DCC plc Annual Report and Accounts

2015

Highlights of the Year

The year to 31 March 2015 has been an outstanding year for the Group with:

- Operating profit growth in each of DCC's four divisions, resulting in Group operating profit from continuing activities 10.5% ahead of the prior year at £222 million;
- Excellent operating profit to free cash flow conversion of 138%;
- Improvements in return on capital employed in all divisions, resulting in a Group return on capital employed of 18.9%;
- A proposed 10% increase in the dividend, the 21st consecutive year of dividend growth;
- A record level of acquisition activity, resulting in expenditure now committed of £554 million; and
- The profitable disposal of the Group's Food & Beverage division.

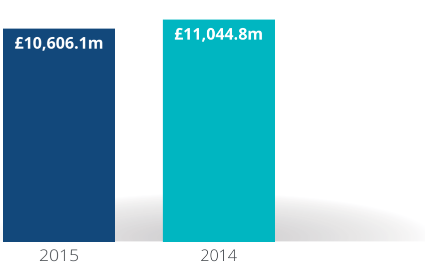
Outlook

The outlook for the year to 31 March 2016 is based on the important assumptions that there will be normal winter weather conditions and that the acquisitions of Esso Retail France and Butagaz will complete by the end of June 2015 and in the final calendar quarter of 2015 respectively.

At this very early stage, the Group anticipates that both operating profit and adjusted earnings per share from continuing activities will be very significantly ahead of the prior year.

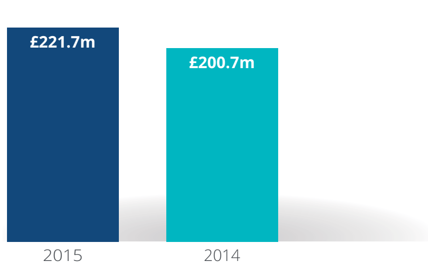
Revenue – continuing

£10,606.1m
▼4.0%



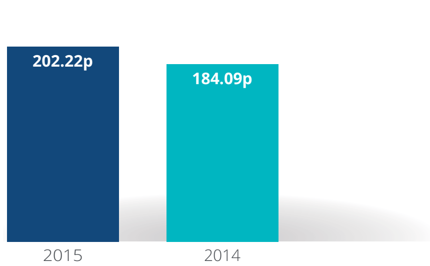
Operating profit* – continuing

£221.7m
▲10.5%



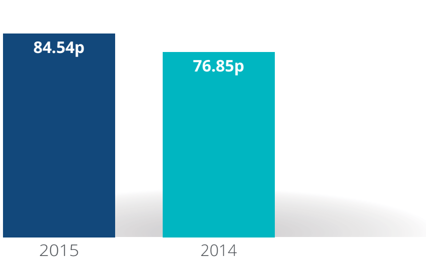
Adjusted earnings per share* – continuing

202.22p
▲9.8%



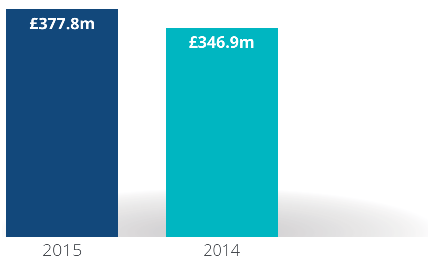
Dividend per share

84.54p
▲10.0%



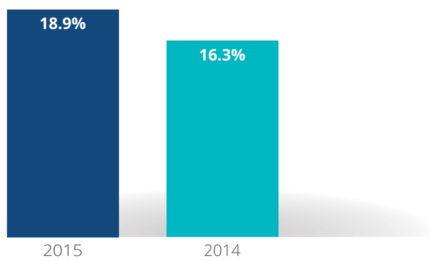
Operating cash flow before exceptionals

£377.8m



Return on capital employed

18.9%



* All references to 'operating profit' and 'adjusted earnings per share' included in the Strategic Report are stated excluding net exceptionals and amortisation of intangible assets. Other non-GAAP measures are detailed on page 196.

DCC at a Glance

DCC is an international sales, marketing, distribution and business support services group. The Group is organised and managed across four divisions and employs over 10,200 people in 14 countries.

Energy

Sales, marketing and distribution of oil and liquefied petroleum gas.

Volumes
10.8bn litres
▲5.7%

Operating profit
£119.4m
▲8.1%

Principal operating locations
Britain, Ireland, Sweden, Denmark, Austria, Norway, the Netherlands, Belgium and Germany.

Read more: **Operating Review** on **p26**

Technology

Sales, marketing and distribution of technology products.

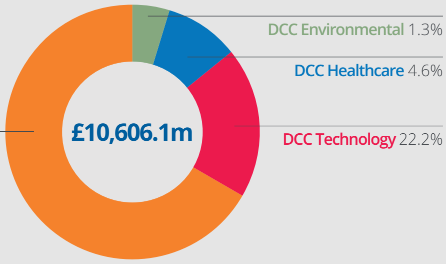
Revenue
£2,350.3m
▲3.8%

Operating profit
£49.3m
▲2.6%

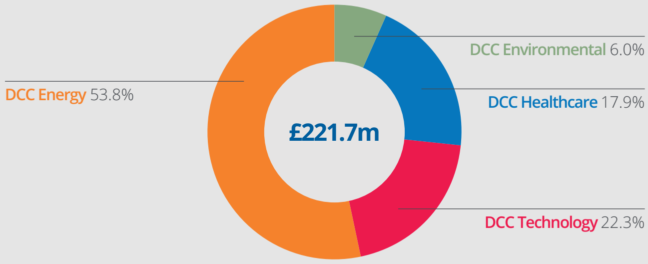
Principal operating locations
Britain, Ireland, France, Belgium, the Netherlands, Sweden, Poland, Norway, China, USA and the UAE.

Read more: **Operating Review** on **p34**

Group revenue by division



Group operating profit by division



Healthcare

Sales, marketing and distribution of pharmaceuticals and medical devices and outsourced services to brand owners in the health and beauty sector.

Revenue
£488.1m
▲20.1%

Operating profit
£39.7m
▲30.6%

Principal operating locations
Britain, Ireland and Sweden.

Read more: **Operating Review** on **p40**

Environmental

Provider of a broad range of waste management and recycling services.

Revenue
£143.6m
▲9.9%

Operating profit
£13.3m
▲13.2%

Principal operating locations
Britain and Ireland.

Read more: **Operating Review** on **p48**

DCC is an international sales, marketing, distribution and business support services group with revenues of £10.6 billion.

The Group is headquartered in Dublin, Ireland and employs over 10,200 people in 14 countries.

DCC shares are listed on the London Stock Exchange and are included in the FTSE All-Share Index and the FTSE 250 Index under Support Services.

Our Structure

DCC operates across four separate divisions, DCC Energy, DCC Technology, DCC Healthcare and DCC Environmental.

Our Strategy

DCC's objective is to build a growing, sustainable and cash generative business which consistently provides returns on capital employed significantly ahead of its cost of capital.

Strategy in Action

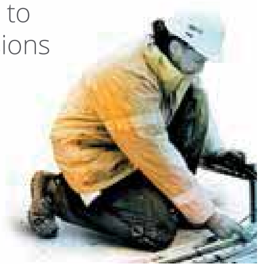
Examples of our strategy being put into effect are set out in the Strategy in Action section on pages 18 to 25.

Energy

Expanding in the retail service station market

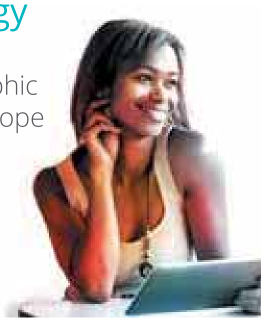
Energy

Targeting Oil to LPG conversions



Technology

Expanding our geographic reach in Europe



Healthcare

Improving manufacturing efficiency

Inside Annual Report 2015

Chairman's Message

A year of strong results and development

We have now had 21 years of uninterrupted dividend growth since DCC first became a publicly listed company.

Dear Shareholder

Results and Financial Position

In my first year reporting to you as Chairman, it is pleasing to reflect that 2015 marks 21 years since DCC became a publicly listed company and to note that the year to 31 March 2015 continued the track record of growth and development for the business.

Operating results were strong, with profits up in each division, and overall by 10.5% on a continuing basis. Adjusted earnings per share were up by 9.8% on a continuing basis.

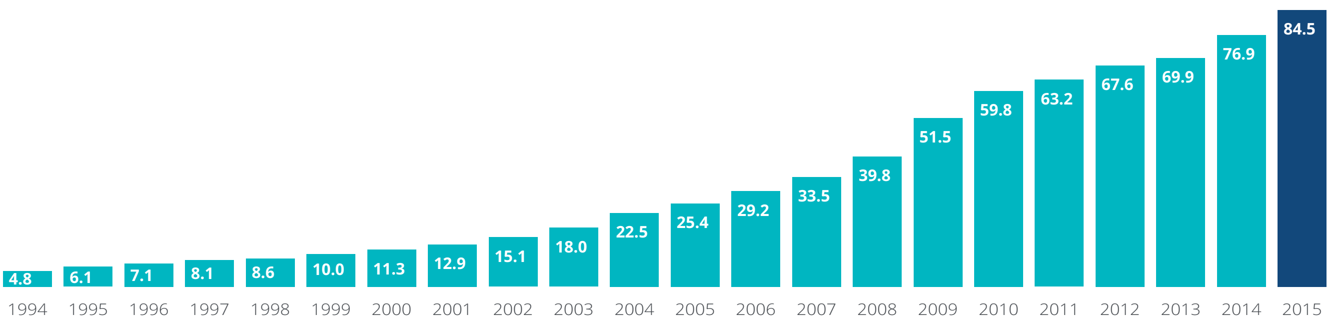
Return on capital employed was 18.9%, a significant increase on the prior year. Conversion of operating profits to free cash flow was 138% and net cash at year end was £30.0 million, with total equity of £987.0 million.

Taking account of committed acquisition expenditure of £554 million, as outlined further below, and the need to be able to take advantage of development opportunities as they arise, the Board has today agreed a share placing of up to 4.2 million new Ordinary Shares, being 5% of share capital, in order to maintain a strong and liquid balance sheet.

Dividend

The Board is recommending a final dividend of 55.81 pence per share. This brings the total dividend per share for the year ended 31 March 2015 to 84.54 pence per share, up 10% on the previous year. We have now had 21 years of uninterrupted dividend growth since DCC first became a publicly listed company.

Dividend (pence) – years ended 31 March



Strategy

DCC's core development strategy is to build an international sales, marketing, distribution and support services business of scale that is sustainable and cash generative and which provides our shareholders with returns on capital employed substantially ahead of our cost of capital.

In pursuit of this strategy, there was a record level of committed development expenditure during the year and since the year end of £554 million.

The agreement in principle reached today to acquire Butagaz S.A.S. for €464 million would be the largest ever acquisition by DCC and a major step forward in the expansion of our LPG business.

The acquisition of Esso Retail France, a French network of unmanned retail petrol stations and the Esso Motorway concessions in France, was a significant step in furthering our strategy to enter the unmanned petrol station market and more broadly to continue to expand significantly our transport fuels business, both in the UK and more widely.

In Technology, the acquisitions of CapTech, in Sweden, and Computers Unlimited, operating primarily in the UK but with operations in France and Spain, further expand its geographic and product footprint.

In Healthcare, the acquisition of Williams Medical Holdings means that DCC Vital now has the most comprehensive sales and distribution network in the British and Irish healthcare markets. Leveraging this expanded market coverage is expected to provide near term synergy opportunities, as well as strengthening the platform for further growth.

We continue to pursue development and consolidation opportunities in each of our core businesses.

Board

There were a number of changes to the Board during the year.

I would like to take the opportunity to pay tribute to my predecessor Michael Buckley, who was Chairman for the past 6 years and a non-executive Director for 9 years, for his very significant contribution to DCC and to wish him all the best in the future.

Kevin Melia, who had been a non-executive Director since 2008, passed away suddenly in June last year. I would like to acknowledge the corporate and entrepreneurial expertise as well as the insight and enthusiasm which he brought to DCC.

I would like to welcome David Jukes who joined the Board in March this year and brings considerable international, commercial experience in the business to business trading and chemicals distribution sectors to the Board.

Investor Communications

We have continued our active approach to investor communications, which involves direct contact with shareholders and with significant long term debt providers. Further details on this programme is set out in the Governance Report on page 76.

Our People

On behalf of the Board, I would like to thank all 10,220 employees of DCC, led by Tommy Breen and his executive team, for their continuing commitment and contribution.

Outlook

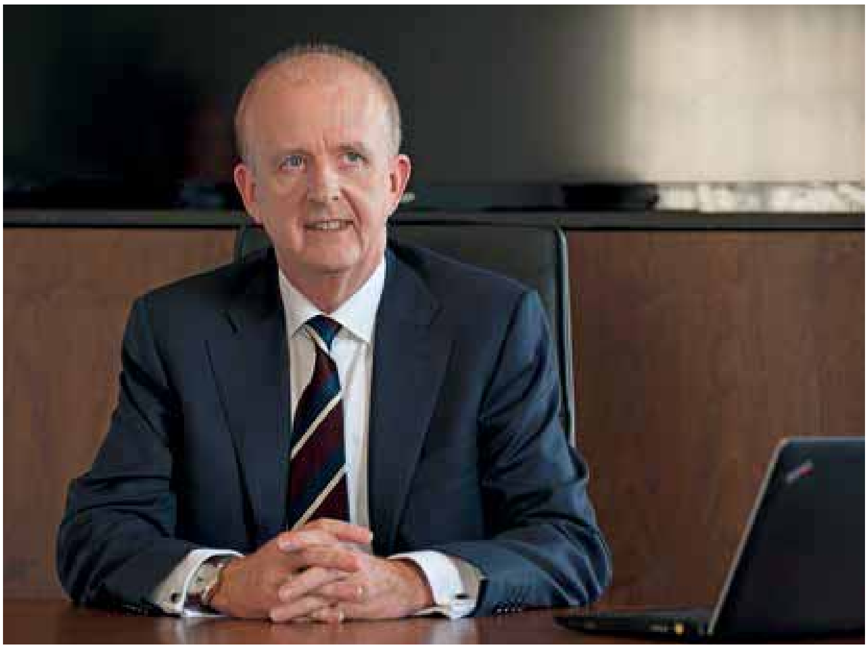
We are well placed for continued growth and achievement of our strategic objectives.

I would like to thank you, our shareholders, for your continued support.

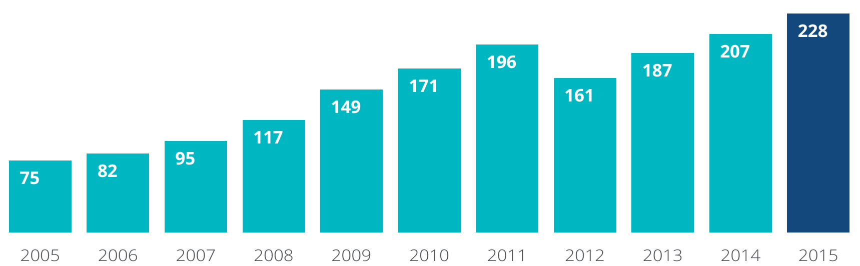
John Moloney
Chairman
18 May 2015

Chief Executive's Review

Very strong performance against strategy



Group operating profit (£'m) – years ended 31 March



Performance against Strategy

DCC's primary strategic objective is simple and has been consistent for a very long time – "to continue building a growing, sustainable and cash generative business which consistently provides returns on total capital employed significantly ahead of our cost of capital". We have also measured pretty much everything we do against this objective and believe that if we stay loyal to our values and continue to deliver in line with our primary strategic objective, we will also continue to create significant value for shareholders over the long term.

I am pleased to say that performance against strategy was very strong in the year to 31 March 2015.

- Operating profit grew in each of DCC's four divisions resulting in Group operating profit from continuing activities of £222 million, 10.5% ahead of the prior year (11.9% ahead on a constant currency basis).
- Operating profit to free cash flow conversion of 138% resulted in record free cash flow of £315 million and net cash at 31 March 2015, before committed acquisition expenditure referred to below, of £30 million.
- Return on capital employed increased in each of DCC's four divisions, resulting in an 18.9% return on total capital employed in the Group.
- A proposed 10% increase in the final dividend which would result in an increase of 10% in the total dividend for the year, the 21st consecutive year of dividend growth.
- The profitable disposal of all of DCC's Food & Beverage subsidiaries, helping to bring increased strategic focus to the Group.
- Total Shareholder Return in the 12 months to 31 March 2015 was 26.3% versus the FTSE 100 at 6.3% and the FTSE 250 at 7.9%.
- Record development activity resulting in expenditure committed during the year and since year end of £554 million.

The Businesses

DCC Energy grew its profits by 8.1% (10.3% in a constant currency basis) and benefited from the continuing focus on operational efficiencies and well executed acquisitions, which were partly offset by the impact of the mild winter weather conditions relative to the 10 year average. Excellent progress was achieved in DCC Energy's strategy to expand both its retail and LPG businesses having announced during the year that it had reached agreement to acquire the Esso Retail business in France and today has reached agreement in principle to acquire the Butagaz business in France from Shell. Together these two acquisitions will significantly increase the scale and breadth of our Energy business.

Growth in DCC Technology was more modest at 2.6% (3.7% on a constant currency basis) with growth across the continental European and supply chain services businesses and also into the UK and Ireland reseller customer base being largely offset by the impact of a weaker market for tablets and mobile phones in the UK. Return on capital employed was very strong at 25.5% and good progress was made in the further development of the business through the acquisitions of CapTech and Computers Unlimited, which was completed since year end. In line with strategy, CapTech broadens the geographic reach of the business while Computers Unlimited expands the product range in the UK.

In DCC Healthcare, profit growth was particularly strong at 30.6% (40.4% excluding Virtus Inc.) and the business has enhanced its market position and scale through further bolt-on acquisition activity. The acquisition of Williams Medical Supplies has given DCC Vital market leadership in the supply of medical devices, pharmaceuticals and related services to GP surgeries in Britain. Beacon Pharmaceuticals, acquired in the second half, has given further strength to our generic pharma business, particularly in the area of hospital injectable pharmaceuticals. DCC Health & Beauty Solutions generated excellent organic growth and also benefited from the integration and full year contribution of UPL, acquired in January 2014.

DCC Environmental grew its profits by 13.2% and drove some improvement in its return on capital employed, despite the impact in the year of sustained weakness in commodity prices. Volumes in the British business grew by 18% and the proportion of waste diverted from landfill increased. In Ireland, the business grew its profits, expanded its range of services and drove further operational efficiencies.

People

DCC's greatest strength is the quality and commitment of the people who work throughout the Group. I would like to thank all of them publicly for all of their efforts on the Group's behalf. We remain committed to providing opportunity for development and progression where possible and, to that end, have commenced a process to enhance our talent development programme.

Outlook

DCC remains ambitious to continue the growth and development of its business. The continued profit growth and cash generation last year along with the recent acquisition activity augur well for the future.

The outlook for the year to 31 March 2016 is based on the important assumptions that:

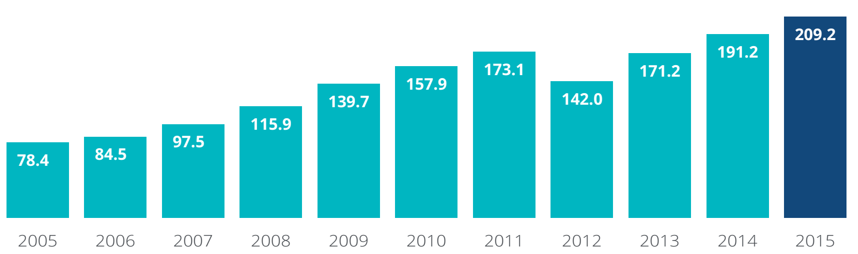
- The acquisitions of Esso Retail France and Butagaz will complete by the end of June 2015 and in the final calendar quarter of 2015 respectively; and
- There will be normal winter weather conditions.

At this very early stage, the Group anticipates that both operating profit and adjusted earnings per share will be very significantly ahead of the prior year.

The Group strategy has always included maintaining a strong and liquid balance sheet to leave it well placed to take advantage of opportunities as they arise. To that end, the Board has today agreed a placing of new Ordinary Shares representing up to 5% of the existing issued share capital of the Group (excluding Treasury Shares). The funds raised from this placing will ensure the Group retains financial capacity for further development while preserving balance sheet strength.

Tommy Breen
Chief Executive
18 May 2015

Adjusted earnings per share (pence) – years ended 31 March



Sustainable growth

Our objective is to build a growing, sustainable and cash generative business which consistently provides returns on capital employed significantly ahead of its cost of capital.

We will achieve this by focusing on five strategic priorities as illustrated.

Successful delivery of this objective will result in:

- the creation of shareholder value through growth in share price and dividends;
- enhanced levels of customer service;
- strengthening of the relationship with our suppliers;
- increased employment and development opportunities for all our employees; and
- positively impacting on the wider communities in which we operate.

Strategic Priority

Market leading positions

Operational efficiency

Extend our geographic footprint

Financial discipline

Development of entrepreneurial teams

What this Means	Progress in 2015	Priorities for 2016
DCC aims to be the number 1 or 2 operator in each of its chosen markets. This is achieved through a consistent focus on increasing market shares organically and via value enhancing acquisitions. We have a long and successful track record of acquisitions which have strengthened our market positions and generated attractive returns on capital invested.	The Group maintained or increased market share in the primary markets in which it operates. This was achieved through good organic growth, contributions from acquisitions in the current year, the most significant of which were Qstar (DCC Energy), CapTech (DCC Technology) and Williams Medical and Beacon (DCC Healthcare), and the successful integration of acquisitions completed in prior years. Read more: Strategy in action on p20	The Group will continue to pursue growth organically and through value enhancing acquisitions. The acquisitions of Butagaz and Esso SAF, both in DCC Energy, are expected to complete in June 2015 and in the final calendar quarter of 2015 respectively and are market leading businesses with returns on capital employed well above the Group's cost of capital.
DCC strives to be the most efficient business in each of the sectors in which it operates. We continuously benchmark our businesses against those specific KPIs which we judge are important indicators in our drive for superior returns on capital in the short, medium and longer term.	During the year the Group successfully completed the integration of acquisitions made in prior years, the most significant of which was the integration of the Vitamex business in DCC Healthcare. Read more: Strategy in action on p25	DCC Technology is planning to further integrate its operations and service offering, including an upgrade of its logistics and IT infrastructure. Read more: Case study on p37
In recent years we have been expanding certain of the Group's businesses into Continental European markets which we believe provide good opportunity for future growth. We will look to further develop our businesses in these markets and to enter new geographic markets on a selective basis in the coming years.	Following a year of modest acquisition expenditure in FY14, the current year saw an increase in activity. DCC Energy completed its first significant investment into the transport fuels market in Europe through the acquisition of Qstar, the fifth largest petrol retailer in Sweden, whilst DCC Technology completed the acquisition of CapTech, Sweden's largest independent technology distribution business. Read more: Strategy in action on pages 19 and 23	The Group will be completing its second major acquisition in the European unmanned petrol station market through the acquisition of Esso SAF in France. In addition, DCC Energy will enter the LPG market in France through the acquisition of Butagaz, a market leader in France. The Group remains disciplined in its approach to acquisition spend and the development strategy remains unchanged.
In pursuing our strategic objectives, we will only do so in the context of maintaining relatively low levels of financial risk in the Group. We believe that this not only provides the greatest likelihood of generating value for shareholders in the long term but also leaves the Group best placed to react quickly to commercial opportunities as they arise.	The Group's financial position remains very strong, well funded and highly liquid. The Group moved to a modest net cash position of £30 million at 31 March 2015.	Undertaking acquisitions to complement organic growth is core to DCC's development strategy. Taking account of the committed development expenditure of £465 million, which it is anticipated will be paid in 2016, DCC's balance sheet strength will be further enhanced by the issue of up to 5% of the existing share capital of the Group by way of a share placing. The funds raised from this placing will provide the Group with significant capacity for further development.
Our people are the essential ingredient in our continued success and we are focused on the attraction, motivation and empowerment of the best leadership teams across the Group. Given the diverse market sectors in which we operate, we believe that providing appropriate short and long term incentives to these leaders, based on the performance of the businesses which they manage, is the best way to drive sustained performance and good returns for shareholders. Our devolved management structure demands leaders of the highest calibre, skill and experience.	The Group was successful in retaining the key management teams in businesses acquired during the year. These teams strengthen our talent pool and bring additional industry experience and capability to the Group. In addition, the Group continues to invest in its talent programme and processes which will be important to support the continued development and retention of high performing employees at Group, divisional and subsidiary levels.	We are engaged with external advisors in developing a more structured Group talent programme which will provide us with a framework to select, assess and develop talent across DCC. We are keeping our short and long term incentive programmes under review to ensure their continued effectiveness in driving high performance across the Group.

Business Model

How we create and share value

Our business model is highly cash generative and offers significant growth potential with high levels of profitability and shareholder returns on capital employed significantly ahead of our cost of capital.

Foundations

What's important to us

Safety
– Continuous focus on safety culture

Integrity
– Ethics, honesty and responsibility

Partnerships
– Creating sustainable partnerships

Excellence
– In everything we do

Our businesses

The common attributes of the businesses we own and operate

Market leadership positions

Operational efficiency

Strong, empowered management teams

Financial discipline

Cash generative

Creating value

How we win

- Focus on cash generation and ROCE
- Consistent strategic direction
- Ability to identify, execute and integrate acquisitions
- Talent development and retention
- Disciplined capital allocation
- Best practice in governance and compliance
- Robust risk management
- Strong supplier and customer relationships
- Devolved management structure

Sharing value

How value is shared with stakeholders

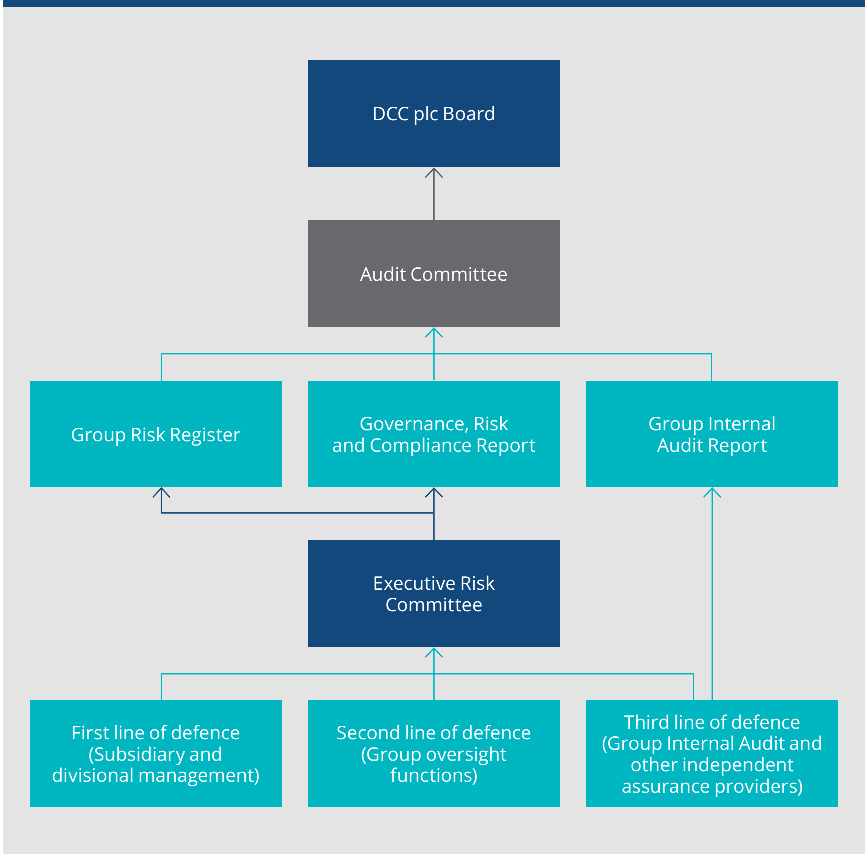
- Shareholder value creation:
  - Share price growth
  - Dividends
- Reinvestment and acquisitions
- Salaries and employment
- Enhanced customer service and supplier relationships
- Taxes
- Socio-economic

Risk Report

Effective management of risk

The Board of DCC is responsible for setting the Group's risk appetite and ensuring that appropriate risk management and internal control systems, designed to identify, manage and mitigate potential material risks to the achievement of the Group's strategic and business objectives, are in place.

