, users can keep up to date on DCC's financial results and share price performance through downloadable reports and interactive share price tools. The site also provides access to archived financial data, annual reports, stock exchange announcements and investor presentations.

Electronic Communications

Following the introduction of the Transparency Regulations 2007, and in order to adopt a more environmentally friendly and cost-effective approach, the Company provides information concerning the Company (such as the Annual Report, Interim Report and Notice of Annual General Meeting) to shareholders electronically via DCC's website, www.dcc.ie, and only sends a printed copy to those shareholders who specifically request a copy. Shareholders who receive information electronically will continue to receive certain communications by post (such as share certificates, dividend cheques, dividend payment vouchers and tax vouchers). Shareholders who wish to alter the method by which they receive communications should contact the Company's Registrar.

Financial Calendar

- Preliminary results announced - 18 May 2010
- Ex-dividend date for the final dividend - 26 May 2010
- Record date for the final dividend - 28 May 2010
- Interim Management Statement - 16 July 2010
- Annual General Meeting - 16 July 2010
- Proposed payment date for the final dividend – 22 July 2010
- Interim results to be announced – 9 November 2010
- Proposed payment date for the interim dividend - December 2010
- Interim Management Statement – February 2011

Annual General Meeting, Electronic Proxy Voting and CREST Voting

The 2010 Annual General Meeting will be held at The Four Seasons Hotel, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland on Friday 16 July 2010 at 11.00 a.m. The Notice of Meeting together with an explanatory letter from the Chairman and a Form of Proxy accompany this Report.

Shareholders may lodge a Form of Proxy for the 2010 Annual General Meeting via the internet. Shareholders who wish to submit their proxy in this manner may do so by accessing the Company's Registrar's website at www.computershare.com/ie/voting/dcc and following the instructions which are set out on the Form of Proxy.

CREST members who wish to appoint a proxy or proxies via the CREST electronic proxy appointment service should refer to the notes in the Notice of Annual General Meeting or on the Form of Proxy.

Company's Registrar

All administrative queries about the holding of DCC shares should be addressed to the Company's Registrar,
Computershare Investor Services (Ireland) Limited,
Heron House, Corrig Road, Sandyford Industrial Estate,
Dublin 18, Ireland.

Tel: + 353 1 247 5698
Fax: + 353 1 216 3151
www.investorcentre.com/ie/contactus

Investor Relations

For investor enquiries please contact
Conor Murphy, Investor Relations Manager, DCC plc,
DCC House, Brewery Road, Stillorgan, Blackrock,
Co Dublin, Ireland.

Tel: + 353 1 2799 400
Fax: + 353 1 2831 017
email: investorrelations@dcc.ie

Corporate Information

Auditors
PricewaterhouseCoopers
Chartered Accountants
& Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Bankers
Allied Irish Banks
Bank of Ireland
Barclays
BNP Paribas
Danske Bank A/S trading
as National Irish Bank
Deutsche Bank
ING Bank N.V.
KBC Bank
Rabobank
Royal Bank of Scotland
Ulster Bank

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

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

Solicitors
William Fry
Fitzwilton House
Wilton Place
Dublin 2
Ireland

Stockbrokers
Davy
49 Dawson Street
Dublin 2
Ireland

Goodbody Stockbrokers
Ballsbridge Park
Ballsbridge
Dublin 4
Ireland

JPMorgan Cazenove Limited
10 Aldermanbury
London EC2V 7RF
England

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5 Year Review

Group Income Statement Year ended 31 March	2010 €'m	2009 €'m	2008 €'m	2007 €'m	2006 €'m
Revenue	6,725.0	6,400.1	5,532.0	4,046.1	3,436.3
Operating profit before operating exceptional items and amortisation of intangible assets	192.8	180.4	167.2	140.1	121.0
Operating exceptional items	(9.8)	(19.9)	39.6	24.5	2.8
Amortisation of intangible assets	(6.1)	(5.7)	(7.9)	(6.7)	(4.9)
Operating profit	176.9	154.8	198.9	157.9	118.9
Finance costs (net)	(12.2)	(17.2)	(17.8)	(10.8)	(7.0)
Share of associates' profit after tax	0.2	0.2	0.6	14.7	28.1
Non-operating exceptional items	0.0	0.0	0.0	0.0	(1.2)
Profit before tax	164.9	137.8	181.7	161.8	138.8
Income tax expense	(33.2)	(20.9)	(16.5)	(20.7)	(13.5)
Minority interests	(0.9)	(0.6)	(0.7)	(0.9)	(1.5)
Profit attributable to owners of the Parent	130.8	116.3	164.5	140.2	123.8
Earnings per share					
- basic (cent)	158.76	142.36	204.28	174.59	153.92
- basic adjusted (cent)	177.98	169.13	165.06	160.02	157.23
Dividend per share (cent)	67.44	62.34	56.67	49.28	42.85
Dividend cover (times)	2.6	2.7	2.9	3.2	3.7
Interest cover (times)*	17.7	8.5	9.4	12.9	17.2

* *excludes exceptional items*

Group Balance Sheet As at 31 March	2010 €'m	2009 €'m	2008 €'m	2007 €'m	2006 €'m
Non-current and current assets					
Property, plant and equipment	358.1	319.3	337.1	319.6	267.5
Intangible assets	595.1	443.2	416.9	321.4	248.5
Investments in associates	2.4	2.2	4.7	90.3	76.8
Cash/derivatives	818.2	555.4	512.7	340.2	354.4
Other assets	1,169.0	891.0	1,037.3	783.1	665.4
Total assets	2,942.8	2,211.1	2,308.7	1,854.6	1,612.6
Equity	836.9	726.2	742.4	687.7	585.4
Non-current and current liabilities					
Borrowings/derivatives	871.7	646.1	636.4	440.7	387.1
Retirement benefit obligations	23.7	29.5	21.9	16.4	20.7
Other liabilities	1,210.5	809.3	908.0	709.8	619.4
Total liabilities	2,105.9	1,484.9	1,566.3	1,166.9	1,027.2
Total equity and liabilities	2,942.8	2,211.1	2,308.7	1,854.6	1,612.6
Net debt included above	(53.5)	(90.7)	(123.7)	(100.5)	(32.7)

Group Cash Flow Year ended 31 March	2010 €'m	2009 €'m	2008 €'m	2007 €'m	2006 €'m
Operating cash flow	297.8	304.9	129.0	127.4	142.9
Capital expenditure	47.3	57.0	87.5	60.7	57.7
Acquisitions	133.6	101.7	176.6	105.7	54.7

Other Information	2010	2009	2008	2007	2006
Return on total capital employed (%)	18.4%	17.8%	17.5%	17.9%	19.1%
Working capital (days)	4.6	11.9	16.4	14.0	9.5
Average number of employees	7,396	7,182	6,638	5,653	5,109

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