Risk Management Framework



Risk Management

The Board has approved a Risk Appetite Statement specifying the levels of risk that the Group is prepared to accept in key areas of activity. This Statement informs the internal controls that are maintained in those areas.

The Board has also approved a Risk Management Policy which sets out delegated responsibilities and procedures for the management of risk across the Group.

The Risk Appetite Statement and the Risk Management Policy are reviewed at least annually to ensure that they remain current.

The Board recognises that the effective management of risk requires the involvement of people at every level of the organisation and seeks to encourage this through a culture of open communication in addition to the operation of formal risk management processes.

The risk management framework in place in the Group and the roles and responsibilities of the key elements of the framework are set out below.

Risk Management Framework

The risk management framework has been designed using a 'three lines of defence' model. The first line comprises subsidiary and divisional management, who have day-to-day responsibility for designing, implementing and maintaining effective internal controls within the individual subsidiaries and divisions. The second line comprises Group oversight functions who provide expertise in regard to the management of specific risks, in particular health, safety and environmental ('HSE') and compliance. The third line of defence principally comprises Group Internal Audit and also includes the external auditors and specialist third party auditors/regulators.

The detailed roles and responsibilities assigned under the risk management framework are summarised below:

Board

The Board is responsible for determining the Group's Risk Appetite Statement and for the Risk Management Policy. The Board is also required to report on the annual review of the effectiveness of the Group's risk management and internal control systems.

The Board reviews a summary risk report at each meeting, which focuses on the Group Risk Register (as detailed on page 11), on significant risk events and on developments in risk management practice.

In addition, recognising that Health, Safety and Environmental is a very significant risk area for the Group, particularly in the Energy and Environmental divisions, the Board takes particular responsibility for this area through direct quarterly reporting to it by the Head of Group Sustainability, who is responsible for the Group HSE function.

Audit Committee
The Audit Committee is responsible for assisting the Board by taking delegated responsibility for risk identification and assessment and for reviewing the Group's risk management and internal control systems and making recommendations to the Board thereon.

It fulfils its responsibilities by reviewing regular reports from Group Internal Audit and from second line providers, in particular the Executive Risk Committee and Group Compliance.

The Chairman of the Audit Committee reports to the Board at each Board meeting on its activities, both in regard to audit matters and risk management.

The Audit Committee also reports to the Board on the detailed work done by management in respect of the annual assessment of the operation of the Group's system of risk management and internal control.

The activities of the Audit Committee are set out in detail in its report on pages 77 to 81.

Executive Risk Committee
The Executive Risk Committee is chaired by the Chief Executive and comprises senior divisional and Group management. Its responsibilities are to analyse on a continuous basis the principal risks facing the Group, the controls in place to manage those risks and the related monitoring procedures and to consider any changes in business strategy which impact on the Group's risk environment and material risks and controls.

The Executive Risk Committee maintains the Group Risk Register and the Integrated Assurance Report (as detailed below) and reports on changes to these to the Audit Committee.

The Executive Risk Committee also evaluates all reports prepared by Group Internal Audit, Group HSE and Group Compliance and ensures prompt action is taken to address control weaknesses highlighted by these reports, prior to these reports being considered by the Audit Committee or the Board as appropriate.

Group Oversight Functions
These functions include Group HSE, Group Compliance and Group Finance, which comprises finance, taxation and treasury. The Group HSE function has in place a risk based HSE audit programme which provides independent assurance on the key HSE management processes and controls that are in place in the Group's businesses. The Group HSE function also facilitates the exchange of best practice and supports divisional HSE committees in setting objectives, reviewing HSE risk registers and developing appropriate HSE standards. As mentioned earlier, the Board receives direct reports on the management of HSE risks.

The Group Compliance function is responsible for ensuring that each Group subsidiary has identified its material compliance risks, in particular legal and regulatory risks, and maintains effective controls in respect of these risks. Controls in this context will include policies, procedures and training. These controls are supported by a clear 'tone from the top' from both the business and the Group.

Each Group subsidiary has a compliance co-ordinator in place who has particular responsibility for this area within their own business.

The Group Compliance function carries out regular compliance audits in Group subsidiaries to ensure that controls are being followed and are operating effectively.

Group Internal Audit
Group Internal Audit, which incorporates a dedicated IT audit and data analytics function, is responsible for reviewing the risk management and internal control processes and identifying areas for improvement and providing independent and objective assurance on risk matters to senior management and the Audit Committee. Group Internal Audit develops an annual, risk-based internal audit programme, which is approved by the Audit Committee.

Risk Register Process
The Group's risk register process is based on a consistent, Group wide approach to the identification and assessment of risks and the manner in which they are managed and monitored.

A risk register template, pre-populated with the most relevant risks covering strategic, operational, financial and compliance areas, has been developed. These risk registers are completed at all levels of the Group, with the impact and probability of occurrence for each risk determined and scored at both a gross (before mitigation) and net (after mitigation) basis. A risk scoring matrix is used to ensure a consistent approach is taken when completing the probability and impact assessments. New or emerging risks are added to the risk register as they are identified and the template is formally reviewed and updated at least annually.

Subsidiary
Each subsidiary is required to maintain a risk register, which is reviewed and updated for submission to divisional management twice a year, following formal review and approval by the subsidiary board. Control improvements identified by management as part of the risk register process are formally monitored through an online Group audit management system.

Division
Subsidiary risk registers are reviewed to update the divisional risk registers, which are approved by the divisional boards and submitted to the Executive Risk Committee twice a year.

Group
The Group Risk Register is maintained by the Executive Risk Committee and is updated to reflect any significant changes noted in the reviews of divisional risk registers. The 'bottom up' risk register process is complemented by the presentation by subsidiary and divisional management of their view of their top risks, classified under current, emerging and fraud related. This provides 'top down' confirmation of the completed risk registers.

The Group Risk Register is then reviewed and formally approved by the Audit Committee and the Board.

An Integrated Assurance Report ('IAR') is maintained to identify the assurance activities planned for the forthcoming year, across the three lines of defence, which are intended to address the key and emerging risks identified by the risk register process. The IAR is updated and discussed by the Executive Risk Committee before being formally presented to the Audit Committee and Board.

Reporting
Formal risk reporting timetables and structures are in place across the Group and in particular from the Executive Risk Committee and the second line of defence functions to the Audit Committee and Board, by way of the Governance, Risk and Compliance report and the quarterly HSE report respectively, and from Group Internal Audit to the Audit Committee.

This facilitates full, comprehensive reporting by the Audit Committee to the Board.

Risk Report Continued

Principal Risks and Uncertainties

The principal risks and uncertainties which have the potential, in the short to medium term, to have a significant impact upon the Group's strategic objectives are set out below, together with the principal mitigation measures and an indication of the particular strategic priorities to which the risks relate.

These represent the Board's view of the principal risks at this point in time. However, this is not an exhaustive statement of all relevant risks and uncertainties. Matters which are not currently known to the Board or events which the Board considers to be of low likelihood could emerge and give rise to material consequences.

The mitigation measures that are maintained in relation to these risks are designed to provide a reasonable and not an absolute level of protection against the impact of the events in question.

Risk	Impact	Principal Mitigation Measures	Movement
Health, safety and environmental	The principal health & safety and environmental risks faced by the Group relate to: – fire, explosion or multiple vehicle accident resulting in one or more fatalities; – an incident resulting in significant environmental damage or compliance breach; – a HSE or security event requiring the activation of our crisis management plan and/or business continuity plans; and – poor product quality control requiring activation of our product recall procedures. Such risks may give rise to legal liability, significant costs and damage to the Group's reputation.	All Group subsidiaries operate health, safety and environmental (HSE) management systems appropriate to the nature and scale of their risks. Within the Energy division in particular there is a strong focus on process safety and ongoing communication with the relevant safety authorities. All manufacturing and product processing facilities operate quality management systems, which are subject to regulatory review and licencing requirements. Quality assurance processes are in place to ensure finished products are produced in accordance with regulatory requirements and applicable specifications. External independent resources are engaged where additional assurance is required. Emergency response and business continuity plans are also in place to minimise the impact of any significant incidents that take place. Inspection and auditing processes are in place in relation to HSE management systems. These checks are conducted by the subsidiaries in question, by the Group HSE function and by external assurance providers, as appropriate. Insurance cover is maintained at Group level for all significant insurable risks.	

Key:
Impact on Strategic Priorities

Market leading positions
Operational efficiency
Extend our geographic footprint
Financial discipline
Development of entrepreneurial teams

Key:
Movement in Risk

Increased risk
No change
Decreased risk

Principal Risks and Uncertainties Continued

Risk	Impact	Principal Mitigation Measures	Movement
Legislation and regulation	DCC's operations across four divisions in fourteen countries must comply with a broad range of legal and regulatory requirements which are subject to changes as well as increasing levels of enforcement. Failure to comply clearly with applicable legal or regulatory obligations could result in enforcement action, legal liabilities, costs and damage to the Group's reputation.	All Group subsidiaries have recorded their key legal and regulatory obligations and the controls they have in place to ensure those obligations are met. Primary responsibility for compliance rests with subsidiary management, who are supported by the Group Compliance function, which provides detailed support on legal and regulatory issues and conducts compliance audits across the Group.	
Acquisitions/ Change management	A failure to identify, execute or properly integrate acquisitions, change management programmes or other growth opportunities could impact on profit targets and impede the strategic development of the Group.	Group and divisional management teams engage in a continuous and active review of potential acquisitions. All potential acquisitions are subject to an assessment of their ability to generate a return on capital employed well in excess of the cost of capital and their strategic fit within the Group. The Group conducts a stringent internal evaluation process and external due diligence prior to completing any acquisition. Group and subsidiary management have significant expertise in, and experience of, integrating acquisitions. Performance against original acquisition proposals is formally reported to the Board on an annual basis and account is taken of learnings. Projects and change management programmes are resourced by dedicated and appropriately qualified internal personnel, supported by external expertise.	
Key supplier & customer relationships	Certain Group subsidiaries derive a significant part of their revenue from key suppliers and customers and the loss of any of those relationships would have a material financial impact on that subsidiary.	The Group as a whole trades with a very broad supplier and customer base. Close commercial relationships exist with all our suppliers and customers and there is a constant focus on providing a value added service to them.	

Risk Report Continued

Principal Risks and Uncertainties Continued

Risk	Impact	Principal Mitigation Measures	Movement
Cyber and information security	Maintaining adequate IT systems and infrastructure to support growth and development may be affected by: – accidental exposure or deliberate theft of sensitive information; – loss of service or system availability; – significant system changes or upgrades; and – cybercrime.	Dedicated IT personnel with the appropriate technical expertise are in place in Group subsidiaries to oversee IT security. IT standards and policies have been subject to a comprehensive review and update project over the last three years to ensure they are in line with appropriate best practices. Cybersecurity reviews are performed by a dedicated internal IT audit team and external technical experts to provide independent assurance. Business continuity, IT disaster recovery and crisis management plans are in place and tested.	
Talent management	The Group's devolved management structure has been fundamental to the Group's success. A failure to attract, retain or develop high quality entrepreneurial management throughout the Group could impact on the attainment of strategic objectives.	The Group maintains a constant focus on this area with structured succession planning, management development and remuneration programmes, incorporating long and short term incentives, in place. A graduate recruitment programme has also been established. These programmes are reviewed regularly by Group Human Resources, divisional management, the Chief Executive and the Board.	
Crime	The Group is potentially subject to a variety of criminal threats including fraud, particularly in relation to payments, and theft of product.	The security of the Group's IT and banking systems are subject to both external and internal review and are updated and improved as needed. Other internal controls against fraud are maintained in every subsidiary and are monitored at Group level. Suitable controls are in place against physical crime such as theft and vandalism. The Group also maintains fidelity insurance in relation to risks in this area.	
Financial and reporting	The Group is exposed to liquidity, foreign exchange and interest rate risk, as well as ongoing demands for credit.	The Group's financial position remains strong with significant cash resources and relatively long term debt maturities. There is a continued focus on working capital management, cash generation and managing supplier and customer relationships. Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board.	

Key:
Impact on Strategic Priorities

Market leading positions
Operational efficiency
Extend our geographic footprint
Financial discipline
Development of entrepreneurial teams

Key:
Movement in Risk

Increased risk
No change
Decreased risk

Principal Risks and Uncertainties Continued

Risk	Impact	Principal Mitigation Measures	Movement
External Factors (including weather)	External factors outside of the direct influence of the Group, including economic cycles, technological changes and weather, can significantly impact on performance. Demand for some of the products sold by the Group, most notably heating products in the Energy division, is directly related to weather conditions. The inherent uncertainty of weather conditions therefore presents a risk to profits generated by that division.	The impact of external factors is mitigated through a focus on strong financial management, a broad spread of products and customers across the divisions and careful geographical expansion. The Energy division continues to expand its operations in the non-heating segments of the market, primarily in transport fuels (with a particular emphasis on retail petrol stations), in marine and in aviation.	
Pricing	The Group is exposed to commodity cost price risk in its Energy division, in both its oil distribution and LPG distribution businesses. The ability to maintain margins by recovering these costs on a timely basis may be adversely impacted by external factors including changes to consumer spending, competition and regulations.	Commodity cost price movements are immediately reflected in oil sales prices and within a short period in LPG sales prices. Approved matching forward contracts and hedges are used where price movement exposures exist.	

Key Performance Indicators
Monitoring Progress

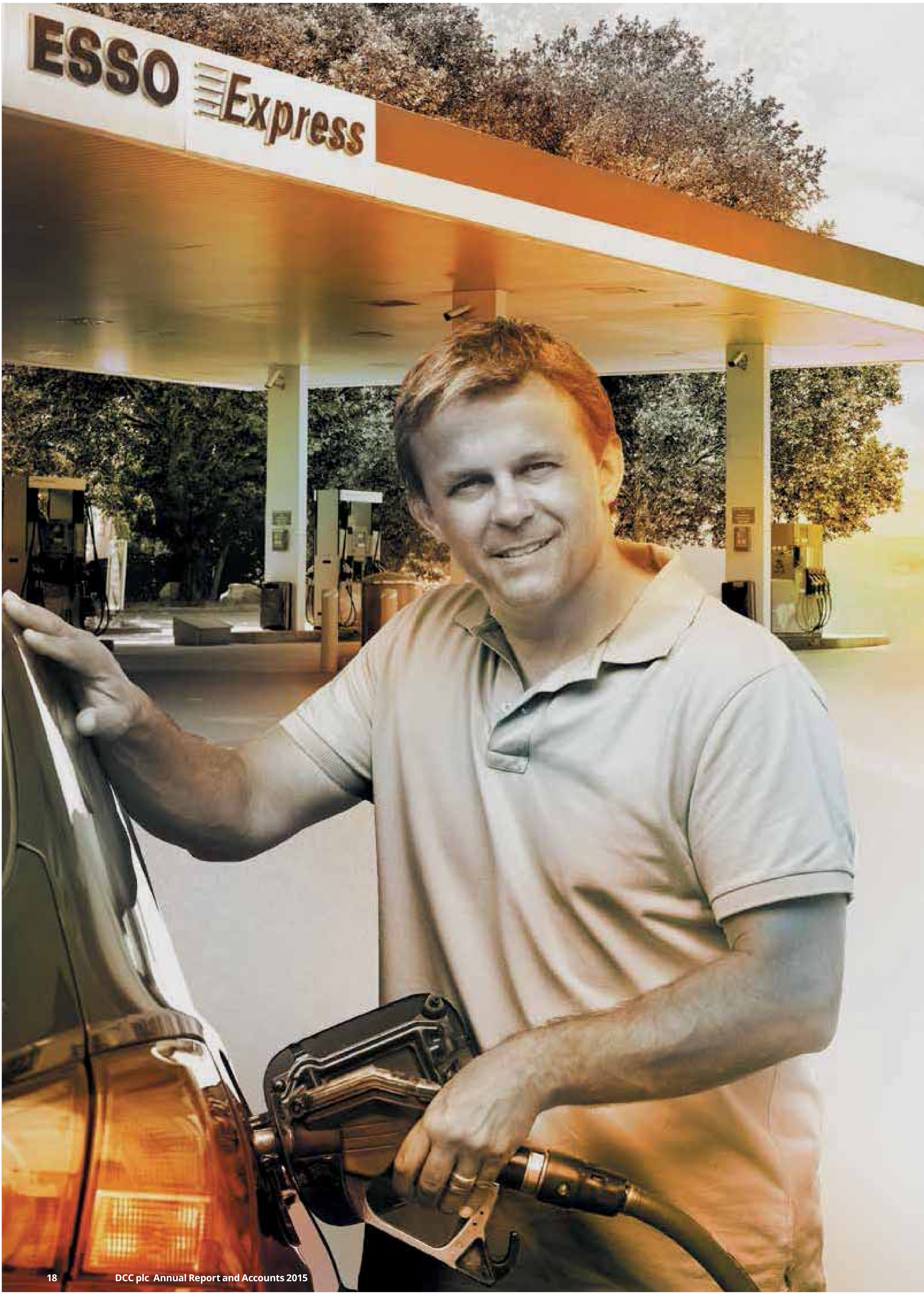
The Group employs financial and non-financial key performance indicators ('KPIs') which signify progress towards the achievement of our strategy. Each division has its own KPIs which are in direct alignment with those of the Group and are included in the divisional operating reviews on pages 26 to 53.

KPI	Definition	Strategic Linkage
Return on capital employed ('ROCE') R	ROCE is defined as the operating profit before amortisation and exceptional items expressed as a percentage of the average capital employed. Capital employed represents total equity adjusted for net cash/debt, goodwill and intangibles previously written off, contingent consideration and equity accounted investments.	ROCE is the key financial benchmark we use when evaluating both the performance of existing businesses and potential investments. The Group strives to consistently provide returns well in excess of its cost of capital. ROCE is a key component of DCC's executive bonus plans and Long Term Incentive Plan.
Growth in operating profit R	Measures the change in operating profit before amortisation and exceptional items achieved in the current year compared to operating profit before amortisation and exceptional items reported in the prior year.	Operating profit measures the underlying operating performance of the Group's businesses and gives an insight into activity levels, cost management and performance efficiency.
Growth in adjusted earnings per share ('EPS') R	Measures the change in adjusted EPS achieved in the current year compared to adjusted EPS reported in the prior year.	EPS is an industry standard for determining corporate profitability and represents an important metric in determining the generation of superior shareholder returns. It is a key component of DCC's executive bonus plans and Long Term Incentive Plan.
Operating cash flow	Measures cash generated from operations before exceptional items.	Operating cash flow represents the funds available for reinvestment, acquisitions and dividends, so maintaining a high level of cash generation is key to delivering strong shareholder returns.
Committed acquisition expenditure	Measures cash spent and future contingent consideration amounts for acquisitions committed to during the year.	The Group constantly seeks to add value-enhancing acquisitions in order to provide shareholders with returns on capital in excess of our cost of capital.
Health and safety	Lost Time Injury Frequency Rate ('LTIFR') measures the number of lost time injuries per 200,000 hours worked. Lost Time Injury Severity Rate ('LTISR') measures the number of calendar days lost per 200,000 hours worked.	The safety of our employees and the wider community is central to everything we do. A continually improving occupational and process safety culture is a key element in delivering on our strategic objectives.
Gender diversity	Gender diversity measures the percentage split of the workforce between male and female employees.	The Group benefits from attracting and developing a workforce with diverse skills, qualities and experiences.

Key

Market leading positions | Operational efficiency | Extend our geographic footprint | Financial discipline | Development of entrepreneurial teams | R Linked to Directors' Remuneration

Performance	Comment	FY16 Outlook and Aims
2015: 18.9% 2014: 16.3%	The ROCE of 18.9% is significantly in excess of our current cost of capital. The increase in ROCE over the prior year reflected improvements across all four divisions and was driven by continued strong working capital management and the increase in the Group's operating profit of 10.5%.	The achievement of returns on capital employed in excess of the Group's cost of capital will continue to be a key focus in order to ensure the efficient generation of cash to fund organic growth, acquisitions and dividend growth.
2015: £221.7m 2014: £200.7m 2015 v 2014: ▲10.5%	Approximately one third of the growth in the Group's operating profit was organic and operating profit growth was achieved across all four divisions, despite the impact of a weaker exchange rate for translating non-sterling denominated profits. Good growth was recorded in DCC Energy's Retail & Fuel Card business and there was a strong performance in DCC Healthcare, reflecting growth in DCC Health & Beauty and the impact of acquisitions.	The outlook for FY16 is based on the important assumption that there will be normal winter weather conditions and that the acquisitions of Esso SAF and Butagaz complete by the end of June 2015 and in the final calendar quarter of 2015 respectively. The Group anticipates that operating profit will be very significantly ahead of the prior year.
2015: 202.22p 2014: 184.09p 2015 v 2014: ▲9.8%	The increase in adjusted EPS was primarily driven by the factors mentioned under the operating profit KPI.	The Group anticipates that adjusted EPS will be very significantly ahead of the prior year and is based on the same assumptions as the anticipated growth in operating profit mentioned above.
2015: £377.8m 2014: £346.9m	The Group generated excellent operating cash flow of £377.8m during the year, driven by operating profit from continuing operations of £221.7m and a reduction in working capital of £102.6m.	Cash generation and working capital management will remain a key focus of the Group.
2015: £554.1m 2014: £84.1m	The Group had a successful year of development activity with committed acquisition expenditure of £554.1m which principally comprised Butagaz (£338m), Esso SAF (£95m), Williams Medical (£44m) and Captech (£15m).	The Group will continue to pursue attractive opportunities in our traditional markets as well as looking to extend our business into selected new geographic markets. We continue to pursue a strong pipeline of opportunities but acquisition targets must meet our demanding criteria and the Group will remain disciplined in its approach to acquisition spend.
LTIFR 2015: 1.9 2014: 1.7 **LTISR** 2015: 39 days 2014: 36 days	The number of injuries from slips, trips, falls and manual handling increased during the year, reversing the historically positive downward trend of LTI performance metrics. All LTIs, regardless of severity, are investigated to determine root causes and to implement effective corrective actions. The emphasis on near miss reporting, employee engagement and safety leadership activities is continuous and the key to a return to a positive trend.	The Group will continue to focus on promoting a strong safety culture across our businesses to raise risk awareness and the identification of improvement opportunities. LTI rates are targeted to decrease back in line with historical trends.
Female : Male employees 2015: 33% : 67% 2014: 33% : 67%	On an overall basis, female employees accounted for 33% of the workforce. Within this, 20% of senior management and 30% of Board members were female.	The Group will continue to focus on actions which will improve the diversity within our workforce and is targeting an improvement in the percentage of female employees.


ESSO
Express

Strategy in Action

DCC Energy

Expanding in the retail service station market

What we did in 2015

DCC Energy completed the acquisition of Qstar Retail, the fifth largest retail service station network (325 unmanned retail sites and 311 million litres of transport fuels) in Sweden in May 2014. In August 2014, DCC Energy announced that agreement in principle had been reached with Esso for DCC Energy to acquire its Esso Express network and the Esso Motorway network (comprising 274 unmanned retail sites and 48 retail sites respectively and selling approximately 1.9 billion litres of transport fuels) in France. To facilitate the efficient running of the Esso France network, DCC Energy has set up an operation in Drogheda (just north of Dublin), from where the majority of the key business functions including pricing will be carried out. This facility will be scalable with the ability to run additional retail networks if further acquisitions become available.

Strategic linkage

DCC Energy's strategy is to expand its retail service station business in Europe by extending its geographic footprint through acquisition. DCC Energy is building positions in new geographies through the development of a hub and spoke structure to facilitate building a larger business without duplication of costs.

Read more: **Extend our geographic footprint** in **Strategy** on **pages 6 and 7**

Strategy in Action
Continued

DCC Energy

Targeting Oil to LPG conversions

What we did in 2015

Flogas Sweden worked with Svevia AB to convert their asphalt facility at Arlanda airport from burning fuel oil to LPG. We won the contract by demonstrating to the customer the energy and operating savings, along with the environmental benefits of LPG as a cleaner fuel in comparison to fuel oil. Flogas' engineering team worked with Svevia's site management to install LPG equipment (including a 50 tonne storage tank) and to carry out adjustments to their burner to allow the safe burning of LPG. The outcome is a longer term value added customer relationship for DCC and a reduction in emissions for our customer while delivering competitive pricing.

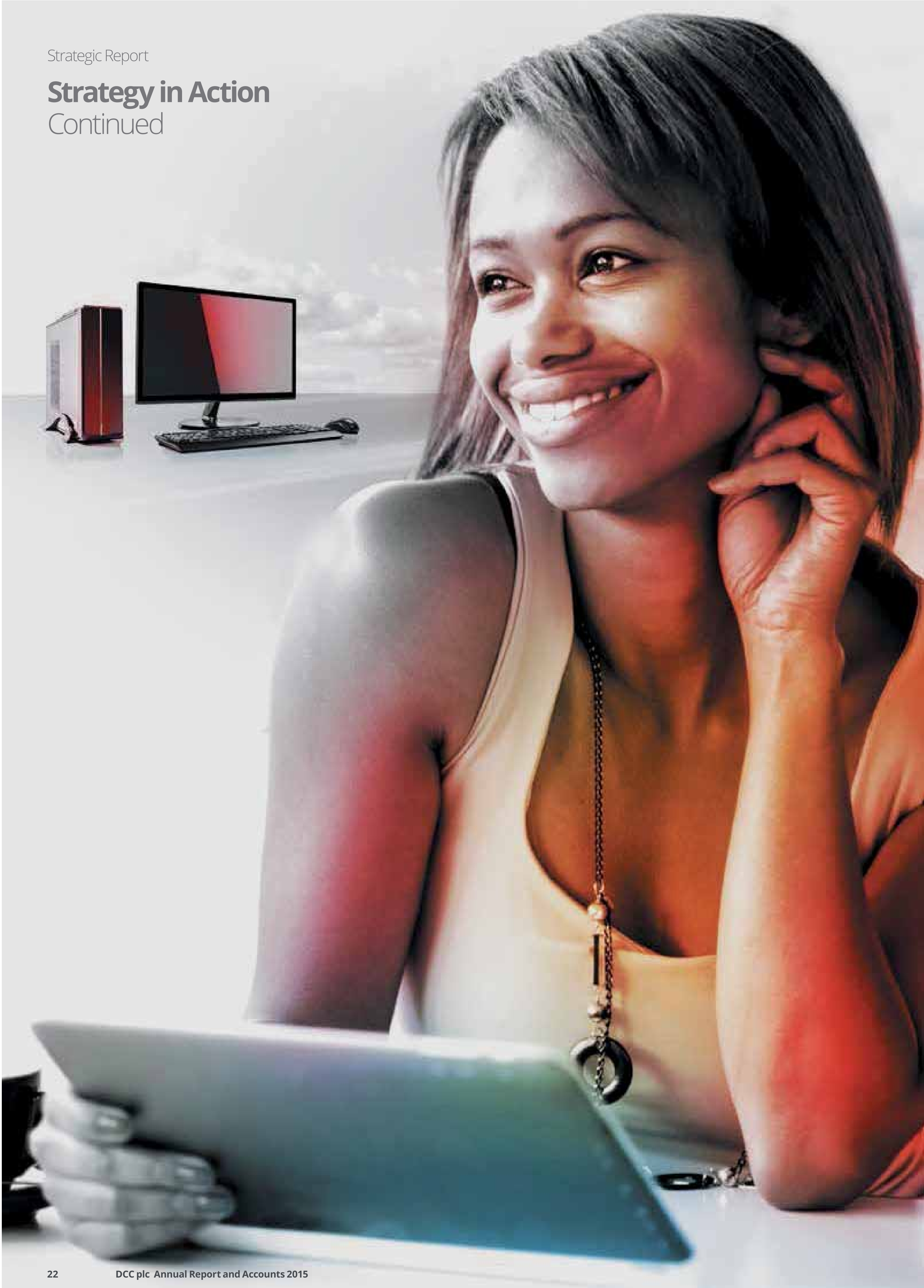
Strategic linkage

The Svevia contract further strengthens the Flogas market leadership position in Sweden and it also continues to drive DCC Energy's growth in cleaner energy products.

Read more: **Market leading positions** in **Strategy** on **pages 6 and 7**


FLO GAS
FLO GAS
WFP 504

Strategy in Action
Continued



DCC Technology

Expanding our geographic reach in Europe

What we did in 2015

Exertis is focused on expanding its geographic reach in Europe to enable the business to provide a multi country offering to its key vendor partners. The Nordic region was identified as an area of interest and a detailed search was undertaken of acquisition candidates in the region. This identified CapTech, the number three distributor of IT products in Sweden, as an excellent opportunity in terms of vendor partners, customer base, service levels and the strength of the management team.

In September 2014, Exertis acquired CapTech which focuses on IT hardware, professional AV and home entertainment products. This acquisition is expected to form the basis for the development of a Pan Nordic IT distribution business and the CapTech management (led by Managing Director, Daniel Johnsson) have stayed on to grow the CapTech business within the wider Exertis business. CapTech has now been rebranded Exertis and the acquisition will strengthen our relationship with some key IT vendors including Acer, Asus, Dell, Microsoft, NEC and Samsung.

Strategic linkage

The acquisition of CapTech will help Exertis to extend its geographic footprint into the Nordic region. This will help to provide new horizons for growth and access to new customers in the region.

Read more: **Extend our geographic footprint** in **Strategy** on **pages 6 and 7**

Strategy in Action
Continued

DCC Healthcare

Improving manufacturing efficiency

What we did in 2015

In June 2012, DCC Healthcare acquired Vitamex, a Swedish contract tablet manufacturer, which supplies a range of products to leading Swedish and international consumer healthcare and health & beauty brand owners. This acquisition allowed DCC Healthcare to extend the breadth of its service offering to brand owners in the health & beauty sector and to expand its European customer base. The business was housed in a seven storey building which was originally a textile factory and was not suitable for further development.

DCC Healthcare has operated a high quality licensed tablet facility in the UK, supplying both leading domestic and international brand owners, for many years. While this facility had capacity, a skilled workforce and development potential, it did not have the technology to manufacture effervescent tablets. After a detailed review of our development options, a decision was taken to invest in the UK facility, adding capacity and the technology to manufacture effervescent tablets. The UK facility became the centre of all DCC Healthcare's tablet manufacturing and development. Over an 18 month period, DCC Healthcare management developed and executed an integration plan that involved consultation and working with key stakeholders – customers, suppliers, employees and unions – to ensure its delivery. The Swedish manufacturing operations were integrated with minimum disruption to service levels and continues to be supported by a Nordic market focused R&D and business development team based in Sweden.

Strategic linkage

The transfer of manufacturing improved the efficiency of our operating model and delivered a range of benefits for DCC Healthcare. It combined all tableting activities on one site, optimising manufacturing efficiencies and broadening its service offering. It allowed DCC Healthcare to offer more competitive prices and a greater depth of product development and technical resources to existing and target customers in the Nordic region. This supports both business retention and growth and enables DCC Healthcare to leverage its existing customer base by offering new technologies.

Read more: **Operational efficiency** in **Strategy** on **pages 6 and 7**

Operating Review
DCC Energy

Leading the way

Results

Volumes

10.8bn litres

▲5.7%

Operating Profit

£119.4m

▲8.1%

Return on capital employed

19.8%

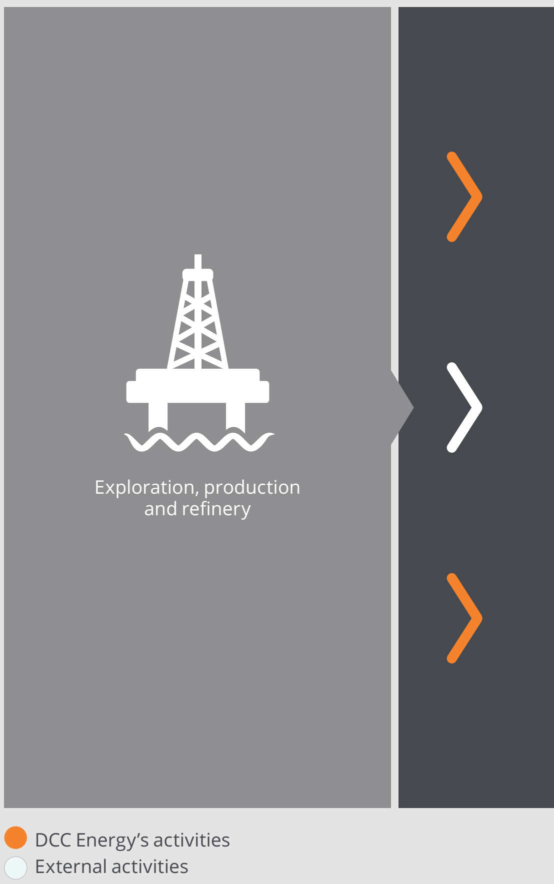
2014: 17.5%

What we do

DCC Energy is the leading oil and liquefied petroleum gas ('LPG') sales, marketing and distribution business in Europe. In oil distribution, DCC Energy is the market leader in Britain and Sweden and one of the leading oil distribution businesses in Austria, Denmark and Ireland. In LPG, DCC Energy is the market leader in Norway and Sweden, joint leader in the Netherlands and is the strong number two player in both Britain and Ireland. In Retail & Fuel Card, DCC Energy is building strong market positions in Britain, France and Sweden.

In the year ended 31 March 2015, DCC Energy sold 10.8 billion litres of product to its customer base of approximately one million customers across 9 countries.

DCC Energy – What we do



Key Brands

Oil
Bayford, Brogan*, Bronberger & Kessler*, Butler Fuels*, Carlton Fuels*, CPL Petroleum, DCC Energi*, Emo Oil*, Energie Direct*, Gulf, Pace Fuelcare, Qstar*, Scottish Fuels*, Shell, Swea*, Texaco, Top Oil*(in Austria).

Retail & Fuel Card
BP, Diesel Direct, Esso, Fastfuels, Gulf, Shell, Qstar*.

LPG
Flogas*, MacGas*, Benegas*.

* DCC owned brands

How we Create Value

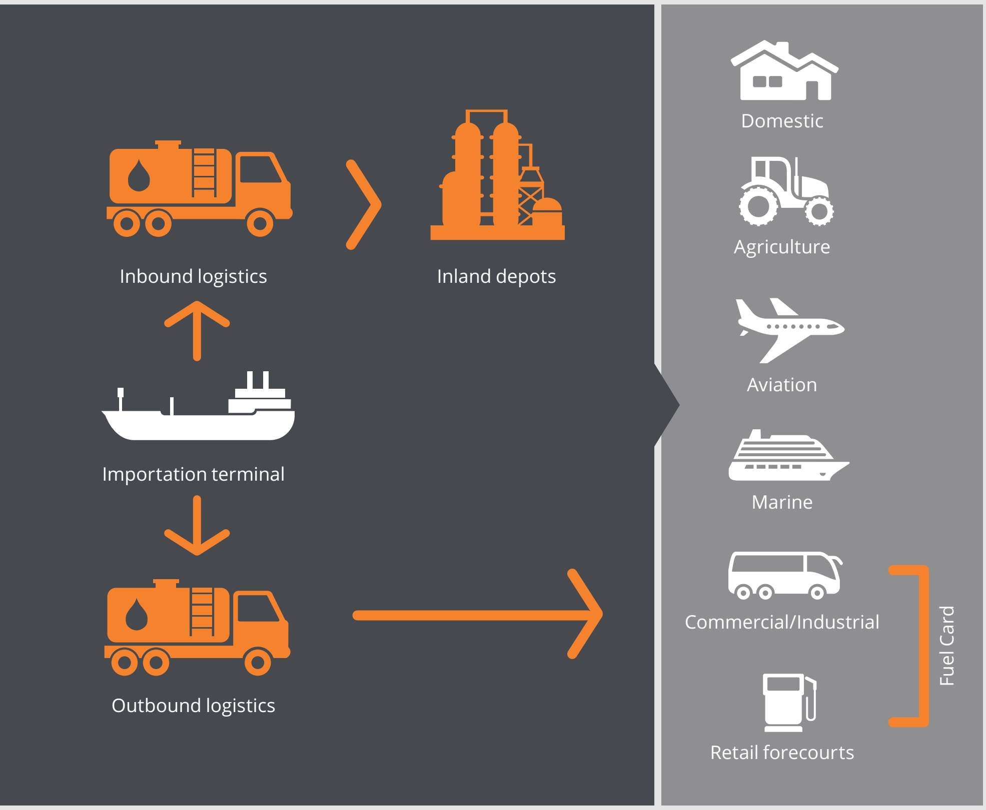
Strong health and safety ethos, delivering potentially hazardous products safely and reliably.

Passionate, experienced and committed team of people.

Customer focused.

Quality of service at competitive prices.

Scale provides security of supply and ability to tailor contracts to customers' requirements.



Markets and Market Position

Oil Distribution
DCC Energy's oil distribution business sells transport fuels, heating oils and fuel oils to commercial, retail, domestic, agricultural, industrial, aviation and marine customers in Britain, Ireland, Denmark, Sweden, Austria and Germany. In Britain, DCC Energy has been a consolidator of the fragmented oil distribution market since 2001. Operating as Certas Energy, the business sells oil under a large portfolio of brands, including Bayford, Brogan, Butler Fuels, Carlton Fuels, CPL Petroleum, Gulf, Pace Fuelcare, Scottish Fuels and Texaco. Outside Britain, DCC Energy sells oil under the leading brands of Emo Oil (Ireland), Swea (Sweden), DCC Energi & Shell (Denmark), Energie Direct & Shell (Austria), Top Oil (Austria), Top Oil Bayern and Bronberger & Kessler (Bavaria, Germany).

Oil Distribution – Britain
DCC Energy has been the consolidator of what was, and continues to be, a highly fragmented oil distribution market in Britain. DCC Energy first entered the market in September 2001 with the acquisition of BP's business in Scotland and since then has acquired and integrated 38 businesses including the oil distribution businesses of Shell (2004), Chevron Texaco (2008) and Total (2011). DCC Energy has grown to become, by far, the largest oil distributor in Britain. DCC's addressable market in Britain comprises transport fuels and heating oils to commercial, industrial, domestic, agricultural and dealer owned petrol stations with volumes of approximately 30 billion litres. In the year ended 31 March 2015, DCC Energy sold 5.7 billion litres of product giving a market share of approximately 18%.

The total retail petrol station market in Britain is approximately 35 billion litres with 45% of volumes sold through supermarket sites, 25% through company owned and operated stations and 30% through independent dealer owned stations. DCC Energy operates in the independent dealer owned segment of the retail market and is the largest supplier to this segment, based on the 1,600 sites we supply. DCC Energy has a market share of circa 4% of the total market and supplies to approximately 10% of the dealer network.

Operating Review Continued
DCC Energy Continued

Oil Distribution – Ireland
Emo Oil is one of the leading oil distributors in Ireland with a market share of 9%. DCC's addressable oil market in Ireland is estimated to be 9 billion litres.

Oil Distribution – Continental Europe
DCC's Swedish oil distribution business (Swea) is the market leader in Sweden with a share of approximately 16% of the addressable market which is estimated to be 2 billion litres. In Denmark, the addressable oil distribution market is estimated at 2 billion litres of which DCC Energi Danmark has a market share of 12% making it the number two oil distributor. The addressable oil distribution market in Austria is estimated to be 5 billion litres and DCC's subsidiary, Energie Direct, is number two in this market with a share of 12%. With the oil majors continuing to divest of oil distribution assets, DCC Energy is well placed to continue its growth in Continental Europe through acquisitions.

LPG
Through the Flogas Group, DCC Energy supplies LPG (propane and butane) in both cylinder and bulk to commercial, domestic, agricultural and industrial customers across six countries in Europe. The product is used for industrial applications, space heating, hot water and cooking, and also as road fuel (autogas). Unlike the oil distribution markets, which remain highly fragmented, the LPG markets across Europe are relatively consolidated and the Flogas Group has a leading position in each market that it operates in.

Britain is Flogas' largest LPG market with an addressable market of approximately 800,000 tonnes. Flogas Britain is the clear number two LPG distributor in Britain with a market share of circa 30%, having focused on organic growth with commercial customers. The business operates from a nationwide infrastructure of 67 depots. In 2015 the business invested further in the assets required for supplying liquefied natural gas ('LNG') as an energy solution to large industrial businesses and truck fleets. In addition, Flogas Britain distributes a wide range of LPG fuel appliances such as mobile heaters and barbecues while the Flogas Renewables team provides customers with products such as biomass boilers, solar panels and heat pumps.

Flogas Ireland, operating in both the Republic of Ireland and Northern Ireland, is the number two LPG distributor and has continued to grow organically to an estimated 40% share of the addressable market of approximately 180,000 tonnes. The business operates from six depots throughout the country including three import facilities. Flogas Ireland has also established a leading position as a distributor of natural gas to the commercial market. In addition, Flogas Ireland markets a range of heaters and barbecues and is currently developing a renewables offering.

In the Netherlands, where the Flogas Group trades under the Benegas brand, the business has an overall market share of 26% of the addressable market of approximately 330,000 tonnes and is joint market leader. Operating from one central depot and a number of third party locations, the business delivers to commercial, industrial, agricultural and domestic customers in the Netherlands and Belgium and is also a significant player in the sale of LPG for aerosol and autogas use.

In Sweden and Norway, Flogas operates from six third party operated locations which include three key import facilities. Flogas is the market leader in both these markets with 55% and 38% market shares in Sweden and Norway respectively. The addressable market is estimated to be approximately 340,000 tonnes in Sweden and 190,000 tonnes in Norway.

On 18 May 2015, DCC Energy reached agreement in principle with Shell to acquire Butagaz S.A.S. ('Butagaz'), a leading liquefied petroleum gas business in France, for €464 million (£338 million). This would represent the largest ever acquisition by DCC and a major step forward in the continuing expansion of its LPG business. The French LPG market is the second largest in Western Europe and approximately twice the size of the market in Britain. The acquisition of Butagaz would provide DCC Energy with a substantial presence in the French LPG market, an experienced management team and a high quality sales, marketing and operating infrastructure. Butagaz is the leading LPG brand in France with very high levels of consumer brand recognition. Butagaz has a strong supply base, sourcing LPG from a number of supply points in France and also from Belgium, Spain and Germany. Butagaz transports product by road, rail, sea and pipeline to a well-invested network of ten bulk depots and seven filling plants across France and one filling plant in Corsica. The business sells to circa 210,000 small and large bulk customers, while cylinders are stocked at 46 depots nationally and are distributed to some 26,000 retail points of sale, including hypermarkets and independent retailers, which in turn sell to approximately four million end-users.

The acquisition of Butagaz would provide DCC Energy with a substantial presence in the French LPG market, an experienced management team and a high quality sales, marketing and operating infrastructure.

Retail & Fuel Card

DCC Energy is one of the leading sales and marketing of branded fuel cards businesses in Britain. The business sells approximately 1 billion litres of transport fuels annually and provides its customers with access to the breadth of the British retail petrol station and bunker networks through its portfolio of fuel cards under the BP, Esso, Shell, Texaco and Diesel Direct brands. As well as selling fuel cards, which are an essential tool for commercial organisations to manage their transport fuel costs, DCC also provides an innovative range of value added services to help further minimise spend on transport fuels.

In May 2014, DCC Energy made its first significant acquisition in the retail petrol station market through the acquisition of Qstar. This acquisition is in line with DCC Energy's stated ambition of building a larger presence in the transport fuels market. Qstar is the fifth largest petrol retailer in Sweden, selling 311 million litres of product per annum. Qstar provides national coverage through a network of unmanned forecourts which is complemented by an additional 70 dealer operated petrol stations trading under the Bilisten and Pump brands.

In August 2014 DCC Energy announced that it had reached agreement in principle to acquire Esso's retail petrol station business in France. The business comprises the Esso Express unmanned retail petrol station network (274 sites) and the Esso motorway concessions (48 sites) in France. Following the completion of this acquisition, DCC Energy will have a network of 685 unmanned and manned retail petrol stations in France, Sweden, Britain and Ireland.

Strategy and Development

DCC Energy's vision is to be a global leader in the sales, marketing and distribution of fuels and related products and provision of services to energy consumers:

- with strong local market shares;
- operating under multiple brands;
- consolidating fragmented markets;
- selling a broad range of related products and services;
- building a position in new geographies;
- continuing the development of its presence in the green/renewable energy sector; and
- generating high levels of ROCE.

DCC Energy's Sectoral Strategies

Oil Distribution

- Continue to consolidate existing markets to drive greater customer density and logistics efficiencies;
- Expand sales of differentiated products;
- Cross sell add-on products and services e.g. fuel cards, lubricants, heating services;
- Optimise and build greater flexibility into logistics operations; and
- Expand into new geographies.

LPG

- Target oil to LPG conversions;
- Target market share gains on a segment by segment basis, particularly commercial bulk;
- Cross sell complementary green/ renewable energy products;
- Cross sell add-on/related products e.g. natural gas, LNG; and
- Expand into new geographies.

Retail & Fuel Card

- Expand business in the retail petrol station market:
  - Unmanned – key pillar for growth
  - Retail Company Owned– in partnership with a retailer
  - Retail Dealer Owned
- Build a pan-European Fuel Card business leveraging the investment in Retail networks.

Oil Distribution

DCC Energy's strategy is to be the leading oil distribution business in Europe by continuing to consolidate existing markets, driving targeted growth, particularly in the non-heating dependent segments of the market, expanding into new geographies through acquisition and driving organic profit growth. Organic growth is targeted by leveraging the scale of the business, selling differentiated products and cross selling add-on products and services such as lubricants and boiler maintenance services to its extensive customer base.

A key element of DCC Energy's expansion involves building a larger presence in the transport fuels segment of the market. DCC Energy intends to pursue this strategy by growing its presence in the retail forecourt sector of the market through expansion of supply to independent dealers, by leveraging its existing scale and supply infrastructure and by developing industry leading propositions for its dealers and retail consumers.

DCC Energy's strategy in Britain is to continue to grow its market share (currently 18%) to in excess of 20% of its addressable market. Key to achieving this target is growth in transport fuels with a particular focus on retail petrol stations and the marine and aviation sectors. DCC Energy is now the largest supplier to independent dealer owned retail petrol stations in Britain, selling to approximately 1,600 sites across the country. The business has been actively rolling out the Gulf brand across this network.

Operating Review Continued
DCC Energy Continued

LPG
DCC Energy will further leverage its strong LPG market positions across the Flogas Group by driving organic profit growth on a sector by sector basis. Building on recent success, we will continue to target growth by promoting LPG to industrial and commercial entities looking to switch to more environmentally friendly and competitively priced energy sources. We will also seek to extend into related product areas and into new geographic markets, as the recently agreed acquisition of Butagaz demonstrates.

Operationally, with recent acquisitions now fully integrated, the business will continue to deliver further efficiencies through a number of business improvement initiatives across the Flogas Group. These initiatives include the roll out of new Customer Relationship Management ('CRM') systems and telemetry (remote tank reading) on customer tanks to improve operational efficiencies.

Retail & Fuel Card
Through the acquisition of the Qstar forecourt network in Sweden, DCC Energy has taken its first major step in building a retail business across Europe in pursuit of its strategy of capturing a greater share of the consumer margin in the transport sector of the market.

The retail business will be further strengthened with the completion of the acquisition of the Esso retail petrol station business in France which will make DCC Energy one of the leading retailers of diesel and petrol in France and provide a platform for further growth in the French market.

In Fuel Card, DCC Energy is continuing to target high levels of organic growth through its extensive telesales team and by cross selling fuel cards to its broad oil distribution customer base. The Fuel Card business has expanded its customer offering by providing innovative products to customers such as 'CO_2Count' and 'Mileage Capture' which provide customers with key information on fuel consumption and emissions to allow them to better manage their businesses.

Customers
DCC Energy has a very broad customer base selling directly to approximately 1 million customers across the geographies in which the businesses operate and also has access to a broad range of retail and cylinder consumers. Customers are primarily spread over the commercial, retail, industrial, domestic, agricultural and marine markets. DCC Energy has no material customer dependencies.

Volume split by customer type

Commercial & industrial **60%**
Retail **18%**
Domestic **11%**
Agricultural **4%**
Marine **4%**
Other **3%**

Volume split by product

Oil **72%**
Retail & Fuel Card **15%**
LPG **13%**

Suppliers
As with its customer base, DCC Energy's supplier portfolio is broadly based. The top five suppliers represent approximately 50% of total volumes supplied with no one individual supplier accounting for more than 15% of volumes supplied in the current year. The major suppliers to the division are BP, Essar, Esso, Ineos, Mabanaft, Philips66, Shell, St1, Statoil and Valero Energy. DCC Energy has, over many years, built long term strategic partnerships with its suppliers and we have continued to strengthen these relationships during the year.

Following completion of the acquisition of Esso's petrol station business in France, DCC Energy will have a network of 685 unmanned and manned retail petrol stations in France, Sweden, Britain and Ireland.

Our People

DCC Energy's business is a people business at its core. Therefore we are very focused on developing processes and practices that ensure the well being, development and engagement of our people across all areas of the business and to ensure that we have the necessary resources, talent and skills to deliver the service levels expected by our customers in a safe way, every day.

DCC Energy has highly experienced and ambitious management teams with a deep knowledge of the markets in which the businesses operate. As our businesses have grown we have looked to augment the existing management teams with experienced personnel in senior roles and we will continue to develop the management teams as the businesses grow.

DCC Energy currently employs 4,693 people.

Health & Safety

Continuous improvement of our safety performance is a key priority and responsibility for all line managers and directors who are supported by experienced health and safety functions in each business. Occupational and process safety (relating to the larger terminals which have the potential for a major accident) is managed through systems and processes which identify, control and monitor health and safety risks. Monthly KPIs are reviewed by the DCC Energy Board which sets annual objectives to drive improvements in near miss reporting, safety awareness, safety competence and overall safety culture.

In the year to March 2013, DCC Energy launched Safety F1rst, a safety culture initiative focused on improving attitudes and behaviour towards safety and led by the senior management teams. Following the successful adoption in Certas Energy UK, Safety F1rst has been rolled out to all companies in the business.

Case study:
Organic Growth in Fuel Card

Pumping up the volume

DCC Energy's expanding Fuel Card business provides fuel cards to small and medium enterprises ('SMEs') that enable businesses to reduce administration time and costs associated with the purchase of diesel and petrol for van and car fleets. DCC Energy's Fuel Card business is an authorised reseller of major petrol and diesel fuel card brands including Shell, BP, Esso and Texaco.

DCC Energy first entered the fuel card market in Britain through an acquisition in 2005, which provided DCC Energy with a business selling 150 million litres of fuel to a customer base of 6,400 and with operating profit of approximately £2 million. Through a mixture of strong organic and acquisition growth, DCC Energy has consistently grown its Fuel Card business and in the year to March 2015, the business sold approximately 900 million litres to a broad customer base of approximately 50,000 small to medium sized enterprises and achieved operating profits of approximately £20 million.

Organic growth has been achieved through developing and expanding fuel card ranges, while building upon a strong portfolio of value-added services. These include an industry-leading mileage capture offering for fleet managers, emissions monitoring, card protection and upgraded eServices for online account management. Investment in marketing has included ground-breaking use of digital programmes, including video and smartphone apps, for stronger customer engagement and lead generation. In addition, an expanding sales force has been winning new business accounts whilst a pro-active retentions department actively seeks to reduce customer churn and retain customer loyalty. The continuing investment in skilled staff is enhanced by ongoing investment in training and professional development.

Successful switching of customers from competitors continues alongside impressive customer retention and has contributed to the business achieving 12% market share in Britain. New products, new services and new partnerships are already in development for the 2015/16 financial year that will continue to build upon the progress made to date.

Operating Review Continued
DCC Energy Continued

Key Risks

DCC Energy sold 10.8 billion litres of product during the year ended 31 March 2015 and the businesses operate with inherent risks to the environment and people. Ensuring that our businesses maintain rigorous health, safety and environmental standards is one of our core business principles. Having rolled out our Safety F1rst campaign across the business, the focus is now on reinforcing the programme through quarterly communications campaigns to ensure we drive continued improvement and maintain momentum.

DCC Energy has a broad customer base across a number of geographies and many of the economies in which the division operates are showing signs of recovery. However, a deterioration in this economic recovery and its impact on consumer spending and confidence is a key risk faced by the business.

A significant proportion of DCC Energy's volumes are generated through the sale of heating dependent products and accordingly, as noted in previous years, the division can be impacted by extreme movements in weather conditions. The development focus has been to reduce the heating dependence of the division through the development of the non-heating segments of the business. The acquisition of Qstar in Sweden has been a key building block in this strategy, which will continue in the coming year with the completion of the acquisition of Esso's retail petrol station business in France.

DCC Energy has been highly acquisitive over the last number of years and ensuring the smooth integration of these acquisitions is critical to the success of the division. This is achieved through close monitoring of the acquired businesses and ongoing management development.

Environment

DCC Energy's approach to sustainability recognises the reality of climate change and the challenges arising from changing weather patterns and more frequent extreme weather events. Government responses to climate change include levies and taxes on carbon emissions, incentives for renewables and energy efficiency technologies and setting long term carbon reduction targets. At the same time, the economy relies on energy (primarily from fossil fuels) to function and grow. DCC Energy is committed to assisting our customers reduce their environmental impact. This is being achieved through offering our customers cleaner, more efficient fuels and innovative solutions, enabling customers to monitor their own energy use and quantify carbon emissions.

The potential for oil spills to impact on the environment is a risk that is managed on a daily basis. From domestic deliveries to large storage facilities in coastal locations, a range of controls are in place to minimise the potential of this becoming a reality. Controls include the design and maintenance of vehicles and depots, the implementation of effective operational procedures and, critically, the engagement of competent, trained employees who are handling product safely every day.

All spills have the potential to cause local damage so in the event of any spill occurring, immediate action is taken to contain and recover the product to minimise impact to the surroundings. Detailed investigations are completed to identify the root causes of any incidents to identify learning points and opportunities for improvement. No significant spills occurred in the period.

DCC Energy's businesses have a local footprint in all the markets in which we have a presence. Therefore it is crucial to our long term strategy that we have a high degree of trust within the communities in which we operate. All our businesses operate to the highest standards, invest heavily in infrastructure and training, and encourage our staff to participate actively in the communities within which they work.

Performance for the Year Ended 31 March 2015

It was an excellent year for growth and development in DCC Energy. DCC Energy delivered a strong trading performance with operating profit 8.1% ahead of the prior year (10.3% ahead on a constant currency basis). The trading performance benefited from acquisitions and a continuing focus on operational efficiency, partly offset by the effect of mild winter weather conditions, relative to the 10 year average, which impacted all geographies in which DCC Energy operates. DCC Energy made excellent progress in its strategy to expand both its retail and LPG businesses by committing to acquire both the Esso Retail and Butagaz businesses in France.

DCC Energy sold 10.8 billion litres of product during the year, an increase of 5.7% over the prior year (1.2% organically).

The Oil Distribution business performed robustly, notwithstanding the impact of the mild winter weather conditions. The business benefited from good cost control, improved logistics efficiencies and continued growth in the commercial sectors of the market. The business continued its focus on growth in the transport fuels sector and made good progress in supplying retail petrol station, marine and aviation customers.

The LPG business performed well during the year. Good growth was achieved in sales to commercial and industrial customers in the UK and Ireland, while in Benelux the autogas sector performed strongly. Continuing its strategy to expand the LPG business into new markets, DCC reached agreement in principle to acquire Butagaz, which would position DCC Energy as the strong number two in the LPG market in France.

It was an excellent year for growth and development in DCC Energy. DCC Energy delivered a strong trading performance with operating profit 8.1% ahead of the prior year.

DCC Energy made excellent progress in developing its business in Retail & Fuel Card. DCC's Fuel Card business in Britain had an excellent year and recorded very strong organic volume growth. The acquisition of Qstar in May 2014 was DCC's first material acquisition in the retail petrol station market and positions DCC as the fifth largest retailer of petrol and diesel in Sweden through Qstar's nationwide network of 325 unmanned sites. Qstar has performed in line with expectations since acquisition. DCC Energy made further progress in the retail sector when it announced in August 2014 that it had reached agreement in principle to acquire Esso's retail petrol station business in France, comprising 274 unmanned Esso Express sites and concessions to operate 48 Esso branded motorway sites.

Following the completion of the Esso Retail acquisition in France, DCC Energy will operate across ten countries in Europe and remains well positioned to grow in those markets and to continue to expand into new geographies.

DCC Energy KPIs

Volumes

Strategic objective:
Drive increase in sales volumes

10.8bn litres
▲5.7%

Operating profit growth

Strategic objective:
Drive for enhanced operational performance

£119.4m
▲8.1%

Operating profit per litre

Strategic objective:
Grow operating profit per litre

1.11 pence

Return on capital employed

Strategic objective:
Deliver superior shareholder returns

19.8%

Operating cash flow

Strategic objective:
Generate cash flows to fund organic and acquisition growth and dividends

£211.4m

10 year operating profit CAGR

Strategic objective:
Deliver superior shareholder returns

13.2%

Operating Review Continued
DCC Technology

A broad range of services

Results

Revenue

£2,350.3m
▲3.8%

Operating profit

£49.3m
▲2.6%

Return on capital employed

25.5%
2014: 21.1%

What we do

DCC Technology is a leading sales, marketing, distribution and supply chain services business providing a broad range of technology products and services to customers in Europe.

DCC Technology – What we do

DCC Technology's activities
External activities

Key Brands

Acer, APC, Apple, Asus, Belkin, Cisco, Dell, D-Link, Epson, Fujitsu, IBM, Lenovo, LG, Logitech, Microsoft, Netgear, Nokia, Plantronics, Razer, Samsung, Sandisk, Sony, TomTom, Toshiba and Western Digital.

How we Create Value

Pro-active sales and marketing approach to a very broad customer base across a number of countries.

Excellent supplier portfolio.

Agile, responsive and service focused.

Cost effective and tailored solutions for customers and suppliers.

Technical, supply chain and value-added services expertise.

Financial strength.

Markets and Market Position

DCC Technology, which trades as Exertis, sells a range of technology products to a very wide customer base of technology retailers, etailers and resellers, primarily in the UK, Ireland, France, Sweden and the Netherlands. The products distributed include a broad range of computing products (including tablets and PC's), communications products (including smartphones, feature phones, accessories and unified communications), servers & storage, audio visual products, printers, peripherals, networking & security products and consumables. In addition, the business sells a diverse range of consumer technology products including games consoles & software, wearable technology, consumer electronics and accessories & peripherals. The business partners with many of the world's leading technology brands.

DCC Technology provides technology brand owners and manufacturers with an exceptionally broad customer reach and proactively markets their products through product and customer focused sales teams. The business provides a range of value-added services in the reseller and retail channels to both its customers and suppliers, including end-user fulfilment, digital distribution, category management and merchandising, kitting, product customisation and cross supplier bundling, third party logistics and web site development & management.

Reflecting the global nature of the technology supply chain, DCC Technology provides global supply chain services through its dedicated supply chain operations in Western Europe, Poland, China and the USA, and employs state of the art IT systems and procurement processes. These services include product sourcing & procurement, supplier hubbing, consignment stock programmes, supplier identification & qualification, quality assurance & compliance and supplier & customer fulfilment and are designed to enable its partners to bring technology products to market in the most efficient manner possible.

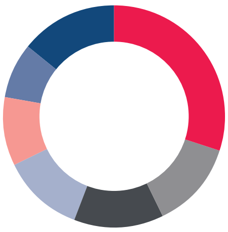
Operating Review Continued
DCC Technology Continued

DCC Technology's principal addressable markets are the retail and reseller channels for technology products in the UK, Ireland, France, Sweden and the Netherlands. The value of the technology distribution market in these five territories is estimated to be €26 billion.

During the year, DCC Technology acquired CapTech, the third largest IT distributor in Sweden. This acquisition will form the foundation for the development of a broader based business in the Nordic region.

DCC Technology is now the largest distributor of technology products in the UK & Ireland and the third largest in Sweden. The business is also a leading distributor of technology products in France with a focus on the retail channel. In the Netherlands the business is focused on unified communications. DCC Technology is the fourth largest distributor of technology products in Europe.

Revenue by product type



- Computing **30%**
- Communications & mobile **13%**
- Printers, consumables & IT peripherals **13%**
- Storage & networking **12%**
- Gaming consoles, software & peripherals **10%**
- Consumer electronics **8%**
- Other **14%**

Strategy and Development

DCC Technology's vision is to become the leading sales, marketing, distribution and supply chain services business for technology products in Europe, delivering an industry-leading service offering, whilst delivering consistent long-term profit growth and industry leading returns on capital employed.

DCC Technology's principal medium term strategic objectives are:
- to broaden the range of sales channels and products addressed by the business in its existing markets, including emerging technology segments;
- to further develop and deliver a range of industry leading services supported by best in class infrastructure; and
- to extend the geographic footprint of the business through complementary acquisitions.

DCC Technology is constantly reviewing trends and innovations in technology products and services and is focused on ensuring that the business continues to be the best positioned to benefit from these areas of future growth.

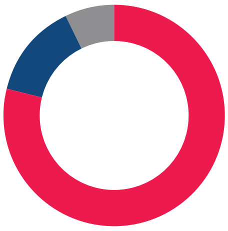
Customers

The business has a very broad customer base, selling to approximately 15,000 customers. The largest customer accounted for approximately 9% of revenues in the year ended 31 March 2015 and the ten largest customers accounted for 39% of total revenues in that year.

DCC Technology seeks to provide an excellent standard of customer service combining an extensive range of services with a commitment to identify the most cost effective and flexible solutions to our customers' requirements. By constantly focusing on building the breadth of our reseller and retail customer base, we ensure that our service offering is always developing to adapt to their growing demands, as well as delivering an exceptional route to market for our suppliers.

Our supply chain services customers include IT equipment manufacturers, outsourced equipment manufacturers, consumer electronics companies and telecommunications equipment manufacturers. Customer relationships in this area of our business tend to be long term in nature and several of our customers have been dealing with us for over ten years.

Revenue by business unit



- UK & Ireland **79%**
- Continental Europe **14%**
- Supply Chain Services **7%**

Suppliers

DCC Technology has a diverse supplier base and partners with hundreds of suppliers including many of the world's leading technology brands, such as Acer, APC, Apple, Asus, Belkin, Cisco, Dell, D-Link, Epson, Fujitsu, IBM, Lenovo, LG, Logitech, Microsoft, Netgear, Nokia, Plantronics, Razer, Samsung, Sandisk, Sony, TomTom, Toshiba and Western Digital. The largest supplier accounted for 11% of total purchases in the year ended 31 March 2015 and the top ten suppliers represented 58% of total purchases.

The business adopts a proactive approach to the identification and recruitment of new suppliers and technologies and seeks to position itself as the obvious choice for owners of growing brands to access the retail and reseller channels. In addition, we seek to ensure that we have a position of strategic relevance with our principal vendor partners.

When providing supply chain services to technology manufacturers and brand owners, a core element of the services provided by the business is the identification of appropriate component and supply chain partners for the manufacturer or brand owner and carrying out the quality assurance on those suppliers to ensure that they conform to required quality, regulatory and ethical standards.

With the aim of promoting long-term sustainable relationships with each of our suppliers and delivering a best-in-class service, the operating principles we adopt with our suppliers have been formalised and communicated to our suppliers in our 'Code of Practice'.

Our People

DCC Technology employs 1,941 people in 11 countries and recognises that they are fundamental to the ongoing success of the business. At all levels, employees are encouraged to adopt a service orientated approach to meeting the demands of suppliers and customers.

At senior management level, our operating businesses are run by some of the best regarded entrepreneurial management teams in the industry. DCC Technology seeks to foster and maintain an entrepreneurial culture, coupled with a commitment to ensuring that the highest ethical standards in business conduct are maintained.

DCC Technology is committed to conducting its business in a sustainable manner and this commitment is reflected in how it interacts with customers, suppliers, employees and the communities in which it operates. In common with the rest of the DCC Group, the business has processes to assess and control health and safety risks and aims to provide the best possible working environment for its employees.

DCC Technology is an active participant in the DCC Graduate Programme. The business also operates a wide variety of employee training programmes within individual businesses to promote the ongoing development of staff. Employee training encompasses both personal development and task specific training, in addition to formal training for personnel in areas such as health & safety, risk and compliance. The business undertakes regular employee surveys and responds to the results of these surveys where required.

Case study:
National Distribution Centre

Investment to support future growth and drive efficiency

Exertis in the UK has always maintained a top class logistics capability. The business has experienced significant volume growth in recent years and this has necessitated an incremental extension of its logistics footprint to the point where the business currently operates from six warehouses. It is now undertaking a project to consolidate its warehousing operations into a single National Distribution Centre ('NDC') in Lancashire. The NDC will have a gross floor area of 450,000 square feet (with an option to build an extra 200,000 square feet) and will have capacity for over 65,000 pallets, representing a 50% increase in current capacity.

This investment is required in order to support the continued strong growth of the business by providing extra capacity. In addition, it is expected to increase efficiency by lowering the overall cost to serve as well as supporting the increasing demand for flexible delivery solutions such as single end user fulfilment. The NDC is expected to come on stream in 2017.

Operating Review Continued
DCC Technology Continued

Key Risks

DCC Technology faces a number of strategic, operational, compliance and financial risks. The business works with a broad range of suppliers and customers with whom we have built excellent trading relationships. However, the business would be significantly impacted by the loss of a small number of key suppliers or customers.

DCC Technology is undertaking a significant project to upgrade its UK warehousing and IT system, involving gross capital expenditure of c. £60 million. While this transition will be undertaken on a phased basis to reduce risk, risks remain that the project is not carried out on time, on budget or that the operations of the business are adversely impacted by the project.

The division recently appointed a Head of Legal & Compliance to manage and support the extensive compliance structures already in place to ensure that the increasingly complex regulatory environment is fully understood and complied with on an ongoing basis.

Managing the potential risk of stock obsolescence is a critical success factor in the day to day operations of the business given the diverse product and supplier portfolio. The length and significance of our relationships with our suppliers and the existence of formal contractual stock rotation and price protection provisions with the vast majority of our suppliers assist in mitigating this risk.

Performance for the Year Ended 31 March 2015

DCC Technology achieved a satisfactory result, with operating profit increasing by 3.7% on a constant currency basis. The business recorded strong growth in its Continental European and Supply Chain Services businesses and good growth in its UK & Ireland reseller customer channel. This strong performance was largely offset by the impact of a weaker market for tablets and mobile phones in the UK, following a very strong prior year.

Exertis UK & Ireland achieved strong growth across its UK reseller customer channel driven by sales of technical and specialist products, such as servers, storage, networking and security. This was offset by a decline in sales into the retail channel, primarily driven by lower sales of tablets and smartphones, particularly in the second half. The UK business was impacted by the fall in the overall tablet market, which declined by 17% in 2014, and reduced sales of mobile computing and communications products of one large supplier in the second half of the financial year. Good growth was achieved in gaming products as the business benefited from the first full year of the latest generation of gaming consoles, which were launched in advance of Christmas 2013. The Irish business benefited from growth in its reseller business and good cost control. Exertis UK & Ireland now accounts for 79% of revenue of the division. In May 2015, DCC Technology acquired Computers Unlimited ('CU'), a consumer technology distributor, operating primarily in the UK but also with operations in France and Spain. The business is focused on the 'Connected Home' and professional design market and distributes a range of products that are complementary to those distributed by Exertis, including design software, printers, accessories and premium audio systems.

Following the successful rebranding of all of the businesses within DCC Technology to Exertis in the prior year, the business is in the process of upgrading its logistics and IT infrastructure in the UK. This project will add significant warehouse capacity, improve efficiency and enable Exertis UK to continue to expand its product and service offering.

Exertis Continental Europe, which accounts for 14% of divisional revenue, achieved very strong growth. The business made further progress in expanding its geographic coverage, in line with its strategic objectives, by acquiring CapTech, the third largest IT distributor in Sweden. This acquisition will provide the foundation for the development of a more broadly based business in the Nordic region. In France the business generated strong organic growth, benefitting from the introduction of a number of new suppliers and good cost management.

Exertis UK & Ireland achieved strong growth across its UK reseller customer channel driven by sales of technical and specialist products, such as servers, storage, networking and security.

DCC Technology seeks to provide an excellent standard of customer service combining an extensive range of services with a commitment to identify the most cost effective and flexible solutions to our customers' requirements.

Exertis Supply Chain Services, which accounts for 7% of divisional revenue, achieved excellent organic growth as it won new business, achieved growth with existing customers and made further progress in positioning its supply chain offering as an integral part of the full end-to-end service proposition provided by DCC Technology.

DCC Technology has strong market positions and industry-leading integrated service offerings. The investments being undertaken will drive efficiencies and enable further development of its service propositions, leaving the business well placed to continue to benefit from the product innovations of its suppliers and the expansion of sales channels for technology products.

DCC Technology KPIs

Revenue growth

Strategic objective:
Drive for enhanced operational performance

£2,350.3m
▲3.8%

Operating profit growth

Strategic objective:
Drive for enhanced operational performance

£49.3m
▲2.6%

Operating margin

Strategic objective:
Grow operating margin

2.1%

Return on capital employed

Strategic objective:
Deliver superior shareholder returns

25.5%

Operating cash flow

Strategic objective:
Generate cash flows to fund organic and acquisition growth and dividends

£100.3m

10 year operating profit CAGR

Strategic objective:
Deliver superior shareholder returns

11.6%

Operating Review Continued
DCC Healthcare

Focused delivery

Results

Revenue

£488.1m

▲20.1%

Operating profit

£39.7m

▲30.6%

Return on capital employed

16.6%

2014: 14.2%

What we do

DCC Healthcare is a leading provider of healthcare products and services to the British, Irish and Continental European markets. The business is focused on the sales, marketing and distribution of pharmaceuticals and medical devices to hospitals, pharmacies, GPs and other healthcare providers in Britain and Ireland and on the provision of contract manufacturing and related services to the European health and beauty sector.

DCC Health & Beauty Solutions – What we do

DCC Healthcare's activities
External activities

Key Brands

DCC Vital's Brands

BioRad, Carefusion, Cipla, Comfi*, Diagnostica Stago, Fannin*, Fresenius Kabi, Grifols, Hikma, ICU Medical, Kent Pharmaceuticals*, Martindale Pharma, Mölnlycke, Omron, Oxoid, Roche, Rosemont, Siemens, Skintact*, Smiths Medical, Williams Medical*.

DCC Health & Beauty Solutions' Customers

Actavis, Alliance Pharma, Apotheket, Astellas Pharma, The Body Shop, Boots, Liz Earle, Healthspan, Holland & Barrett, King of Shaves, Merck (Seven Seas, Natures Best, Lamberts), Midsona, Omega Pharma, Oriflame, PZ Beauty, Ren, Space NK, Stada, Vitabiotics.

* DCC owned brands

How we Create Value

Broad range of own and third party brand/licence pharmaceuticals and medical devices.

Comprehensive sales channel coverage in the British and Irish healthcare markets including hospital, retail pharmacy, GP and community care channels.

Full range of contract manufacturing services for health and beauty brand owners from high quality facilities with strong product development capability and flexible, responsive customer service.

Cost effective operations with scalable IT platforms.

DCC Vital – What we do

Markets and Market Position

Sales, marketing and distribution
DCC Vital sells, markets and distributes a broad range of own and third party branded pharmaceuticals and medical devices to hospitals, pharmacies, GPs and other healthcare providers in Britain and Ireland.

DCC Vital's pharmaceutical portfolio comprises solid dose, injectable and inhaler products across a range of therapy areas including oncology, beta lactam and other antibiotics, anaesthesia, pain management, haematology, respiratory, addiction and emergency medicine. DCC Vital is the product licence holder for almost half of its pharma revenues. The business works with leading branded, generic and contract manufacturing pharma companies such as Actavis, Cipla, Fresenius Kabi, Grifols, Hikma, Martindale Pharma, Rosemont and Teva. Following on from the acquisitions of Kent Pharma and Neolab in recent years, DCC Vital's pharma portfolio was further strengthened in November with the acquisition of Beacon Pharmaceuticals, a niche pharma business which markets and sells its own licensed and third party pharma products primarily to the hospital sector in the UK. The business has been fully integrated into DCC Vital's existing UK pharma operations.

DCC Vital sells and markets a broad range of medical devices and consumables in areas such as wound care, urology, procedure packs, critical care (anaesthesia, endovascular, cardiology, and IV access), diagnostics, orthopaedics, neurology as well as the full range of consumables and equipment used by GPs. Products are typically single use in nature. Sales of capital equipment represents a small element of total sales and typically relates to generating sales of consumable products, for example the sale (or placing) of diagnostic testing equipment in order to drive sales of the consumable test kits used with the equipment. DCC Vital represents leading medical, surgical and diagnostics brands including BioRad, Carefusion, Diagnostica Stago, ICU Medical, Mölnlycke, Omron, Oxoid, Roche, Siemens and Smiths Medical. Sales of own brand medical products now account for approximately one third of DCC Vital's medical devices revenues.

Operating Review Continued
DCC Healthcare Continued

DCC Vital is also a leading provider of value added logistics services in Britain, providing innovative stock management and distribution services to hospitals and healthcare brand owners/manufacturers, focused principally on the operating theatre.

DCC Vital has the most comprehensive sales channel coverage in the British and Irish healthcare markets selling into the hospital, retail pharmacy, GP and community care channels. The acquisition of Williams Medical Supplies in May 2014 was a significant further step in broadening DCC Vital's market coverage, enabling a holistic approach to addressing the requirements of the Health and Social Care sector. Williams is the market leader in the supply of medical consumables, equipment and services to GPs in Britain and has a growing presence in the developing community healthcare sector. Williams services its customer base of more than 10,000 GP surgeries and other healthcare providers through a highly effective telesales and e-commerce based customer contact centre in Wales in addition to field based engineers and key account managers.

DCC Vital has a field sales force of 160 highly trained sales and marketing professionals who have strong relationships with senior management, clinicians and procurement professionals in the public healthcare sector (NHS in Britain and HSE in Ireland), major and regional pharmacy wholesale/retail groups and private healthcare providers. Leveraging the strength of its customer and supplier relationships and the breadth and quality of its product portfolio, in tandem with targeted acquisition activity, DCC Vital has built strong market positions including leadership positions in GP supplies, beta lactam antibiotics, electrodes and diathermy consumables in Britain and hospital supplies in Ireland.

DCC Vital principally operates in sectors of the healthcare market which are government funded. Fiscal budgets in Britain and Ireland have been severely restricted over the last number of years and, in common with the majority of developed economies, the burden of care, particularly to support ageing populations, is growing. Healthcare providers are focused on cost saving opportunities and value for money. Public healthcare policy makers are increasingly focusing on shifting the point of care to the most cost effective location which is typically away from expensive acute care settings to primary and community care settings. In addition, healthcare payers and providers are seeking to leverage their procurement scale through increased use of tendering, framework agreements and reference pricing. They are switching to equivalent quality, lower cost medical devices and generic pharmaceuticals as well as outsourcing activities deemed to be non-core. DCC Vital is very well placed to benefit from these trends.

Competitors in this market sector include global healthcare companies as well as a large number of smaller pharmaceutical, medical and surgical manufacturers and distributors. Competitors in the value-added distribution sector in Britain include NHS Supply Chain (operated by DHL Logistics) and Bunzl plc.

The acquisition of Williams Medical Supplies in May 2014 was a significant further step in broadening out DCC Vital's market coverage, enabling a holistic approach to addressing the requirements of the Health and Social Care sector.

DCC Health & Beauty Solutions has built a reputation for providing a highly responsive and flexible service to its customers and for assisting customers in rapidly bringing new products from marketing concept through to finished, shelf-ready products.

Contract manufacturing and related services
DCC Health & Beauty Solutions is one of Europe's leading outsourced contract manufacturing service providers to the health and beauty sector with a broad customer base of international and local brand owners, direct sales companies and specialist retailers. DCC Health & Beauty Solutions' range of outsourced services is focused principally on the areas of nutrition (vitamins and health supplements) and beauty products (skin care, hair care, bath and body). The service offering encompasses product development, formulation, stability and other testing and regulatory compliance, as well as manufacturing and packing. DCC Health & Beauty Solutions operates four GMP (Good Manufacturing Practice) facilities in Britain, each of which is approved and licenced by the MHRA (Medicines and Healthcare Products Regulatory Agency). The business contract manufactures a wide variety of product formats (tablets, soft gel and hard shell capsules, creams and liquids). DCC Health & Beauty Solutions has built a reputation for providing a highly responsive and flexible service to its customers and for assisting customers in rapidly bringing new products from marketing concept through to finished, shelf-ready products. The business has a strong market share in Britain and Scandinavia and is building market share in Continental Europe, especially in Benelux, Germany and Poland.

The market background for DCC Health & Beauty Solutions is very positive. Consumer demand for nutrition and beauty products has been robust through the economic downturn with continued demand for product innovation. The trend for health and beauty brand owners to outsource non-sales and marketing activities (including product development) and to streamline their supply chains is a critical factor in driving demand in the contract manufacturing sector. There is also a general trend towards increased regulation in the health and beauty sector in Europe and to higher manufacturing standards. These trends are favouring well-funded contract manufacturers like DCC Health & Beauty Solutions which has the resources to invest in regulatory expertise and high quality facilities. Our main competitors include Catalent, Aenova, Brunel Healthcare and Ayanda in nutrition and LF Beauty and Swallowfield in creams/liquids.

Case study:
Growing our Pharma Portfolio

Leveraging the scale and capability of our Pharma activities

Building on expertise and relationships in its Irish business and driven by good organic and acquisitive development in recent years, particularly the acquisition of Kent Pharmaceuticals in 2013, DCC Healthcare established a leading position in generic pharmaceuticals in Britain. Our business markets, sells and distributes a broad range of primarily own licence pharma products across all channels to market in Britain, supported by a strong regulatory and operational infrastructure.

A key element of DCC Healthcare's strategy in the pharma sector has been to identify and acquire complementary bolt-on products and businesses. DCC Healthcare had tracked the progress of Beacon Pharmaceuticals ('Beacon'), a niche pharma business, over a number of years. Its focus on own and third party licensed hospital injectables sourced from a range of European manufacturers and sold primarily through NHS contracts was an excellent strategic fit with DCC Healthcare's existing British pharma activities, which included growing sales of hospital injectables.

In November 2014, DCC Healthcare acquired Beacon and the strength of DCC's infrastructure meant the business was integrated quickly post acquisition without additional overhead. DCC Healthcare now has a significantly enhanced presence in the hospital sector with a more comprehensive product offering and a larger supplier base, making it a more attractive partner for both the NHS and manufacturers.

Operating Review Continued
DCC Healthcare Continued

Strategy and Development

DCC Healthcare's vision is to build a substantial European healthcare business focused on the sales, marketing and distribution of pharmaceuticals and medical devices and the provision of contract manufacturing and related services for the health and beauty sector. DCC Healthcare seeks to drive continued strong profit growth in tandem with returns on capital well above the DCC Group's cost of capital.

Sales, marketing and distribution

DCC Vital has a very strong track record of growth, having more than doubled the scale of its business (measured by revenues, profits and employees) over the last five years. This was achieved against a backdrop of challenging market conditions in the public healthcare sector in both Britain and Ireland which reduced organic growth opportunities. Targeted acquisition activity, with strong valuation discipline and integration execution, has resulted in a significant expansion of DCC Vital's market coverage in Britain, a broader product portfolio, particularly in the pharma area, together with strong profit growth and returns on capital.

DCC Vital aims to continue this track record of growth through:

- Expanding its product portfolio both organically and by acquisition, with a particular focus on own brand/licence products in product categories which can deliver sustainable returns over the longer term;
- Leveraging the breadth of its market coverage in Britain, in particular providing a holistic approach to addressing the requirements of the Health and Social Care sector in line with the general market trend to shift the point of care to more cost effective primary and community care settings; and
- Expanding its market reach into Continental Europe, particularly Northern European markets, both organically and by acquisition.

DCC Vital has a strong regulatory capability in the pharma area including product in-licensing, quality control and assurance and pharmacovigilance. This capability, together with strength in product sourcing and the uniformity of European Union product licensing regulations, will open up opportunities for the business to extend its pharma activities into new geographic markets over the coming years. The medical devices market is becoming increasingly polarised between high-tech products in specialist therapy areas and value for money commodity products. DCC Vital seeks to attract quality specialist agencies while also selectively launching products under its own brands.

Contract manufacturing and related services

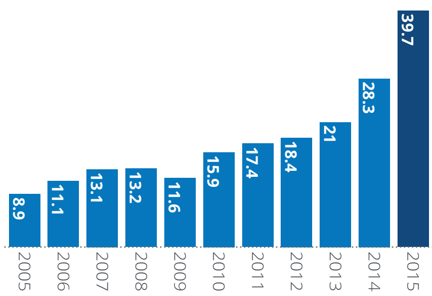
DCC Health & Beauty Solutions has an excellent track record of growth, the vast majority of which has been organically driven. The scale of the business has increased significantly over the last five years – sales have increased by a compound annual growth rate of approximately 20% – such that DCC Health & Beauty Solutions is now one of Europe's leading outsourced service providers to the health and beauty sector.

DCC Health & Beauty Solutions aims to continue this track record through:

- Driving continued growth with existing customers by leveraging the strength and depth of its product development and technical resources;
- Attracting new customers with its high quality facilities, strong business development capability and highly responsive and flexible customer service;
- Enhancing and expanding its service offering, organically and by acquisition, with a particular focus on healthcare creams and liquids and sports nutrition; and
- Expanding its market reach further in Continental Europe, organically and by acquisition.

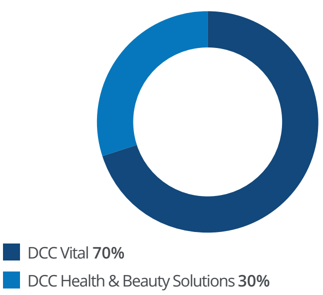
Our high quality facilities, together with the strength and depth of our business development, product development and technical resources, has enabled DCC Health & Beauty Solutions to build a reputation for providing a highly responsive and flexible service to its customers and for assisting customers in rapidly bringing new products from marketing concept through to finished, shelf-ready products.

DCC Healthcare
Operating Profits* 2005-2015 (£'m)



* Continuing activities

Revenue split by business



DCC Healthcare's vision is to build a substantial European healthcare business focused on the sales, marketing and distribution of pharmaceuticals and medical devices and the provision of contract manufacturing and related services for the health and beauty sector.

Customers

DCC Vital services approximately 15,000 customers across all channels to market in Britain and Ireland (public and private hospitals, procurement groups, retail pharmacies, pharma wholesalers, community healthcare providers and GPs) as well as international distributors. DCC Vital has significantly enhanced its market coverage in recent years, in particular through the acquisitions of Williams Medical Supplies (acquired in May 2014), which provided DCC Vital with comprehensive access to GPs, community healthcare providers and dispensing doctors in Britain, and Kent Pharma (acquired in January 2013) which brought strong relationships with the major retail/wholesale pharma groups, as well as direct reach to independent pharmacies. DCC Vital's market position in the hospital sector was further enhanced in November 2014 with the acquisition of Beacon Pharmaceuticals.

DCC Health & Beauty Solutions principally focuses on providing services to a broad customer base of international and local brand owners, direct sales companies and specialist retailers in the areas of nutrition and beauty products. DCC works with leading brand owners such as Liz Earle, Merck, Omega Pharma, PZ Beauty, Ren and Vitabiotics; direct selling companies such as Oriflame, Nature's Best and Healthspan; specialist health and beauty retailers such as Apotheket, The Body Shop, Boots and Holland & Barrett and pharma companies such as Actavis, Alliance Pharma, Astellas Pharma and Stada. DCC Health & Beauty Solutions has been investing to accelerate the geographic expansion of the customer base and today more than half of the output from our facilities is consumed in international markets outside of Britain.

DCC Healthcare has a broad customer base and its ten largest customers account for approximately 26% of revenue in the year ended 31 March 2015.

Suppliers

DCC Vital works with leading innovative and generic pharma companies like Cipla, Fresenius Kabi, Grifols, Hikma, Martindale Pharma and Rosemont. The business also operates its own specialist manufacturing plant for beta lactam antibiotics in Ireland servicing customers in Britain, Ireland and international markets. DCC Vital represents leading medical, surgical and diagnostics device brands including BioRad, Carefusion, Diagnostica Stago, ICU Medical, Mölnlycke, Omron, Oxoid, Roche, Siemens and Smiths Medical.

DCC Health & Beauty Solutions sources from high quality raw materials and ingredient suppliers across the globe in order to provide customers with high quality and cost effective solutions with an increasing focus on sourcing sustainability-certified raw materials, such as fish oils.

DCC Healthcare's supplier portfolio is broadly based with the top ten suppliers representing approximately 25% of revenue in the year ended 31 March 2015.

Our People

DCC Healthcare employs 1,980 people, principally based in Britain and Ireland, led by strong, entrepreneurial management teams. Training and education is critical in the healthcare sector and DCC Healthcare continually invests in ensuring that our people are experts in their respective product or service areas and are fully conversant with the relevant regulatory frameworks within which the business operates. DCC Healthcare continues to benefit from a strong commitment to the DCC Graduate Programme.

Continuous improvement in our Environmental, Health & Safety ('EHS') performance is a key priority within DCC Healthcare. DCC Healthcare is investing to enhance and, where appropriate, standardise EHS and quality systems across the business, including rolling out a common safety awareness and culture programme which leverages the success of the Safety F1rst programme in DCC Energy.

Key Risks

DCC Healthcare operates in geographic markets where healthcare spending is predominantly funded (directly or indirectly) by governments. Our competitive product portfolio, strength in generics, growing range of value for money own brand products and outsourced service offering is providing new growth opportunities and has helped in mitigating the impact of the economic downturn experienced over the last number of years and the resulting fiscal pressures on governments' healthcare budgets. We are committed to working closely with our suppliers and customers to find innovative, cost effective solutions to address the challenges of future capacity and financial constraints in the acute care sector.

We continually invest in technical and regulatory resources, quality systems, staff training and facilities to ensure quality standards are consistently maintained and the requirements of the relevant regulatory authorities are met or surpassed. All our manufacturing sites are licensed and subject to ongoing regular internal and external third party audit reviews.

DCC Healthcare trades with a very broad supplier and customer base and our constant focus on providing a value added service ensures excellent commercial relationships. Recent acquisitions such as Williams Medical Supplies and Beacon Pharmaceuticals have introduced new supplier relationships, an extended product portfolio and expanded customer reach. In the case of a very small number of key suppliers, principals and customers, their loss could have a serious operational and financial impact on the business.

Operating Review Continued
DCC Healthcare Continued

Environment

DCC Healthcare continues to be focused on improving the environmental sustainability of its businesses and range of products and services. Many of our customers monitor our progress in this area and are keen to see their business and brands share in the successes we have been able to deliver on the sustainability agenda. In the last year, DCC Health & Beauty Solutions has installed a solar renewable energy system at one of its manufacturing sites generating 225MWh of electricity, which will reduce carbon emissions by 170 tonnes per annum. The capital investment plan for this site provides for the installation of two wind turbines in the coming year which will further enhance the operating efficiency and environmental credentials of the site. The business is also progressing a number of other energy management initiatives which are delivering reductions in carbon emissions, energy use and costs. Our contract manufacturing business continues to enhance its procurement capability in the area of sustainable ingredients and now also sources glycerol from sustainable palm oil and has received accreditation on the traceability and sustainable sourcing of certain fish oils.

Performance for the Year Ended 31 March 2015

DCC Healthcare had another excellent year, growing its operating profit by 30.6% (40.4% excluding Virtus Inc. which was disposed of in March 2014), approximately one quarter of which was organic. The business also increased its return on capital employed and significantly enhanced its market position and scale through further bolt-on acquisition activity and the successful integration of recent acquisitions.

DCC Vital recorded strong operating profit growth driven by acquisitions made in the current and prior year and good organic growth. Williams Medical , which was acquired in May 2014, grew its profits in line with expectations. This acquisition has given DCC Vital market leadership in the supply of medical devices, pharmaceuticals and related services to GP surgeries in Britain, as well as a growing business in supplying healthcare providers in the evolving community and domiciliary care sectors. DCC Vital now offers comprehensive coverage across all sales channels in Britain and is well positioned to benefit from government health and social care policies which are focused on shifting the point of care to the most cost effective location, typically away from acute care settings to primary and community care settings.

DCC Vital now offers comprehensive coverage across all sales channels in Britain and is well positioned to benefit from government health and social care policies which are focused on shifting the point of care to the most cost effective location, typically away from acute care settings to primary and community care settings.

DCC Vital recorded particularly good organic growth in hospital injectable pharmaceuticals, an area that was further enhanced by the acquisition of Beacon Pharmaceuticals in November 2014. Good growth was also achieved in medical devices including electrodes, diathermy consumables, anaesthesia products and gloves.

DCC Health & Beauty Solutions generated excellent organic operating profit growth, driven by integration synergies, margin improvement, good cost control and also benefited from a full year contribution from UPL, acquired in January 2014. The business is leveraging its increased market presence in the beauty area and its enhanced capability in the manufacturing of creams and liquids. The Swedish tablet manufacturing operations have now been fully integrated into the larger tablet manufacturing facility in Britain with sales and regulatory personnel retained in Sweden to focus on business development in the Nordic region. DCC Health & Beauty Solutions seeks to focus its resources on developing and manufacturing more complex, higher added value products on behalf of its customers. The business made good progress in this regard during the year which enabled it to improve its sales mix, particularly in nutritional soft gel capsules, and achieve higher margins.

DCC Healthcare remains well placed to continue the strong record of growth and development across its business.

DCC Healthcare KPIs

Revenue growth

Strategic objective:
Drive for enhanced operational performance

£488.1m
▲20.1%

Operating profit growth

Strategic objective:
Drive for enhanced operational performance

£39.7m
▲30.6%

Operating margin

Strategic objective:
Grow operating margin

8.1%

Return on capital employed

Strategic objective:
Deliver superior shareholder returns

16.6%

Operating cash flow

Strategic objective:
Generate cash flows to fund organic and acquisition growth and dividends

£48.5m

10 year operating profit CAGR

Strategic objective:
Deliver superior shareholder returns

16.1%

Operating Review Continued
DCC Environmental

Market leader

Results

Revenue

£143.6m
▲9.9%

Operating profit

£13.3m
▲13.2%

Return on capital employed

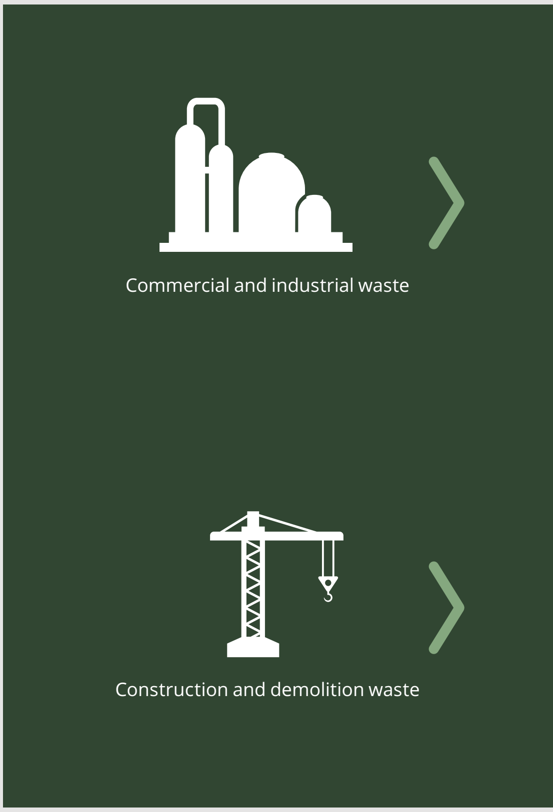
9.7%
2014: 8.6%

What we do

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

This year DCC Environmental handled approximately 1.9 million tonnes of waste through its twenty one facilities in Britain and Ireland.

DCC Environmental – What we do



DCC Environmental's activities
External activities

Key Brands

Enva*, Wastecycle*, William Tracey*, Oakwood*.

* DCC owned brands

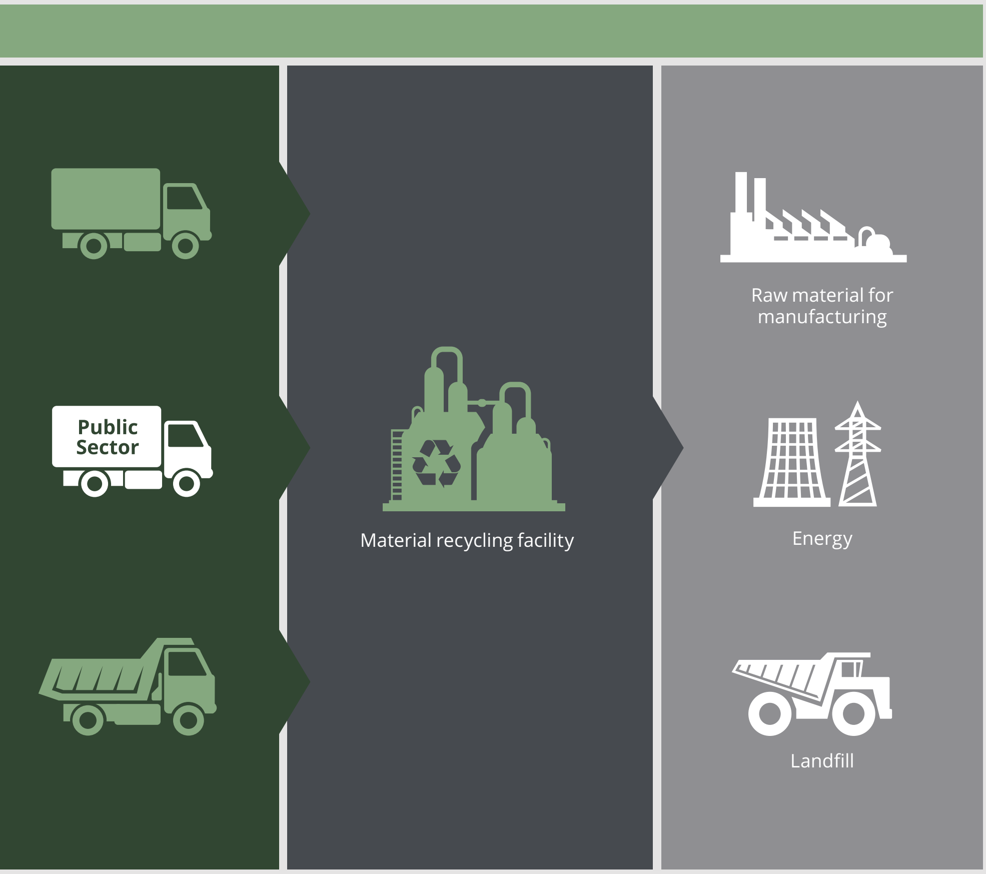
How we Create Value

Clear understanding of customers requirements.

Provider of innovative solutions for customers.

Respond quickly to opportunities arising from new regulations.

Absolute focus on recycling/recovery without the distraction of legacy landfill assets.



Markets and Market Position

Britain
DCC Environmental is a market leader in non-hazardous waste management in both Scotland and the East Midlands. In Scotland, operating under the William Tracey brand, DCC Environmental operates a comprehensive recycling infrastructure across the central belt, including one of the largest material recycling facilities in Britain in Linwood, close to Glasgow airport. In the East Midlands, operating under the Wastecycle brand, DCC Environmental operates three material recycling facilities in Nottingham and Leicester along with a civic amenity site on behalf of Nottingham City Council. These facilities process waste, collected by both company owned and third party vehicles, into valuable commodities which can be used as a substitute for virgin materials. Both companies produce a fuel, from waste unsuitable for recycling, which is used in Continental European energy from waste facilities and, in addition, in the East Midlands, DCC Environmental has the added capacity to process material into a fuel which is used by the British cement industry.

In hazardous waste management, also operating under the William Tracey brand, DCC Environmental is a market leader in Scotland and the north of England with three dedicated facilities providing a wide range of treatment solutions for hazardous waste. In addition, operating under the Oakwood Fuels brand, DCC Environmental is a leading national collector of waste oils. These oils are transported to Oakwood's facility in Nottingham, where some are converted into a fuel which can be used as a substitute for heavy fuel oil and the remainder is exported to refineries in Continental Europe which process the oils into base oil which can be used to produce lubricating oil.

DCC Environmental is constantly seeking to provide new innovative solutions to waste management, extracting greater value from material historically discarded, and thereby assisting in the development of a more sustainable circular economy. One such example is the treatment of ash from industrial kilns to create valuable products rather than simply sending it to landfill.

Overall, the British business handles 1.7 million tonnes of material, the majority of which is collected by our own fleet of 227 vehicles, and 78% of all waste volumes are diverted from landfill.

Operating Review Continued
DCC Environmental Continued

DCC Environmental is leading the way in diverting waste from landfill as it sends fuels produced from waste to Continental European energy from waste plants and British cement kilns. As additional British energy from waste capacity is developed, it is envisaged that the material currently being exported to Continental Europe will be diverted to a new indigenous infrastructure.

The improved economic backdrop has resulted in greater demand for waste services across the spectrum of services provided, particularly from the construction sector. Certain recycling activities, such as the treatment of local authority comingled waste, have seen excess capacity being removed from the market in recent times which has resulted in a more appropriate supply and demand balance. Excess capacity remains a feature of the waste oil collection market although some recent industry consolidation may help to address the issue. Recyclate prices have fallen in line with oil prices which has resulted in less value being derived from recycling.

New waste regulations in England requiring the separate collection of paper, plastic, metal and glass came into effect from 1 January 2015 following similar requirements being introduced in Scotland in the previous year. These new regulations have coincided with DCC Environmental introducing new technology which allows for the tracking of material from the point of collection through to sale in local or international markets and also allows customers and regulators alike to understand both the volume and quality of material being produced. In addition the new systems will allow for a significant improvement in the customer experience through sharing information via dedicated extranets or portals and providing customers with access to recycling rates or service levels.

Ireland
Operating under the Enva brand, DCC Environmental's Irish business is recognised as Ireland's leading hazardous waste treatment company. Enva operates from six EPA/NIEA licensed sites in both the Republic of Ireland and Northern Ireland, offering technically innovative solutions to a wide range of waste streams for both multinational and indigenous clients. It has an in-house infrastructure to treat a broad range of materials including waste oil, contaminated soils, bulk chemicals and contaminated packaging. In cases where it is unable to treat the waste itself, it has relationships with a network of European based companies to provide a range of solutions for hazardous waste which are not available in Ireland. Enva's water treatment division provides specialised chemicals, equipment and professional services to the drinking, industrial and waste water sectors. The division operates an in-house manufacturing facility as well as a fully accredited laboratory to support these services.

Following a number of very difficult years, the Irish environmental sector is now emerging from recession, benefiting from the recovery evident in the wider economy. DCC Environmental's Irish business is now seeing the impact of the recovery which includes multinational customers announcing major investments in their Irish facilities and a return of confidence in the indigenous customer base. The business is ensuring that cost competitive gains obtained in recent years are retained and indeed built on and, as part of this process, some support functions are, where appropriate, being more closely aligned with other DCC companies.

The new systems will allow for a significant improvement in the customer experience through sharing information via dedicated extranets or portals and providing customers with access to recycling rates or service levels.

Strategy and Development

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

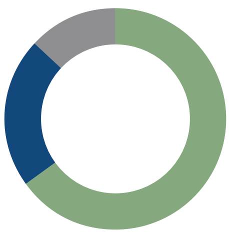
DCC Environmental will ensure that it harnesses the opportunities arising from the recovery in the economies it operates in. The strategy includes delivering superior value-adding services to all its customers through a deep understanding of their requirements and the development of innovative solutions. Furthermore, DCC Environmental is aligning its business to support the transition to both a low carbon economy and the emerging circular economy through a focus on resource rather than waste, developing internal climate change expertise and continually improving its recycling capability.

Customers

DCC Environmental provides recycling, waste management and resource recovery services to the industrial and commercial, construction and public sectors.

The customer base is quite fragmented, with the ten largest customers accounting for approximately 25% of total revenue in the year ended 31 March 2015. Many of the customers have been with DCC Environmental for a long time, in some cases over 30 years, and the business has developed a clear understanding of their requirements.

Revenue split by customer



- Industrial & commercial **65%**
- Construction & demolition **22%**
- Public sector **13%**

Case study:
Industrial Kilns

Tracey converts a waste stream into a resource

Industrial kilns such as those at paper mills and energy from waste plants use lime to ensure emissions meet regulatory standards. A by-product of the process is that an ash is produced which contains a high concentration of lime. Historically this ash was treated and then disposed of to landfill. Tracey have developed a new infrastructure, unique to Britain, which is allowing the lime, a valuable commodity, to be recovered and used as substitute for virgin lime. In addition, once the lime is extracted, Tracey are now producing concrete blocks from the remaining ash, again reducing society's consumption of virgin material. This represents a good example of the new 'circular economy' in action.

Operating Review Continued
DCC Environmental Continued

Our People

DCC Environmental's management have deep industry knowledge with a number of the former owners of the businesses still with the Group. Each company seeks to develop their employees as illustrated by a policy of promoting from within the organisation wherever possible. Employee engagement is critical and employee surveys are regularly undertaken.

The businesses constantly strive for excellence in health and safety to ensure that a safe place of work is provided to all employees. The businesses seek to empower employees at all levels within the organisation to take a leadership role from a health and safety perspective. In addition the company actively encourages employees to make suggestions on how the businesses can become even safer and near miss reporting is promoted across the business. It was encouraging to see a decline in the number of lost time incidents in the second half of the year compared to the first half.

DCC Environmental currently employs 1,020 people.

Key Risks

Similar to all businesses within the Group, DCC Environmental faces a number of strategic, operational, compliance and financial risks.

Procedures and safety culture programs are in place to ensure that the risk of accidents, in particular, from the interaction of heavy plant and people is kept to an absolute minimum.

A combination of growth in profitability and a disciplined approach to investment in both fixed capital and working capital are delivering a gradual improvement in returns to more satisfactory and sustainable levels.

DCC Environmental has enhanced alignment between customer charges or rebates to movements in the underlying commodity value to counteract the exposures from negative movements in both recyclate and oil commodity prices.

Environment

The environment is at the core of DCC Environmental's strategy in ensuring that the use of precious resources are reduced and reused. An example is the significant increase during the year in the amount of waste lubricating oil that Oakwood exported to refineries in Continental Europe which process the oil into base oil which can be used to produce new lubricating oil.

During the year there have been a number of routine inspections by environmental regulatory agencies. No major non-conformances with licensing were recorded and all minor non-conformances or observations were actioned as a priority. DCC Environmental's 21 sites continue to maintain excellent or good ratings from their respective regulators.

The businesses constantly strive for excellence in health and safety to ensure that a safe place of work is provided to all employees. The business seeks to empower employees at all levels within the organisation to take a leadership role from a health and safety perspective.

Performance for the Year Ended 31 March 2015

DCC Environmental recorded a strong result, with operating profit increasing by 13.2% and an improvement in its return on capital employed.

Despite the impact in the year of sustained weakness in commodity prices, the British business performed strongly. Volumes grew by 18% primarily as a result of increased economic activity, particularly in the industrial and construction sectors, and good new business development initiatives. Underlying margins also improved aided by an increase in the proportion of waste diverted from landfill, the most expensive and least environmentally sustainable disposal outlet.

Operating profit also increased in Ireland. The business successfully expanded its range of services, particularly to the waste water treatment sector. In addition, the business benefited from good cost management and its continuing focus on operational efficiency.

DCC Environmental KPIs

Revenue growth

Strategic objective:
Drive for enhanced operational performance

£143.6m
▲9.9%

Operating profit growth

Strategic objective:
Drive for enhanced operational performance

£13.3m
▲13.2%

Operating margin

Strategic objective:
Grow operating margin

9.3%

Return on capital employed

Strategic objective:
Deliver superior shareholder returns

9.7%

Operating cash flow

Strategic objective:
Generate cash flows to fund organic and acquisition growth and dividends

£19.3m

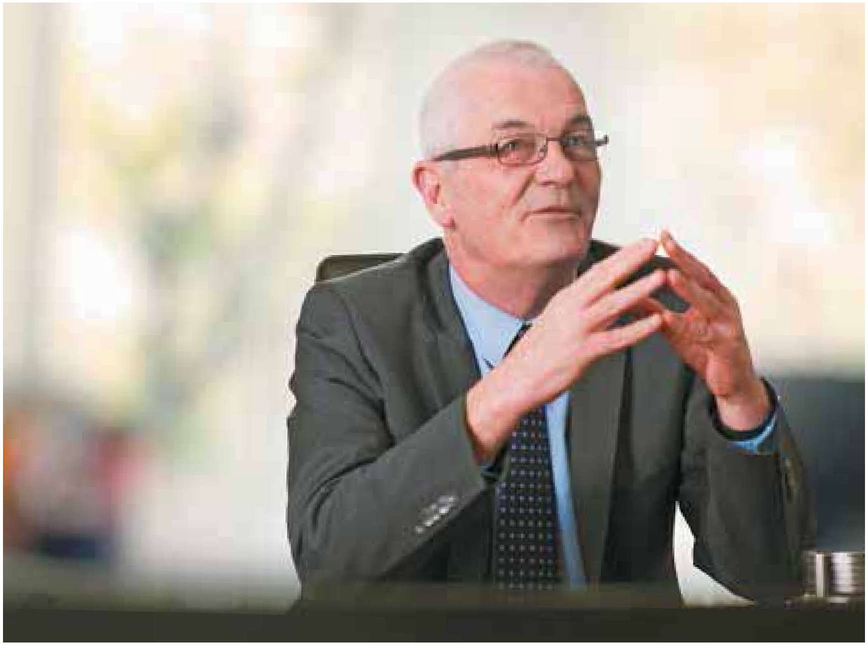
10 year operating profit CAGR

Strategic objective:
Deliver superior shareholder returns

13.7%

Financial Review

Strategic developments



Fergal O'Dwyer
Chief Financial Officer

We are very pleased with the overall performance of the Group in terms of operating profit growth, cash flow conversion and working capital management, improvements in returns on capital employed and the significant level of development activity.

The Group's long term track record of strong cash generation has enabled it to pay a growing dividend for the past 21 years and to support its growth and development strategy by making acquisitions and reinvesting in its businesses.

This Financial Review provides an overview of the Group's financial performance for the year ended 31 March 2015 and of the Group's financial position at that date.

Overview of Results

	2015 £'m	2014 £'m	Change on prior year %
Revenue – continuing	**10,606.1**	11,044.8	-4.0%
Operating profit			
DCC Energy	**119.4**	110.5	+8.1%
DCC Technology	**49.3**	48.1	+2.6%
DCC Healthcare	**39.7**	30.4	+30.6%
DCC Environmental	**13.3**	11.7	+13.2%
Group operating profit – continuing	**221.7**	200.7	+10.5%
Discontinued activities – DCC Food & Beverage	**6.5**	6.6	
Group operating profit	**228.2**	207.3	+10.1%
Share of equity accounted investments	**0.5**	1.0	
Finance costs (net)	**(29.1)**	(21.4)	
Profit before exceptional items, amortisation of intangible assets and tax	**199.6**	186.9	+6.8%
Amortisation of intangible assets	**(25.4)**	(20.5)	
Exceptional charge (net)	**(10.9)**	(15.4)	
Profit before tax	**163.3**	151.0	+8.1%
Taxation	**(18.9)**	(27.1)	
Non-controlling interests	**–**	(2.7)	
Net earnings	**144.4**	121.2	+19.1%
Adjusted earnings per share – total (pence)	**209.19**	191.20	+9.4%
Adjusted earnings per share – continuing (pence)	**202.22**	184.09	+9.8%

Table 1: Performance Metrics

	2015	2014**
Growth*:**		
Operating profit* growth (%)	**10.5%**	11.0%
Volume growth – DCC Energy (%)	**5.7%**	6.1%
Revenue growth – excl. DCC Energy (%)	**6.5%**	22.4%
Operating profit margin % – excl. DCC Energy (%)	**3.4%**	3.2%
Adjusted earnings per share growth (%)	**9.8%**	11.7%
Return:		
Return on average capital employed (%)	**18.9%**	16.3%
Operating cash flow (£'m)	**377.8**	346.9
Working capital days (days)	**(4.9)**	(0.6)
Debtor days (days)	**31.0**	31.4
Free cash flow (before interest and tax payments)	**314.5**	277.0
Conversion of operating profits to free cash flow (%)	**138%**	134%
Financial Strength/Liquidity/Financial Capacity for Development:		
EBIT:net interest (times)	**7.8**	9.7
EBITDA:net interest (times)	**9.9**	12.3
Cash balances (net of overdrafts) (£'m)	**1,129.7**	813.6
Net cash/(debt) (£'m)	**30.0**	(87.3)
Net debt as a % of total equity (%)	**n/a**	9.1%
Net debt:EBITDA (times)	**n/a**	0.3

* Excluding exceptionals and amortisation of intangible assets
** All comparative numbers presented in this report have been restated to reflect the impact of new accounting rules for joint ventures
*** Continuing operations i.e. excluding DCC Food & Beverage.

Financial Review Continued

Revenue/Volumes

Volumes in DCC Energy increased by 5.7% over the prior year and on an organic basis were 1.2% ahead of the prior year. Average temperatures in Britain, DCC Energy's largest market, were in line with the prior year although warmer than the ten year average. Due to the impact of lower oil prices, DCC Energy's revenue declined by 7.5% (5.6% on a constant currency basis).

Revenue from continuing activities, excluding DCC Energy, was up 6.5% (8.4% on a constant currency basis). Approximately a quarter of this growth was organic and was driven by the growth in DCC Technology's Continental European and Supply Chain activities and good organic growth in DCC Healthcare.

Overall Group revenue from continuing activities decreased by 4.0% (2.1% on a constant currency basis) to £10.6 billion, reflecting the impact of lower oil prices.

Operating Profit

Group operating profit from continuing activities increased by 10.5% to £221.7 million. This growth was impacted by the movement in the rate used for translating the Group's non-sterling denominated profits into sterling. The average euro/sterling translation rate for the year ended 31 March 2015 of 0.7890 was 6.5% weaker than the average of 0.8441 in the prior year. Operating profit growth on a constant currency basis was 11.9% and approximately one third of this growth was organic.

Operating profit in DCC Energy, the Group's largest division, was 8.1% ahead of the prior year (10.3% ahead on a constant currency basis). Approximately one third of this growth was organic with the balance from a first time contribution from Qstar, the Swedish unmanned retail business which was acquired in May 2014.

Operating profit in DCC Technology, the Group's second largest division, was modestly ahead of the prior year (3.7% ahead on a constant currency basis) with growth from the UK & Ireland reseller customer channel, the Supply Chain business and a strong performance from the Continental European business, which included a first time contribution from CapTech, which was acquired in September 2014. This growth was largely offset by the impact of a weaker market in the UK for tablet and smartphone products, following a particularly strong performance in DCC Technology's UK business in the prior year.

Operating profit in DCC Healthcare was 30.6% ahead of the prior year (40.4% excluding Virtus Inc. which was disposed of in March 2014), benefitting from first time contributions from Williams Medical, acquired in May 2014, and UPL, acquired in January 2014, and also from a very strong organic performance in DCC Health & Beauty Solutions.

Operating profit in DCC Environmental was 13.2% ahead of the prior year as the recovery in the business continued in Britain and Ireland.

Table 2: Revenue – Continuing Operations

	2015			2014			Change		
	H1 £'m	**H2 £'m**	**FY £'m**	H1 £'m	H2 £'m	FY £'m	H1 %	H2 %	FY %
DCC Energy	**4,077.0**	**3,547.1**	**7,624.1**	4,093.4	4,150.3	8,243.7	-0.4%	-14.5%	-7.5%
DCC Technology	**1,037.9**	**1,312.4**	**2,350.3**	959.2	1,304.8	2,264.0	+8.2%	+0.6%	+3.8%
DCC Healthcare	**236.9**	**251.2**	**488.1**	195.1	211.4	406.5	+21.4%	+18.8%	+20.1%
DCC Environmental	**73.5**	**70.1**	**143.6**	64.9	65.7	130.6	+13.3%	+6.6%	+9.9%
Total	**5,425.3**	**5,180.8**	**10,606.1**	5,312.6	5,732.2	11,044.8	+2.1%	-9.6%	-4.0%
Weighting %	**51.1%**	**48.9%**	**100.0%**	48.1%	51.9%	100.0%			

Table 3: Operating Profit – Continuing Operations

	2015			2014			Change		
	H1 £'m	**H2 £'m**	**FY £'m**	H1 £'m	H2 £'m	FY £'m	H1 %	H2 %	FY %
DCC Energy	**31.9**	**87.5**	**119.4**	33.5	77.0	110.5	-4.7%	+13.6%	+8.1%
DCC Technology	**15.2**	**34.1**	**49.3**	14.1	34.0	48.1	+7.7%	+0.5%	+2.6%
DCC Healthcare	**15.9**	**23.8**	**39.7**	12.6	17.8	30.4	+26.7%	+33.3 %	+30.6%
DCC Environmental	**7.1**	**6.2**	**13.3**	6.3	5.4	11.7	+11.7%	+14.8%	+13.2%
Total	**70.1**	**151.6**	**221.7**	66.5	134.2	200.7	+5.4%	+13.0%	+10.5%
Weighting %	**31.6%**	**68.4%**	**100.0%**	33.1%	66.9%	100.0%			

Although DCC's operating margin on a continuing basis (excluding exceptionals) was 2.1%, compared to 1.8% in 2014, it is important to note that this measurement of the overall Group margin is of limited relevance due to the influence of changes in oil product costs on the percentage. While changes in oil product costs will change percentage operating margins, this has little relevance in the downstream energy market in which DCC Energy operates, where profitability is driven by absolute contribution per litre (or tonne) of product sold and not by a percentage margin. Excluding DCC Energy, the operating margin on a continuing basis (excluding exceptionals) for the Group's other divisions was 3.4% compared to 3.2% in 2014.

An analysis of the performance for the first half, the second half and the full year ended 31 March 2015 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 26 to 53.

The compound growth rate in DCC's operating profits from continuing operations over the last 21,15,10 and 5 years is as follows:

	CAGR %
21 years (i.e. since 1994)	13.8%
15 years (i.e. since 2000)	13.4%
10 years (i.e. since 2005)	13.2%
5 years (i.e. since 2010)	6.9%

Change in Accounting Policy and Restatement

IFRS 11 *Joint Arrangements* has been adopted as required by IFRS for the year ended 31 March 2015. Whilst the impact on the comparatives is not material, they have been restated accordingly. Further details are set out in note 4 to the financial statements.

Finance Costs (net)

Net finance costs increased to £29.1 million (2014: £21.4 million) primarily as a result of the incremental interest cost of the additional US Private Placement debt drawn down in the first half of the year. Average net debt during the year of £309 million compared to £366 million in the prior year. Interest was covered 9.9 times by Group operating profit before depreciation and amortisation of intangible assets (12.3 times in 2014).

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

Profit before net exceptional items, amortisation of intangible assets and tax increased by 6.8% to £199.6 million.

Net Exceptional Charge and Amortisation of Intangible Assets

The Group incurred a net exceptional charge of £10.9 million as follows:

	2015 £'m
Restructuring costs	**23.9**
Acquisition related costs	**3.5**
Mark to market loss	**2.2**
Net gain on disposals	**(8.2)**
Gain arising on pension curtailments	**(8.7)**
Other	**(1.8)**
Total	**10.9**

The Group's long term track record of strong cash generation has enabled it to pay a growing dividend for the past 21 years and to support its growth and development strategy by making acquisitions and reinvesting in its businesses.

Reconciliation of Adjusted Earnings to Profit Attributable to Shareholders

	2015 £'m	2014 £'m	Change on prior year
Adjusted earnings	**175.7**	160.2	+9.7%
Amortisation of intangible assets after tax	**(20.4)**	(16.3)	
Non-trading items after tax and minority interests	**(10.9)**	(22.7)	
Profit attributable to shareholders	**144.4**	121.2	+19.1%

	2015 pence	2014 pence	Change on prior year
Adjusted EPS	**209.19**	191.20	+9.4%
Amortisation of intangible assets after tax	**(24.22)**	(19.38)	
Non-trading items after tax	**(13.00)**	(27.12)	
Basic EPS	**171.97**	144.70	+18.8%

Financial Review Continued

The Group incurred an exceptional charge of £23.9 million mainly in relation to restructuring of existing businesses and is inclusive of a goodwill impairment charge of £5.6 million.

Acquisition costs include the professional and tax costs (such as stamp duty) relating to the evaluation and completion of acquisition opportunities. During the year, acquisition and related costs amounted to £3.5 million.

Most of the Group's debt has been raised in the US Private Placement market and swapped, using long term interest, currency and cross currency interest rate derivatives, to both fixed and floating rate sterling and euro. The level of ineffectiveness calculated under IAS 39 on the fair value and cash flow hedge relationships relating to fixed rate debt, together with gains or losses arising from marking to market swaps not designated as hedges, offset by foreign exchange translation gains or losses on the related fixed rate debt, is charged or credited as an exceptional item. In the year ended 31 March 2015 this amounted to an exceptional charge of £2.2 million.

During the second half of the financial year the Group disposed of its Irish Food & Beverage subsidiaries. The aggregate consideration from these disposals was £55.1 million and the disposals generated an exceptional gain, net of disposal costs, of £8.2 million. The remaining small UK wine distribution subsidiary was classified as an asset held for sale at the balance sheet date. The sale of the subsidiary was completed on 28 April 2015.

The restructuring of certain of the Group's pension arrangements gave rise to an exceptional gain of £8.7 million.

The balance of the exceptional items relates to a gain arising from the write back of contingent acquisition consideration no longer payable (£1.1 million) and a gain in relation to the Pihsiang legal claim (£0.9 million) where there was further modest cash recovery.

The charge for the amortisation of acquisition related intangible assets increased to £25.4 million from £20.5 million, principally reflecting acquisitions completed in the current and prior year.

Profit Before Tax

Profit before tax increased by 8.1% to £163.3 million.

Taxation

The effective tax rate for the Group decreased to 12% compared to 14% in the prior year. The decrease is primarily due to the mix of taxable Group profits and a reduction in the UK corporation tax rate.

Adjusted Earnings Per Share

Reported adjusted earnings per share increased by 9.4% to 209.19 pence. On a continuing basis, adjusted earnings per share increased by 9.8% to 202.22 pence.

The compound annual growth rate in DCC's adjusted earnings per share over the last 21,15,10 and 5 years is as follows:

	CAGR %
21 years (i.e. since 1994)	12.2%
15 years (i.e. since 2000)	11.3%
10 years (i.e. since 2005)	10.3%
5 years (i.e. since 2010)	5.8%

Dividend

The Board is recommending an increase of 10% in the final dividend to 55.81 pence per share, which, when added to the interim dividend of 28.73 pence per share, gives a total dividend for the year of 84.54 pence per share. This represents a 10% increase over the total prior year dividend of 76.85 pence per share. The dividend is covered 2.5 times by adjusted earnings per share (2.5 times in 2014). It is proposed to pay the final dividend on 23 July 2015 to shareholders on the register at the close of business on 29 May 2015.

Over its 21 years as a listed company, DCC has an unbroken record of dividend growth at a compound annual rate of 14.6%.

Return on Capital Employed

The creation of shareholder value through the delivery of consistent, long term returns well in excess of its cost of capital is one of DCC's core strategic aims. Return on capital employed increased from 16.3% to 18.9% driven by the increase in the Group's operating profit and strong working capital management. The return on capital employed by division was as follows:

Table 4: Return on Capital Employed

	2015 ROCE	2014 ROCE
DCC Energy	**19.8%**	17.5%
DCC Technology	**25.5%**	21.1%
DCC Healthcare	**16.6%**	14.2%
DCC Environmental	**9.7%**	8.6%
Group	**18.9%**	16.3%

Cash Flow

The Group generated excellent operating and free cash flow during the year, as summarised in Table 5.

Operating cash flow in 2015 was £377.8 million compared to £346.9 million in the prior year. Working capital reduced by £102.6 million with overall working capital

Table 5: Summary of Cash Flows

	2015 £'m	2014 £'m
Operating profit	**228.2**	207.3
Decrease in working capital	**102.6**	87.0
Depreciation and other	**47.0**	52.6
Operating cash flow	**377.8**	346.9
Capital expenditure (net)	**(63.3)**	(69.9)
Free cash flow (before interest and tax payments)	**314.5**	277.0
Dividend from equity accounted investments	**0.8**	0.6
Interest and tax paid	**(60.8)**	(52.8)
Free cash flow	**254.5**	224.8
Acquisitions	**(123.5)**	(50.1)
Disposals	**55.1**	11.1
Dividends	**(66.1)**	(62.1)
Exceptional items	**(16.5)**	(21.1)
Share issues	**1.7**	2.0
Net inflow	**105.2**	104.6
Opening net debt	**(87.3)**	(186.6)
Translation and other	**12.1**	(5.3)
Closing net cash/(debt)	**30.0**	(87.3)

days improving by 4.3 days to a negative 4.9 days sales. Working capital improvements were achieved across each of the Group's divisions with overall Group inventory days reducing from 16.4 days to 11.7 days. DCC Technology selectively uses supply chain financing solutions to sell, on a non-recourse basis, a portion of the receivables relating to certain larger supply chain/sales and marketing activities. The level of supply chain financing at 31 March 2015 was £148 million (31 March 2014: £123 million) and this had a positive impact on Group working capital days of 5.4 days (31 March 2014: 4.0 days).

After capital expenditure of £63.3 million (2014: £69.9 million), free cash flow amounted to £314.5 million, an excellent 138% conversion of operating profits into cash. The conversion rate of operating profits to free cash flow (i.e. operating cash flow less capital expenditure but before interest and tax payments) is an important measure as to how the Group's operating profits translate into cash flow. The Group's long term track record of strong cash generation has enabled it to pay a growing dividend for the past 21 years and to support its growth and development strategy by making acquisitions and reinvesting in its businesses.

Acquisitions and Capital Expenditure

Including the commitment to acquire Butagaz, committed acquisition and capital expenditure amounted to £617.4 million as follows:

	Acquisitions £'m	Capex £'m	Total £'m
DCC Energy	457.7	40.7	498.4
DCC Technology	39.7	8.0	47.7
DCC Healthcare	54.3	5.8	60.1
DCC Environmental	–	8.2	8.2
DCC Food & Beverage	2.4	0.6	3.0
Total	**554.1**	**63.3**	**617.4**

Acquisition activity

Committed acquisition expenditure amounted to £554.1 million.

DCC Energy

Butagaz

DCC Energy has made a binding offer to acquire Butagaz S.A.S. ('Butagaz'), a leading liquefied petroleum gas ('LPG') business in France, from Shell for €464 million (£338 million). Shell has granted exclusivity while it consults with its French Work Councils as required under French law. The acquisition of Butagaz would represent the largest ever acquisition by DCC and a major step forward in the continuing expansion of its LPG business. The French LPG market is the second largest in Western Europe and approximately twice the size of the market in Britain. The acquisition of Butagaz would provide DCC Energy with a substantial presence in the French LPG market, an experienced management team and a high quality sales, marketing and operating infrastructure.

Key transaction features:

- Butagaz has a market share of 25% and the "Butagaz" brand is the leading LPG brand in France.
- Butagaz is market leader in the LPG cylinder and small bulk market segments and sells directly or indirectly to over four million customers.
- The acquisition would significantly increase the scale of DCC's LPG business from approximately 700,000 tonnes to 1.2 million tonnes.
- Agreed valuation, on a debt-free, cash-free basis of €464 million (£338 million).
- Underlying EBITDA of €123.6 million (£89.9 million) and EBIT of €74.2 million (£53.9 million) with excellent cash conversion.
- Underlying EBITDA and EBIT multiples of 3.8 and 6.2 respectively.
- Significantly EPS accretive, with return on capital employed expected to be substantially above DCC's cost of capital.

Esso Retail France

As previously announced on 28 August 2014, DCC reached agreement in principle with Esso Société Anonyme Française ('Esso SAF') to acquire the assets that comprise the Esso Express unmanned retail petrol station network and the Esso branded motorway concessions in France. The business to be acquired will have annual volumes of approximately 1.9 billion litres. All of the relevant competition and legal clearances have now been received and the transaction is expected to complete by the end of June 2015, once implementation of the IT and operational infrastructure required to affect the business transfer is completed.

The total consideration, inclusive of stock in tank at the date of acquisition, will be in the region of €130 million (£95 million), payable in cash on completion

DLG Denmark

In March 2015 DCC Energy agreed in principle to combine its Danish oil distribution business with the oil and wood pellet distribution activities of DLG, a leading Danish agricultural business. The transaction is subject to competition clearance and will result in DCC Energy owning 60% of the enlarged entity which will distribute approximately 400 million litres of oil and 180,000 tonnes of wood pellets and will be managed by DCC Energy's existing management team. The cash impact of the transaction will be very modest.

Financial Review Continued

DCC Technology

CapTech

In September 2014, DCC Technology expanded its European footprint with the acquisition of CapTech Distribution AB, Sweden's largest independent technology distribution business for an initial enterprise value of £15.7 million. With annual revenue of approximately £140 million, CapTech has a particularly strong market position in IT hardware and AV systems. CapTech partners with many of the world's leading technology manufacturers and brand owners, including Acer, Asus, BenQ, Dell, Microsoft, NEC and Samsung, and sells to a very broad range of etail, retail and reseller customers.

Computers Unlimited

In May 2015, DCC Technology acquired Computers Unlimited ('CU') for an initial enterprise value of £24.0 million. CU is a consumer technology distributor operating primarily in the UK but also with operations in France and Spain. The business has annual revenue of approximately £140 million and is focused on the 'Connected Home' and professional design market. The business distributes a range of products that are complementary to those distributed by Exertis, including design software, printers, accessories and premium audio systems.

DCC Healthcare

Williams Medical

As previously announced on 3 June 2014, DCC Healthcare acquired Williams Medical, the market leader in the supply of medical and pharmaceutical products and related services to general practitioners ('GPs') in Britain. The consideration (which was paid in cash at completion) was based on an enterprise value of £45 million. Williams Medical supplies a wide range of own and third party branded products – medical equipment, consumables and pharmaceuticals – to a very broad customer base of approximately 10,000 GP practices and healthcare providers in the community care and domiciliary care sectors. The acquisition of Williams Medical represents an excellent strategic fit and another material step forward for DCC Healthcare, following the acquisitions of Kent Pharma, Leonhard Lang UK and UPL over the last two years.

Beacon

In November 2014, DCC Healthcare acquired Beacon Pharmaceuticals Limited in a transaction based on an enterprise value of up to £10 million. Beacon is a niche pharma business which markets and sells its own licensed and third party pharma products primarily to the hospital sector in the UK.

Total cash spend on acquisitions for the year ended 31 March 2015

The acquisition of Qstar, a Swedish unmanned retail petrol station company, along with its related fuel distribution and fuel card businesses, previously announced on 17 February 2014, was completed on 12 May 2014 for a total consideration of £38.7 million. The consideration for the Esso Retail France, Butagaz, DLG Denmark and CU transactions will not be paid until these transactions complete in the year to 31 March 2016. Accordingly, the cash outflow on acquisitions in the year ended 31 March 2015, inclusive of a net movement in deferred and contingent acquisition consideration of £7.8 million, was £123.5 million.

Capital expenditure

Net capital expenditure in the year of £63.3 million (2014: £69.9 million) compares to a depreciation charge of £59.7 million (2014: £55.4 million).

In its Interim Results announcement, the Group outlined the progress made by DCC Technology in integrating its UK businesses under the Exertis brand as part of its strategy to offer an enhanced sales proposition to its entire customer base. It also announced the commencement of a program to upgrade its ERP and logistics infrastructure to support future growth in a cost effective manner. SAP has now been selected as the preferred ERP platform and the implementation of this system will take place on a phased basis over the next two years. In addition, DCC Technology is developing a new purpose built, 450,000 sq.ft. UK national distribution centre, close to the majority of its existing facilities, which will consolidate the activities of most of its seven existing warehouse facilities and provide capacity for further growth. The relocation to the new facility will be conducted on a staged basis and will begin in the year ending 31 March 2017. The capital expenditure relating to these developments is of the order of £55 million, most of which will fall in the year ending 31 March 2016.

Following the completion of these projects, apart from the capacity increases and cost efficiencies that should be generated, a significant proportion of this expenditure is expected to be recouped from the disposal of the existing facilities owned by DCC Technology and from improvements in working capital.

With the cash impact of acquisitions in the year of £123.5 million and dividend payments of £66.1 million less the proceeds from disposals of £55.1 million, there was an overall net inflow of £105.2 million in the year, leaving the Group in a modest net cash position at 31 March 2015 of £30.0 million (31 March 2014: £87.3 million).

Balance Sheet and Group Financing

DCC's balance sheet remains highly liquid with the Group moving to a modest net cash position of £30 million at 31 March 2015 (average net debt during the year of £309 million). The modest net cash position is before development expenditure committed during the year and since the balance sheet date of £465 million which it is anticipated will be paid in the year ending 31 March 2016. The modest year end net cash position is net of term debt of £1.1 billion with an average maturity of seven years and an average credit spread over euribor/libor of 1.65%.

Key financial ratios as at 31 March 2015, and the principal financial covenants included in the Group's various lending agreements, are as follows:

	2015 Actual	2014 Actual	Lender covenants
Net debt: EBITDA	**n/a**	0.3	3.5
EBITDA: net interest	**9.9**	12.3	3.0
EBITA: net interest	**7.8**	9.7	3.0
Total equity (£'m)	**987.0**	946.3	425.0

Further analysis of DCC's cash, debt and financial instrument balances at 31 March 2015 is set out in notes 27 to 30 in the financial statements.

DCC remains ambitious to continue the growth and development of its business. The Group's strategy has always included maintaining a strong and liquid balance sheet to leave it well placed to take advantage of opportunities as they arise. To that end and cognisant that the Group is already committed to development expenditure totalling £465 million, the Board has today agreed a placing of new Ordinary Shares representing up to 5% of the existing issued share capital of the Group (excluding Treasury Shares). The funds raised from this placing will ensure the Group retains financial capacity for further development while preserving the balance sheet strength that has served it well over many years.

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 29 to the financial statements.

Foreign Exchange Risk Management

DCC's presentation currency is sterling. Exposures to other currencies, principally euro and the US dollar, arise in the course of ordinary trading.

A proportion of the Group's profits and net assets are denominated in euro. The sterling/euro exchange rate strengthened by 12.2% from 0.8282 at 31 March 2014 to 0.7273 at 31 March 2015 and the average sterling/euro exchange rate at which the Group translates its euro denominated operating profits strengthened by 6.5% from 0.8441 in 2014 to 0.7890 in 2015.

Approximately 16% of the Group's operating profit for the year ended 31 March 2015 was denominated in currencies other than sterling, primarily the euro. DCC does not hedge the translation exposure on the profits of non-sterling subsidiaries on the basis and to the extent that they are not intended to be repatriated. The strengthening of the average translation rate of sterling, referred to above, negatively impacted the Group's reported operating profit by £3.2 million in the year ended 31 March 2015.

DCC has investments in non-sterling, primarily euro denominated, operations which are cash generative and cash generated from these operations is reinvested in development activities rather than being repatriated into sterling. 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 the relevant currency, although this hedge is offset by the strong ongoing cash flow generated from the Group's non-sterling operations, leaving DCC with a net investment in non-sterling assets. The 12.2% strengthening in the value of sterling against the euro during the year ended 31 March 2015, referred to above, was the main element of the translation loss of £15.0 million arising on the translation of DCC's non-sterling denominated net asset position at 31 March 2015 as set out in the Group Statement of Comprehensive Income 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 and in the resale prices of recycled oil products. Fixed price oil supply contracts are occasionally provided to certain customers for periods of less than one year. To manage this exposure, the Group enters into matching forward commodity contracts which are designated as hedges under IAS 39. The Group hedges a proportion of its anticipated LPG commodity exposure, with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes. In addition, to cover certain customer segments for 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 Chief Executive and Chief Financial Officer and reviewed 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. At 31 March 2015, 83% of the Group's drawn fixed rate borrowings were swapped 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.

Investor Relations

DCC's senior management team are committed to interacting with the international financial community to ensure a full understanding of DCC's strategic plans and its performance against those plans. During the year, the executive management presented at six capital market conferences, conducted 207 institutional investor one-on-one and group meetings and presented to 17 broking firms.

On 4 June 2015, a Capital Markets Day will take place in the London Stock Exchange which will be attended by the Chairman and a number of the non-executive Directors. Most of DCC's top shareholders as well as various brokers, analysts and fund managers will be present at this Capital Markets Day. The previous Investor Day was held in June 2013.

Share Price and Market Capitalisation

The Company's shares traded in the range £30.33 to £41.96 during the year. The share price at 31 March 2015 was £40.23 (31 March 2014: £32.60) giving a market capitalisation of £3.4 billion (2014: £2.7 billion).

Sustainability Report

Creating sustainable value for our stakeholders

DCC's objective is build a sustainable business and a key element in achieving this objective is to ensure that our businesses operate responsibly and meet increasing societal expectations. By doing so we will enhance our reputation with stakeholders and protect the value we create over the longer term.

Introduction

At a DCC Group level, there are four areas which are material to the sustainability of our businesses: our people, health & safety, ethics and compliance and the environment. Further details on each of these areas are provided below. Individual subsidiaries also have additional business specific areas which are key to their ongoing sustainability, for example relationships with customers, suppliers, regulators and local communities, procurement of raw materials and supply chain integrity. Further information on these areas is included in the Operating Reviews and on subsidiary websites.

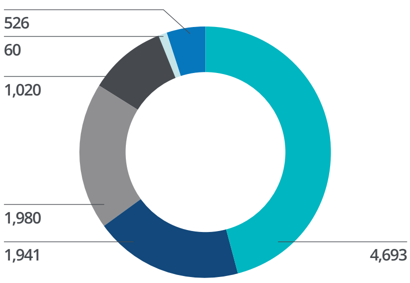
Since 2011, DCC has been reporting on sustainability in line with the GRI3 Reporting Guidelines. In 2013, the new version of these guidelines (G4) was issued. We are reviewing our approach to sustainability reporting to take account of this globally accepted standard and also the Integrated Reporting standard developed by the International Integrated Reporting Council ('IIRC'), a coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs. Ultimately, as sustainability continues to be embedded in standard management processes – strategy, planning, risk and performance measurement – its reporting will become further integrated into the Annual Report.

This Sustainability Report follows the same reporting cycle and fiscal year as the Annual Report, to 31 March 2015, and includes all Group subsidiaries. Joint ventures are not included in the LTI or carbon emissions data. There are no significant changes from previous reporting periods in the scope, boundary or measurement methods applied in this Report and there is no restatement of data from the 2014 Sustainability Report.

Our People

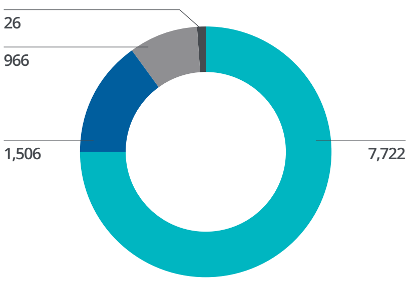
At 31 March 2015, DCC employed 10,220 people, broadly in line with last year, despite the sale of a number of businesses within the Food & Beverage division, as we continue to successfully extend our geographic footprint, particularly into Continental Europe, which is reflected in an overall increase of 19% during the year in employee numbers in this geographic area.

DCC employment by division



- DCC Energy **46%**
- DCC Technology **19%**
- DCC Healthcare **19%**
- DCC Environmental **10%**
- DCC Corporate **<1%**
- Joint ventures **5%**

DCC employment by geographic area



- UK **76%**
- Ireland **15%**
- Continental Europe **9%**
- Other **<1%**

Diversity and Equal Opportunity

DCC recognises the variety of characteristics which make individuals unique and we embrace the benefits of a workforce with diverse skills, qualities and experience. The DCC Group policy statement on diversity and equal opportunities applies across the Group and our individual companies continue to focus on ways to increase the diversity of our workforce. In line with our commitment to create an inclusive workplace, all recruitment, selection and promotion decisions are made on individual merit.

Talent Development

In support of our ambitious growth plans, we reported last year that we were revising our approach to the development of talent across DCC. We have now embarked upon a talent initiative, in conjunction with external advisors, the first phase of which will provide us with a framework to select, assess and develop talent, which we plan to use to implement assessment and development programmes across the DCC Group.

Graduate Programme

The talent development programme is complemented by the DCC Graduate Programme, which was commenced five years ago with the objective of creating a pipeline of high potential, emerging talent. This two year programme offers our graduates an exceptional opportunity to participate in three placements across three different industry sectors and usually in at least two different geographies. The streams we hire into are business IT, business management, logistics, marketing and sales & marketing.

On completion of the fifth recruitment cycle this year, we hired 15 graduates who will join us in September 2015. This will bring the number of graduates hired since the programme began in 2010 to 52. We have retained over 85% of the graduates who have completed the programme and they are now working in permanent roles in a variety of functions in a number of our businesses.

The DCC Graduate Programme is differentiated by the content and pace of the placements which ensure that graduates work on complex, critical and demanding projects. This, along with the diverse industry nature of the placements and regular learning modules, provide significantly accelerated development. Our business leaders are delighted with the real contribution the graduates are making and by their clearly demonstrable development.

Corporate Giving

Across the DCC Group, subsidiaries support charities and local communities by direct financial contributions, fundraising or the provision of particular skills and training. At a corporate level, DCC plc continues to support Social Entrepreneurs Ireland ('SEI'), an independent, non-profit organisation which identifies and supports social entrepreneurs in growing their ideas from concept to reality, on a national scale.

Health & Safety

The DCC Group Health & Safety Policy sets out the Board's commitment to continually improving management systems and safety cultures – viewed as positive drivers of business performance. The policy is reinforced in our Business Conduct Guidelines.

Each Group business maintains appropriate health, safety and environmental management systems and, in some instances, these are accredited to international standards such as OHSAS18001, where there is a strong business case to do so. Risk control measures – technical, procedural and behavioural – are implemented and monitored to confirm their effectiveness and to identify improvement opportunities.

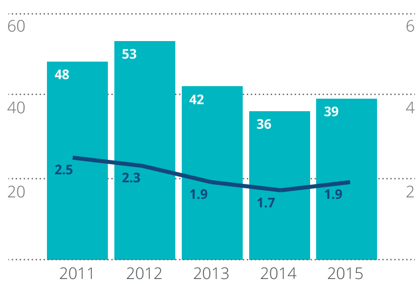
Within the Energy and Environmental divisions, formal governance structures are in place to oversee HSE performance and establish high level objectives and targets for the operating businesses. Communication of best practice, learning from events and the development of technical and safety standards is achieved through regular cross subsidiary meetings, leveraging the depth of HSE expertise and experience within the Group.

Process safety management is a key focus within the Energy division, reflecting the hazardous nature of the products we store and distribute. Process safety performance indicators are used to monitor the integrity of the safety critical assets, technology, competence and procedures that are in place to prevent a major accident occurring.

Health and Safety Performance

At Group level, two Lost Time Injury ('LTI') metrics are reported monthly by all businesses – Lost Time Injury Frequency Rate ('LTIFR') and Lost Time Injury Severity Rate ('LTISR').

Lost Time Injury ('LTI')



- Number of lost time injuries per 200,000 hours worked (LTIFR)
- Number of calendar days lost per 200,000 hours worked (LTISR)

After a number of years of improving performance, both LTI rates increased in the reported period. Slips, trips and falls and manual handling continue to be the primary causes of LTIs and while the majority result in minor injuries, each one is investigated to identify root causes in order to implement effective corrective actions. Implementing safe systems of work and the development of personal risk awareness in a supportive safety culture are a constant focus of attention. We will redouble our efforts to progress towards our ultimate objective of an injury free workplace for all employees and contractors.

Sustainability Report Continued

The waste industry faces significant occupational health and safety challenges. During the year, all of the businesses within the Environmental division began a programme of safety leadership training and employee engagement, with routine safety conversations and safety forums. Early feedback from these initiatives is positive and they have generated innovative safety improvements which are shared across the Group.

In the Energy and Environmental divisions, which have higher HSE risk profiles, specific metrics and targets, for example, in relation to driving performance, spills, near miss reporting, process safety indicators, are in place and reviewed at monthly management meetings.

HSE audits are completed by the Group HSE function using the International Safety Rating System ('ISRS') audit tool developed by DNV-GL, who specialise in business assurance across a number of industry sectors. Audits are risk based and systematically challenge the individual HSE processes and controls in the subsidiary management systems. Audit results are reviewed with divisional management and presented to the Audit Committee and Board.

Safety F1rst is the brand used across the Energy division to communicate key safety behaviours and golden rules. Regular interventions on particular themes, for example safe driving, risk awareness and manual handling, raise awareness and encourage safety communication at all levels within the organisation. Following a review of the Safety F1rst concept, DCC Healthcare subsidiaries have committed to implementing it within their businesses. Work is being completed to align the Safety F1rst tools and material with the specific safety risk areas within DCC Vital and DCC Health & Beauty Solutions.

SAFETY™ F1RST
THE RIGHT CHOICE
THE RIGHT CALL

Ethics and Compliance

DCC seeks to achieve the highest standards of business ethics and compliance in all our activities. Ensuring that these standards are met is the responsibility of the leadership team in each business in the Group. They are supported in this regard by a central Group Compliance function and, in our Energy and Technology divisions, by dedicated compliance personnel.

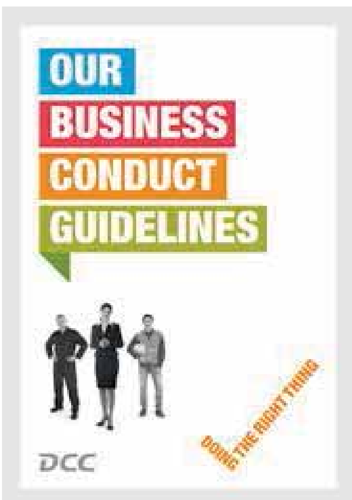
The key message of our Compliance Programme is that managers and employees across the Group should be 'Doing the Right Thing' at all times. This means not merely following the laws and policies that apply to their work, but also exercising good judgement to ensure that their actions are seen as fair and reasonable.

Business Conduct Guidelines

Our Group Business Conduct Guidelines, which are available on our website, set out the standards that are expected of employees across the Group in a range of areas, including conflicts of interest, bribery and corruption and dealings with customers and suppliers.

During the year we revised and updated the Guidelines to reflect developments in the Group and in good compliance practice. These revised Guidelines were distributed to employees across the Group, supported by training and other suitable internal communications. As was the case previously, the new Guidelines are available in all of the principal languages used by our employees.

Over 90% of employees in management, commercial, sales, finance and related roles across the Group have completed detailed online training on the Guidelines. Employees in other roles received briefings tailored to their roles.



Compliance Policies and Training

The Group also maintains detailed policies on a range of relevant areas, complementing the general requirements set out in the Business Conduct Guidelines. The areas covered by more detailed policies include health and safety, anti-bribery and corruption, competition law, data protection, IT security, diversity and equal opportunities and share dealing. Depending on the nature of their role, employees of Group subsidiaries receive more detailed training on those policies. Having reviewed and updated our Business Conduct Guidelines during 2014, we will be refreshing our other policies during the present year to ensure they accurately reflect the activities of the Group, current regulatory requirements and best practice.

Whistleblowing

Employees across the Group are encouraged to raise a concern if any of our activities are being undertaken in a manner that may not be legal or ethical. Concerns can be raised with a member of management in the business where the employee works, with the Head of Group Compliance or externally to SafeCall, a third party facility which is independent of DCC and available in multiple languages and on a 24 hour basis. Our internal policies make clear that retaliation against any employee who raises a concern is prohibited.

The Audit Committee has oversight responsibility for the whistleblowing policy and how it operates.

World's Most Ethical Certification

Following an application made in late 2014, DCC was recognised by Ethisphere as one of the World's Most Ethical Companies for 2015. This certification reflects our commitment to high standards of business conduct and how that commitment is translated into practice through our compliance policies and procedures.

2015 WORLD'S MOST™ ETHICAL COMPANIES®
WWW.ETHISPHERE.COM

Environment

Operating in a range of industries, our businesses are subject to a number of different environmental legislative requirements covering waste, release to the environment and permitting.

Producer responsibility for waste packaging and waste electronic and electrical equipment is regulated in all EU member states and DCC businesses meet their obligations through membership of national compliance schemes.

The impact of spills and uncontrolled releases to the soil or groundwater is a particular concern to the oil businesses, both bulk and retail. Controls to maintain asset integrity, monitor tank levels and deliver products safely are in place to minimise both the likelihood and magnitude of spills. Where failures occur, swift clean up and remediation measures are implemented and lessons learnt are applied to prevent reoccurrence.

Businesses within the Environmental division operate under the strict conditions set out in their waste management licences and are subject to routine compliance inspections by the national regulators. All DCC Environmental businesses have comprehensive, ISO40001 certified, environmental management systems to ensure robust controls are in place to minimise negative impacts on the environment.

Energy and Climate Change

The global challenge of climate change continues to drive policy and legislation at both EU and national level. Member states have implemented various mechanisms to support the achievement of targets including direct carbon taxes, levies on operational carbon emissions, subsidies for generation of renewable energy and the requirement for energy providers to part fund investment in energy efficiency projects in domestic markets.

ESOS

In the UK, the Energy Savings Opportunity Scheme ('ESOS') has been introduced to meet the requirements of Article 8(4) of the EU 2012 Energy Efficiency Directive aimed at raising awareness of energy use in larger companies. For DCC's UK businesses, energy efficiency audits will be undertaken in 2015 to address over 90% of total energy consumption (electricity, natural gas, heating fuels and transport fuels). Confirmation of compliance with ESOS requirements will be submitted to the Environment Agency in advance of the December 2015 deadline.

Carbon emissions

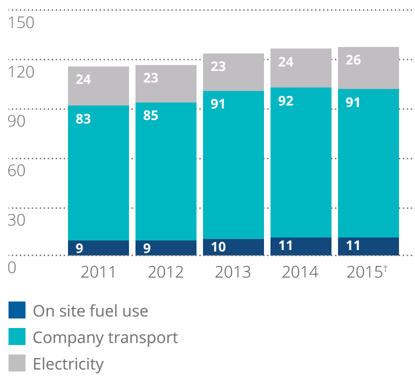
All subsidiaries report energy use data on at least a quarterly basis to DCC's cloud based IT platform. Energy data is converted to carbon emissions using conversion factors from DEFRA in the UK and in line with the international Greenhouse Gas Protocol. This information is used to comply with mandatory reporting requirements, for example, the UK Carbon Reduction Commitment Scheme, and with voluntary reporting to the CDP, a global initiative, funded by the investment community, which encourages companies to publicly report their carbon emissions and the steps they are taking to address the challenge of climate change. DCC has been responding to the CDP since 2010 and DCC's disclosure to the 2014 Climate Change Questionnaire scored 89%, putting it in the top five of Irish reporting companies.

CDP
DRIVING SUSTAINABLE ECONOMIES

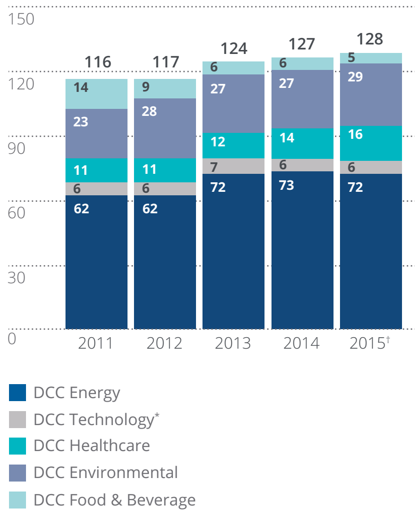
In absolute terms, DCC carbon emissions increased marginally over the prior year to 128,000 tonnes CO_2e. Increases in emissions from acquisitions during the period, full year contributions from earlier acquisitions and additional processing capabilities were offset by the divestment of some businesses and a milder winter, which reduced the need for heating of warehouses and offices. Subsidiaries continue to invest in energy efficiency projects, including real time energy use monitoring, energy efficient technologies, consolidation of warehousing, vehicle engine monitoring and behavioural change. These initiatives result in both lower costs and lower carbon emissions.

In relative terms the carbon intensity of DCC businesses has decreased by 25% on a per £ revenue basis against a baseline of FY2011.

Absolute CO_2e emissions ('000 tonnes) by source

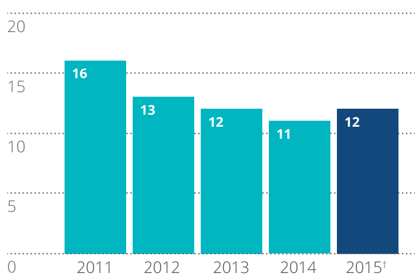


Absolute CO_2e emissions ('000 tonnes) by division



* Includes DCC Head Office emissions (104 tonnes CO_2e)

DCC Group Carbon Intensity (tonnes CO_2e / £ Revenue)



Independent Assurance Report to the Directors of DCC plc

We have been engaged by the directors of DCC plc ('DCC') to perform an independent assurance engagement in respect of selected aspects of DCC's sustainability performance, disclosed in its Sustainability Report for the year ended 31 March 2015 (the Report).

What we did and our Conclusions

We planned and performed our work, summarised below, to obtain the evidence we considered necessary to reach our assurance conclusions on the carbon emissions data.

What we are Assuring (Selected Sustainability Information)

The carbon emissions data for the year ended 31 March 2015 marked with the symbol † presented in the Report (the carbon emissions data).

The scope of our work was restricted to the carbon emissions data for the year ended 31 March 2015 and does not extend to information in respect of earlier periods or to any other information in the Report.

How the Information is Assessed (Reporting Criteria)

DCC's Reporting Criteria (http://www.dcc.ie/~/media/Files/D/DCC-Corp/pdfs/carbon-LTI-reporting-criteria-a.pdf) set out how the carbon emissions data is measured, recorded and reported.

Assurance Standard Applied[1]

ISAE 3000.

Level of Assurance[2]

Limited Assurance.

Understanding DCC's Reporting and Measurement Methodology

There is not yet an established practice for evaluating and measuring sustainability performance information. The range of different, but acceptable, techniques used can result in materially different reporting outcomes which may affect comparability with other organisations. It is therefore important to read and understand the Reporting Criteria at http://www.dcc.ie/~/media/Files/D/DCC-Corp/pdfs/carbon-LTI-reporting-criteria-a.pdf that DCC has used to evaluate and measure the carbon emissions data.

Limited Assurance Work Performed on the Carbon Emissions Information

We performed the following activities:

- Evaluated the design and implementation of key processes and controls over the carbon emissions data;
- Assessed the source data used to prepare the carbon emissions data for 2014/2015, including re-performing a sample of calculations;
- Carried out analytical procedures over the carbon emissions data;
- Examined on a sample basis the preparation and collation of the carbon emissions data, as well as making inquiries of management and others;
- Performed site visits to seven sites to review systems and processes in place for managing and reporting on sustainability activities, and examined source documentation on a sample basis;
- With respect to the carbon figures disclosed on page 65 of the Report, we evaluated the methodology and basis of converting the original reported unit into carbon emission equivalent tonnes. We agreed a sample of emission factors back to the stated source (as detailed in the Reporting Criteria); and
- Reviewed the carbon emissions data disclosures.

Our Conclusions

As a result of our procedures nothing has come to our attention that indicates that the carbon emissions data for the year ended 31 March 2015 is not prepared in all material respects with the Reporting Criteria.

DCC's Responsibilities

The directors of DCC are responsible for:

- designing, implementing and maintaining internal controls over information relevant to the carbon emissions data;
- establishing objective assessment and Reporting Criteria for preparing the carbon emissions data;
- measuring DCC's performance based on the Reporting Criteria; and
- the content of the Annual Report.

Our Responsibilities

We are responsible for:

- forming independent conclusions, based on our limited assurance procedures; and
- reporting our conclusions to the directors of DCC.

This report, including our conclusions, has been prepared solely for the directors of DCC as a body in accordance with the agreement between us, to assist the directors in reporting DCC's sustainability performance and activities. We permit this report to be disclosed in the Annual Report for the year ended 31 March 2015, to enable the directors to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the carbon emissions data. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors as a body and DCC plc for our work or this report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers
Chartered Accountants
Dublin, Ireland
18 May 2015

Notes
1. International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' issued by the IAASB.
2. Assurance, defined by the International Auditing and Assurance Standards Board ('IAASB'), gives the user confidence about the subject matter ('Sustainability Information') assessed against the Reporting Criteria. Reasonable assurance gives more confidence than limited assurance. The evidence gathered to support a reasonable assurance conclusion is greater than that gathered to support a limited assurance conclusion.
3. We comply with the applicable independence and competency requirements of the Chartered Accountancy Regulatory Board ('CARB') Code of Ethics.

Senior Management

Group

Chief Executive	Tommy Breen
Chief Financial Officer	Fergal O'Dwyer
Company Secretary & Head of Enterprise Risk Management	Ger Whyte
Managing Director, DCC Corporate Finance	Michael Scholefield
Head of Group HR	Ann Keenan
Chief Information Officer	Peter Quinn
Head of Group Finance	Kevin Lucey
Head of Group Accounting	Gavin O'Hara
Head of Group Compliance	Darragh Byrne
Head of Internal Audit	Stephen Johnston
Head of Group Sustainability	John Barcroft
Head of Group Tax	Yvonne Divilly
Head of Group Treasury	Niall Kelly

DCC Energy

Managing Director	Donal Murphy
Managing Director, Retail & Fuel Card	Eddie O'Brien
Managing Director, LPG	Henry Cubbon
Finance Director	Conor Murphy
Managing Director, Development and Oil Europe	Clive Fitzharris

Bulk Oil

Managing Director, Certas Energy UK	Eddie O'Brien (Acting)
Managing Director, Oil Ireland	Tom Walsh
Managing Director, DCC Energi Danmark	Christian Heise
Managing Director, Energie Direct (Austria & Bavaria)	Hans-Peter Hintermayer
Managing Director, Swea Energi	Magnus Nyfjäll

Retail & Fuel Card

Managing Director, Qstar Retail	Maria Hadd
Managing Director, Fuel Card Services	Steve Chesworth
Managing Director, Card Network Solutions	Ben Jordan

LPG

Managing Director, Flogas Britain	Lee Gannon
Managing Director, Flogas Ireland	John Rooney
Managing Director, Flogas Scandinavia	Jan Wahlqvist
Managing Director, Benegas	Bauke van Kalsbeek

DCC Technology

Managing Director	Niall Ennis
Finance & Development Director	Stephen Casey
Managing Director, Exertis UK & Ireland	Gerry O'Keeffe
Managing Director, Exertis Continental Europe	Patrice Arzillier

DCC Healthcare

Managing Director	Conor Costigan
Finance & Development Director	Redmond McEvoy
Managing Director, DCC Vital	Harry Keenan
Managing Director, DCC Health & Beauty Solutions	Stephen O'Connor

DCC Environmental

Finance & Development Director	Thomas Davy
Managing Director, DCC Environmental Britain and William Tracey	Michael Tracey
Managing Director, Wastecycle	Paul Needham
Managing Director, Oakwood	John MacNamara
Managing Director, Enva Ireland	Tom Walsh

Governance

Chairman's Introduction

As Chairman, one of my primary responsibilities is to uphold and promote high standards of integrity, probity and corporate governance.

Dear Shareholder,

On behalf of the Board of DCC, I am happy to report full compliance with the 2012 version of the UK Corporate Governance Code ('the 2012 Code'), which applied to DCC for the year ended 31 March 2015. We believe that we have a strong governance framework, that we maintain robust structures, processes and procedures to support the principles of good corporate governance and that they are well applied.

A revised version of the Code was issued by the Financial Reporting Council on 17 September 2014 ('the 2014 Code') and applies to financial periods beginning after 1 October 2014 – in DCC's case for the financial year to 31 March 2016. The Nomination and Governance Committee and the Board have reviewed the new requirements in the 2014 Code and are satisfied that DCC will be able to comply fully with these requirements.

The Irish Companies Act 2014 is due to be commenced on 1 June 2015 and will affect all Irish registered companies. The new Act consolidates all existing Irish company law provisions and introduces some significant amendments. As a result, we will be putting a resolution to the shareholders at the Annual General Meeting in respect of proposed changes to the Memorandum and Articles of Association of the Company to align them with the requirements of the new Act. An explanation of the proposed changes is set out in the Chairman's Letter and Notice of Annual General Meeting.

Board Composition and Diversity

The Board has a formal Board Diversity Policy in place and sees increasing diversity at Board level as important to achieving DCC's business objectives. On an ongoing basis, we seek to ensure we have the right balance of skills, experience and diversity on the Board.

David Jukes joined the Board as a non-executive Director on 31 March 2015. David has extensive experience of doing business at senior management and board levels. A successful divisional CEO, he has a strong international and commercial track record in the business to business trading and chemicals distribution sectors.

We are also conscious of the merits of gender diversity on the Board, which currently comprises 30% female Directors. I would highlight that the Women on Boards Davies Review Annual Report 2015 ranks DCC at thirteenth in the FTSE 250 companies for its level of female Board representation.

Board Effectiveness

In 2015, the performance evaluation of the Board, its Committees and individual Directors was externally defined and conducted by the ICSA, in accordance with the requirement under the Code to have it externally facilitated every three years. I am pleased to report that the results of this independent review were positive. A number of actions were agreed which will be implemented during the current year. More information on this process can be found on page 75 of this report.

Development

As part of their ongoing training and development, the non-executive Directors made a number of site visits to Group subsidiaries during the year ended March 2015. I personally review Directors' training needs with each Director individually to ensure that those needs are matched with appropriate internal presentations and external events.

Independence and Re-Election

There are seven non-executive Directors and three executive Directors on our Board. We recently conducted our annual review of the independence of non-executive Directors. The Board is satisfied that each of the non-executive Directors is independent. As noted in the Code, the test is not appropriate to myself, but I did fulfil the independence requirements up to the date of my appointment as Chairman. In accordance with the Code and our practice, all of the Directors will be presenting themselves for re-election at the forthcoming Annual General Meeting. Further detail on the independence of non-executive Directors is set out on page 73.

Board Meeting Balance

The intention at Board meetings is to achieve an appropriate balance between strategic, operational, regulatory and other matters. I regularly monitor the amount of time devoted to each category of business to ensure that we maintain the required balance.

Board Committees

Our Board Committees have continued to perform effectively. You will find on pages 77 to 104 a detailed report introduced by the Chairman of each Committee, setting out its membership and an overview of its activities during the year.

John Moloney
Chairman

Board of Directors





John Moloney BAgrSc, MBA	**Tommy Breen** BSc (Econ), FCA	**Fergal O'Dwyer** FCA	**Donal Murphy** B Comm, BFS, MBA	**David Byrne** SC
Non-executive Chairman; Chairman, Nomination and Governance Committee; Member, Remuneration Committee Age: 60 Nationality: Irish	**Chief Executive** Age: 56 Nationality: Irish	**Chief Financial Officer** Age: 55 Nationality: Irish	**Managing Director – DCC Energy** Age: 49 Nationality: Irish	**Non-executive Deputy Chairman and Senior Independent Director; Member, Remuneration Committee; Member, Nomination and Governance Committee** Age: 68 Nationality: Irish
Joined Board				
Mr. Moloney joined the Board in February 2009. He was appointed non-executive Chairman in September 2014, following Michael Buckley's retirement as a non-executive Director and Chairman of the Company.	Mr. Breen joined the Board in February 2000.	Mr. O'Dwyer joined the Board in February 2000.	Mr. Murphy joined the Board in December 2008.	Mr. Byrne joined the Board and was appointed Deputy Chairman and Senior Independent Director in January 2009.
Key strengths				
Mr. Moloney has extensive top management and board level experience internationally and domestically in the dairy, meat and nutritionals sectors, covering processing, marketing and distribution.	Mr. Breen has worked across a broad range of sectors and businesses during his 29 years with the DCC Group. During this time he has gained significant experience of growing businesses organically and by acquisition.	He has worked in DCC in senior management positions for over 25 years and during that time he has worked closely with all of the Group's material operating companies on a range of financial management, treasury and strategic and development matters.	Mr. Murphy has extensive experience in managing DCC businesses in a number of industry sectors and in leading the acquisition and integration of numerous businesses, particularly in the Energy sector.	Mr. Byrne has practised at the top of the legal profession. His international commercial experience at board and advisory level ranges across the food, healthcare and environmental sectors.
Previous board and management experience				
He is a former Group Managing Director of Glanbia plc prior to which he worked with the Department of Agriculture, Food and Forestry as well as in the meat industry in Ireland. He is a former council member of the Irish Business and Employers Confederation.	He joined DCC in 1985, having previously worked with KPMG, and has held a number of senior management positions within the Group, including Managing Director of the Energy, Technology and Environmental divisions. He was appointed Chief Operating Officer of DCC in March 2006 and subsequently became Group Managing Director in July 2007. He was appointed Chief Executive in May 2008.	Mr. O'Dwyer joined DCC in 1989 and was appointed Chief Financial Officer in 1994, having worked in that role in the lead up to DCC's flotation in that year. Prior to joining DCC, he previously worked with KPMG and Price Waterhouse in audit and corporate finance.	He joined DCC as Head of Group IT in 1998, having previously worked with Allied Irish Banks plc. He was Managing Director of DCC Technology from 2004 to 2006, when he was appointed Managing Director of DCC Energy.	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 advising on the International Health Regulations. He has previously been a member of the boards of public and private companies, including Kingspan Group plc, The National Concert Hall (Chairman) and Irish Life & Permanent plc. He is the immediate past chair of the National Treasury Management Agency Advisory Committee and is Chancellor Emeritus of Dublin City University.
External appointments				
Chairman of Coillte Teo (the Irish State Forestry Company) and a non-executive director of Greencore Group plc, Smurfit Kappa plc and a number of private companies.	A non-executive director of Essentra plc.	No external director appointments.	No external director appointments.	A member of the Kikkoman International Advisory Board. Chair of the European Alliance for Personalised Medicine in Brussels and a Council Member of the Royal College of Physicians of Ireland.

Róisín Brennan
BCL, FCA

Non-executive Director; Member, Audit Committee
Age: 50
Nationality: Irish

David Jukes

Non-executive Director; Member, Audit Committee
Age: 56
Nationality: British

Pamela Kirby
BSc, PhD

Non-executive Director; Member, Remuneration Committee
Age: 61
Nationality: British

Jane Lodge
BSc, FCA

Non-executive Director; Chairman, Audit Committee
Age: 60
Nationality: British

Leslie Van De Walle

Non-executive Director; Chairman, Remuneration Committee; Member, Audit Committee; Member, Nomination and Governance Committee
Age: 59
Nationality: French

Joined Board

Ms. Brennan joined the Board in September 2005.

Mr. Jukes joined the Board in March 2015.

Dr. Kirby joined the Board in September 2013.

Ms. Lodge joined the Board in October 2012.

Mr. Van de Walle joined the Board in November 2010.

Key strengths

Ms. Brennan has over 20 years' experience advising companies on mergers and acquisitions, takeovers, disposals, fundraisings and initial public offerings.

Mr. Jukes is a successful divisional CEO with a strong international and commercial track record in the Business to Business and Chemicals Distribution sectors.

Dr. Kirby has extensive knowledge of the international healthcare sector, having worked in the pharmaceutical industry for more than twenty five years. Dr. Kirby serves on the board of a FTSE 100 company and is the chairman of a company listed on the NASDAQ stock exchange.

Ms. Lodge, as a senior audit partner for 25 years, has extensive experience with multinational manufacturing companies and her strategic work with Deloitte has given her a substantial international business perspective. She has very strong and recent financial skills to bring to the Audit Committee.

Mr. Van de Walle has a very wide range of international senior management business experience, as well as experience as a non-executive director, in the oil and gas sector, in the food and drinks industry, in manufacturing, in building materials and in the insurance sector.

Previous board and management experience

She is a former Chief Executive of IBI Corporate Finance where she worked from 1990 until 2011. She is a former non-executive director of The Irish Takeover Panel.

From July 2009 to January 2011, Mr. Jukes served as Vice President, Sales and Marketing Univar EMEA and from 2002 to 2009 as Chief Executive of Distrupol Europe, Univar UK, Ireland and the Nordics. Prior to joining Univar, Mr. Jukes was Senior Vice President of Global Sales, Marketing and Industry Relations for Omnexus, a plastics industry consortium e-commerce platform and VP Business Development for Ellis & Everard Plc.

She held senior UK and global management positions in AstraZeneca PLC and in F. Hoffman-La Roche Ltd., where she was Director of Global Strategic Marketing. Dr. Kirby is also a former CEO of Quintiles Transnational Corporation in the USA, the leading global provider of biopharmaceutical development and commercial outsourcing services. She was also previously a non-executive director of Novo Nordisk A/S, Informa plc and Smith and Nephew plc.

Until 2011, Ms. Lodge was a senior audit partner with Deloitte, where she spent over 25 years advising global manufacturing companies. She was also the Deloitte partner in charge of the firm's UK manufacturing industry sector, where she was responsible for strategy and marketing, and was a member of the Deloitte Global Manufacturing Executive. She was a member of the CBI Manufacturing Council until 2011. While at Deloitte, she served a term on the Board of Partners of Deloitte UK and also co-chaired a global team of partners to review the strategy of the Global Deloitte Firm.

He is a former non-executive director of Aviva plc and former Chief Executive Officer of Rexam plc. He previously held a number of senior executive roles in Royal Dutch Shell plc, including Executive Vice President of Retail for Oil Products and Head of Oil Products, Shell Europe. He has also held a number of senior management positions with Cadbury Schweppes plc and United Biscuits plc where he was CEO. He was also a non-executive director of Aegis Group plc from 2003 to 2009.

External appointments

A non-executive director of Coillte Teo (the Irish State Forestry Company) and of UTV Media plc.

President of Univar EMEA.

Non-executive Chairman of Scynexis Inc and a non-executive director of Victrex plc, Hikma Pharmaceuticals plc and Reckitt Benckiser Group plc.

A non-executive director of Devro plc and of Costain Group PLC and a director of a number of private companies.

Non-executive Chairman of SIG plc and of Robert Walters plc and a non-executive director of Cape plc.

Corporate Governance Statement

This statement describes DCC's governance principles and practices.

For the financial year ended 31 March 2015, DCC's corporate governance practices were subject to the 2012 version of the UK Corporate Governance Code, which was issued by the FRC in September 2012 ('the 2012 Code').

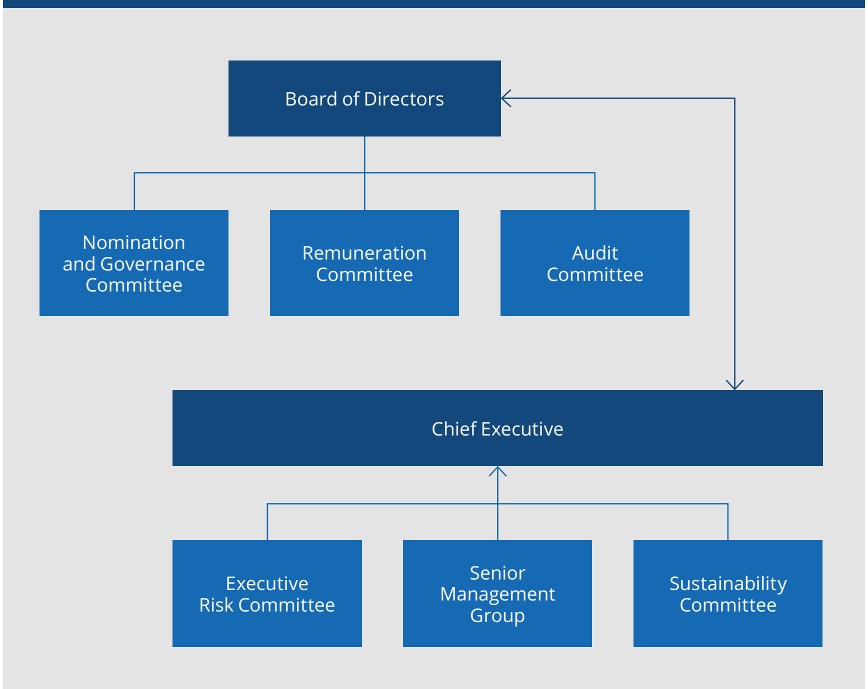
This statement details how DCC has applied the principles and complied with the provisions set out in the 2012 Code. We can confirm full compliance with the 2012 Code.

A revised version of the Code was issued by the FRC on 17 September 2014 ('the 2014 Code') and applies to financial periods beginning after 1 October 2014 – in DCC's case for the financial year to 31 March 2016.

We have identified the new requirements emanating from the 2014 Code, with the objective of ensuring that DCC will be fully compliant with the 2014 Code for the financial year to 31 March 2016.

Copies of both versions of the Code can be obtained from the FRC's website, www.frc.org.uk.

DCC plc – Corporate Governance Framework



The Board of Directors

Role

The Board of DCC comprises the non-executive Chairman, six other non-executive Directors and three executive Directors, including the Chief Executive. It is collectively responsible for the long term success of the Group. Its role is to provide leadership, to oversee management and to ensure that the Company provides its stakeholders with a balanced and understandable assessment of the Group's current position and prospects.

The Board's leadership responsibilities, in the interest of delivering long term value to shareholders, involve working with management to set corporate values and to develop strategy, including deciding which risks it is prepared to take in pursuing its strategic objectives. Its oversight responsibilities involve it in constructively challenging the management team in relation to operational aspects of the business, including approval of budgets, and probing whether risk management and internal controls are sound. It also is responsible for ensuring that accurate, timely and understandable information is provided about the Group to shareholders, debt providers and regulators.

The Board has delegated responsibility for management of the Group to the Chief Executive and his executive management team. The main areas where decisions remain with the Board are summarised on page 73.

The Board has delegated some of its responsibilities to Committees of the Board. The composition and activities of these Committees are detailed in their individual reports on pages 77 to 104. The Board receives reports at its meetings from the Chairmen of each of the Committees on their current activities.

A clear division of responsibility exists between the Chairman, who is non-executive, and the Chief Executive. Each of their responsibilities have been approved by the Board.

There is an established procedure for Directors to take independent professional advice in the furtherance of their duties, if they consider this necessary.

Schedule of Matters Reserved for the Board
The Schedule of Matters Reserved for the Board has been reviewed during the year to ensure it meets with current best practice, in particular guidance as issued by the UK Institute of Chartered Secretaries and Administrators ('ICSA').

The schedule includes the matters set out below:
- Group strategy.
- Annual budget.
- Interim and Annual Accounts.
- Oversight of the Group's operations.
- Major acquisitions and disposals.
- Significant capital expenditure proposals.
- Approval of changes to the Group's capital structure.
- Appointment of Directors.
- Dividend policy and dividends.
- Treasury policy.
- Risk management strategy.

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.

Before the beginning of the financial year, having consulted with the other Directors and the Company Secretary, the Chairman sets a schedule of Board and Committee meetings to be held in the following two years, which includes the key agenda items for each meeting. Further details on these agenda items are outlined under 'Board Meetings' on page 74.

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

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

Company Secretary
The Directors have access to the advice and services of the Company Secretary, whose responsibilities include ensuring that Board procedures are followed, assisting the Chairman in relation to corporate governance matters and ensuring compliance by the Company with its legal and regulatory requirements.

Appointment of Directors
The Nomination and Governance Committee formally agrees criteria for new non-executive Director appointments, including experience of the industry sectors and geographies in which the Group operates and professional background, and has regard to the need for a balance in relation to diversity, including gender. The detailed appointment process is set out in the Nomination and Governance Committee Report on page 103.

Following appointment by the Board, all Directors are, in accordance with the Articles of Association, subject to re-election at the following Annual General Meeting ('AGM'). In accordance with our practice since 2008 and the provisions of the Code, all Directors submit to re-election at each AGM.

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, generally not extending beyond nine years in total. After three years' service, and again after six years' service, each non-executive Director's performance is reviewed by the Nomination and Governance Committee, with a view to recommending to the Board whether a further period of service is appropriate, subject to the usual annual approval by shareholders at the AGM.

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 AGM of the Company.

Details of the length of tenure of each Director on the Board is set out in the Nomination and Governance Committee Report on page 102.

Induction and Development of Directors
New non-executive Directors undertake a structured induction process which includes a series of meetings with Group and divisional management, detailed divisional presentations, visits to key subsidiary locations and a briefing with the external auditor.

The Chairman invites external experts to attend certain Board meetings to address the Board on developments in corporate governance, risk management and executive remuneration and on relevant industry and sectoral matters.

The Chairman and Company Secretary review Directors' training needs, in conjunction with individual Directors, and match those needs with appropriate external seminars and speakers. The Chairman also discusses individual training and development requirements for each Director as part of the annual evaluation process and Directors are encouraged to undertake appropriate training on relevant matters. In addition, a non-executive Director electronic library is available which is regularly updated with relevant publications and changes in legislation.

Non-executive Directors are expected to meet individually during the year, outside of Board meetings, with members of senior management throughout the Group and to visit a number of subsidiaries to familiarise themselves with the business in more detail than is possible during Board meetings.

All Directors are encouraged to avail of opportunities to hear the views of and meet with the Group's shareholders and analysts. The section on 'Relations with Shareholders' on page 76 gives further information on opportunities for Directors to meet with the Group's shareholders.

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 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.

The Board is satisfied that each of the current non-executive Directors fulfils the independence requirements of the Code.

Corporate Governance Statement Continued

In relation to Róisín Brennan, who has now served as a Director for nine and a half years, the Board is entirely satisfied that she continues to be fully independent in the discharge of her responsibilities as a Director.

John Moloney has been Chairman of the Company since September 2014. On his appointment as Chairman, Mr Moloney met the independence criteria as set out in the Code. Thereafter, as noted in the Code, the test of independence is not appropriate in relation to the Chairman.

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

Board Meetings
A schedule of Board and Committee meetings is circulated to the Board for the following two years, which includes the key agenda items for each meeting. Board papers are circulated electronically in the week preceding the meeting. During the year ended 31 March 2015, the Board held thirteen meetings. Individual attendance at these meetings and attendance at Committee meetings is set out in the table opposite. There is regular contact as required between meetings in order to progress the Group's business.

The key recurrent Board agenda themes are divided into normal business (which includes budgets, financial statements, investor relations, human resources and governance, risk and compliance) and developmental issues (which include strategy, acquisitions, sectoral and divisional reviews, succession planning, management talent development and Directors' education). The Board also conducts a detailed review of post-acquisition business performance.

One and a half days of a two day Board meeting each December are devoted exclusively to strategy and three year plans. During the year under review, the Board devoted substantial time outside its December meeting to strategic development issues, including in Energy an overall strategy update and specific reviews of the Fuel Card and the Retail operations, in Technology an overall strategy update and a specific review of the French businesses and in Healthcare a specific review of the DCC Vital businesses and new product development in DCC Health & Beauty.

Board of Directors: Attendance at meetings during the year ended 31 March 2015:

	Board		Audit Committee		Remuneration Committee		Nomination and Governance Committee	
Director	A	B	A	B	A	B	A	B
John Moloney[1]	13	13	2	2	5	5	6	6
Tommy Breen	13	13	–	–	–	–	–	–
Róisín Brennan[2]	13	13	4	4	3	3	2	2
David Byrne	13	13	–	–	8	7	8	8
David Jukes[3]	1	1	–	–	–	–	–	–
Pamela Kirby[4]	13	12	–	–	5	5	–	–
Jane Lodge	13	13	6	6	–	–	–	–
Donal Murphy	13	13	–	–	–	–	–	–
Fergal O'Dwyer	13	13	–	–	–	–	–	–
Leslie Van De Walle	13	13	6	6	8	8	8	8
Michael Buckley[5]	6	6	–	–	3	3	4	4
Kevin Melia[6]	4	3	2	2	–	–	–	–

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

1. John Moloney left the Audit Committee and was appointed to the Remuneration Committee and the Nomination and Governance Committee on 1 June 2014.
2. Róisín Brennan left the Remuneration Committee and the Nomination and Governance Committee and was appointed to the Audit Committee on 1 June 2014.
3. David Jukes was appointed to the Board on 31 March 2015.
4. Pamela Kirby was appointed to the Remuneration Committee on 1 June 2014.
5. Michael Buckley retired as Chairman and non-executive Director on 30 September 2014.
6. Kevin Melia passed away on 17 June 2014.

The Board schedule includes a significant agenda item on succession planning and management talent development. Against a template agreed by the Chief Executive and the Nomination and Governance Committee, the Chief Executive brings a detailed plan for review by that Committee. At an immediately subsequent Board meeting the plan is presented to the Board, discussed and approved.

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

Audit Committee
The primary function of the Audit Committee is to assist the Board in fulfilling its financial and risk oversight responsibilities. Further details of the activities of the Audit Committee are set out in its Report on pages 77 to 81.

Remuneration Committee
The Remuneration Committee is responsible for determining the Remuneration Policy and conditions of employment for executive Directors and senior management. Further details of the activities of the Remuneration Committee are set out in the Remuneration Report on pages 82 to 100.

Nomination and Governance Committee
The Nomination and Governance Committee is responsible for considering the size, composition and structure of the Board and succession planning requirements and for monitoring the Company's compliance with corporate governance, legal and best practice requirements. Further details of the activities of the Nomination and Governance Committee are set out in its Report on pages 101 to 104.

Chief Executive
The Chief Executive has day to day management responsibility for the running of the Group's operations and for the implementation of Group strategy and policies agreed by the Board. The Chief Executive also has a key role in the process for the setting and review of strategy. The Chief Executive instils the Company's culture and standards, which include appropriate corporate governance throughout the Group. In executing his responsibilities, the Chief Executive is supported by the Chief Financial Officer and the Company Secretary, who, together with the Chief Executive, are responsible for ensuring that high quality information is provided to the Board on the Group's financial and strategic performance.

Executive Directors
The executive Directors support the Chief Executive in devising and executing strategy and in overseeing the operational performance of the whole business.

Executive Risk Committee
The responsibilities of the Executive Risk Committee are set out in the Risk Report on page 11.

Senior Management Group
The Senior Management Group reports to the Chief Executive at weekly management meetings.

Sustainability Committee
The Sustainability Committee is responsible for monitoring developments in corporate sustainability and identifying how these can be used to augment and strengthen our businesses.

Remuneration
It had been the Company's practice since 2009 to put the Remuneration Report to an advisory, non-binding shareholder vote at the AGM.

At the 2014 AGM, two separate advisory, non-binding resolutions on the Remuneration Policy and on the Annual Report on Remuneration were put to shareholders.

At the 2015 AGM, the Annual Report on Remuneration will be put to an advisory, non-binding shareholder vote. As the Remuneration Policy remains unchanged, it will not be put to a shareholder vote.

Share Ownership and Dealing
Details of the Directors' interests in DCC shares are set out in the Remuneration Report on pages 97 to 99.

The Board has adopted the DCC Share Dealing Policy which applies to dealings in DCC shares by the Directors and Company Secretary of DCC, directors of all Group companies and all DCC Head Office employees. The Policy is based on the Model Code, as set out in the Listing Rules of the UK Listing Authority. Under the Policy, Directors and relevant executives 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.

In addition, the Policy specifies preferred periods for share dealing by Directors and relevant executives, being the four 21 day periods following the updating of the market on the Group's trading position through the preliminary results announcement in May, the Interim Management Statement in July (at the AGM), the interim results announcement in November and the Interim Management Statement in January/February.

Risk Management and Internal Control
The Board is responsible for the Group's system of risk management and internal control. It is designed to manage rather than eliminate the risk of failure to achieve business objectives and provides reasonable but not absolute assurance against material misstatement or loss. Details in relation to the Group's risk management structures are set out in the Risk Report on page 10.

The Board has delegated responsibility for the ongoing monitoring of the effectiveness of this system to the Audit Committee. Details in relation to the Audit Committee's work in this regard are set out in the Audit Committee Report on page 78.

In accordance with the FRC guidance for directors on internal control published in October 2005, 'Internal Control: Revised Guidance for Directors on the Combined Code' which applies to DCC for the year ended 31 March 2015, 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 Board receives reports at each meeting from the Chairman of the Audit Committee on its activities and in addition has considered a report from the Audit Committee on the conduct of and the findings and agreed actions from the annual assessment of risk management and internal control.

Further details on this annual assessment are set out in the Audit Committee Report on page 78.

Revised guidance, entitled 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' was issued by the FRC in September 2014 and applies to accounting periods beginning on or after 1 October 2014. We have considered this revised Guidance in the planning of risk management activities in the financial year to 31 March 2016.

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

Board Performance Evaluation
The Board conducts an annual evaluation of its own performance, that of each of its principal committees, the Audit, Remuneration and Nomination and Governance Committees, and that of Committee Chairmen and individual Directors.

In 2015, the entire performance evaluation process was externally defined and conducted by the ICSA, in accordance with the requirement, under Provision B.6.2 of the Code, to have it externally facilitated every three years.

The various phases of the external performance evaluation process which commenced in early March and concluded in May 2015 are set out below:

- The Chairman spoke with each of the Directors to appraise their individual performance and to enquire if they had any views they wished to express on the performance of any other Director. The Chairman prepared a short report on individual Director performance.
- The Head of ICSA Board Evaluation conducted a confidential and structured interview with each Director. In the interviews, the Directors would have been asked to express their views on the quality of each of seven aspects of the Board's and principal Committees' performance, to ascertain whether they meet his/her needs and expectations.
- David Byrne, as Senior Independent Director, spoke with each of the Directors to seek their views on John Moloney's performance as Chairman.
- The non-executive Directors assessed the performance of the executive Directors.
- Each of the Audit Committee, the Remuneration Committee and the Nomination and Governance Committee reviewed their own performance taking account of the ICSA reports.

Corporate Governance Statement Continued

- At the Board meeting on 18 May, the Board considered the ICSA report, incorporating findings and recommendations. The ICSA attended the Board meeting to facilitate a discussion on their report.
- Following this discussion, the Board formally concluded on its own performance, on the performance of Committees and on the performance of individual Directors, including the Chairman. A number of actions were agreed which will be implemented by the Chairman during the current year.

All action items arising from the 2014 evaluation were substantially completed during the year ended 31 March 2015.

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, typically in January/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.

On 4 June 2015, a Capital Markets Day will take place in the London Stock Exchange which will be attended by the Chairman and a number of the non-executive Directors. Most of DCC's top shareholders as well as various brokers, analysts and fund managers will be present at this Capital Markets Day. The previous Investor Day was held in June 2013.

The Company Secretary engages annually with proxy advisors in advance of the AGM.

The Company's AGM provides shareholders with the opportunity to question the Chairman, the Committee Chairmen and the Board. Further details on the Company's AGM is set out in the Report of the Directors on page 106.

Business Conduct Guidelines

DCC's Business Conduct Guidelines set out the Group's commitment to the highest standards of integrity and compliance. They have been circulated to employees across the Group and are also available on the Company's website www.dcc.ie. Further detail on this is provided in the Sustainability Report on page 64.

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 105 to 107.

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chief Executive's Review on pages 4 to 5. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the Financial Review on pages 54 to 61.

In addition, note 47 to the financial statements include the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities and its exposures to credit risk and liquidity risk. The Company has considerable financial resources and a broad spread of businesses with a large number of customers and suppliers across different geographic areas and industries.

Having assessed the relevant business risks, the Directors believe that the Company is well placed to manage its business risks successfully. The Directors have 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.

Compliance Statement

DCC has complied, throughout the year ended 31 March 2015, with the provisions set out in the 2012 Code.

John Moloney, Tommy Breen
Directors
18 May 2015

Audit Committee Report

The Audit Committee comprises four independent non-executive Directors, Jane Lodge (Chairman), Róisín Brennan, David Jukes (joined 31 March 2015) and Leslie Van de Walle. The members of the Committee have significant financial and business experience. Further biographical details regarding the members of the Audit Committee are set out on pages 70 to 71.

Dear Shareholder,

As Chairman of DCC's Audit Committee, I am pleased to present the report of the Committee for the year ended 31 March 2015 which has been prepared by the Committee and approved by the Board.

The responsibilities of the Audit Committee are summarised in the table on page 78 and are set out in full in its Terms of Reference, which are available on the DCC website www.dcc.ie.

This report details how the Audit Committee has met its responsibilities under its Terms of Reference and under the 2012 UK Corporate Governance Code ('the 2012 Code') and the Guidance on Audit Committees, which applied to DCC's financial year ended 31 March 2015.

In particular, the Audit Committee has concluded and has advised the Board accordingly that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. The work done in this regard is set out on page 78.

This report also sets out, at page 79, the significant issues the Audit Committee has considered in relation to the financial statements and how these issues were addressed.

During the year, the Committee engaged in a formal tender process for the external audit of the Group's financial statements in respect of the year to 31 March 2016. Following the conclusion of this process, the Board approved the appointment of KPMG as auditors to the company. This appointment will be put to shareholders for their approval at the 2015 Annual General Meeting. Full details of the tender process are set out on pages 79 to 80. The audit of the 2015 Annual Report and Accounts will therefore be the last external audit to be conducted by PricewaterhouseCoopers ('PwC'). I would like to record my thanks to PwC and their partners and staff for their many years of excellent service to DCC.

One of the Audit Committee's key responsibilities is to review the Company's internal control and risk management systems. Further details in regard to these matters are set out on page 78.

In September 2014, the FRC issued a revised UK Corporate Governance Code ('the 2014 Code') and new guidance entitled 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting', both of which will apply to DCC's financial year to 31 March 2016.

The Committee has reviewed the 2014 Code and the new Guidance and is satisfied that DCC will be fully compliant with them for the financial year to 31 March 2016.

The Board, the Audit Committee and Group management are fully committed to continuous improvement of financial and risk management within the Group.

On behalf of the Audit Committee

Jane Lodge
Chairman, Audit Committee
18 May 2015

Audit Committee Report Continued

Role and Responsibilities

- Monitor the integrity of the Group's financial statements, including reviewing significant financial reporting judgments contained in them.
- Provide advice on whether the Annual Report and Accounts, when taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.
- Oversee the relationship with the external auditor, including approval of remuneration and terms of engagement.
- Review the effectiveness of the external audit process.
- Make a recommendation to the Board on the appointment, reappointment and removal of the external auditor.
- Ensure the external audit is put to tender at least every 10 years.
- Develop and implement a policy on the supply of non-audit services by the external auditor to avoid any threat to auditor objectivity and independence.
- Review the operation and effectiveness of the Group Internal Audit function.
- Review the Company's internal control and risk management systems and the Company's statements on internal control and risk management.
- Review the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.

Fair, Balanced and Understandable

The 2012 Code requires that the Board should present a fair, balanced and understandable assessment of the Company's position and prospects and specifically that they consider that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

At the request of the Board, the Committee considered whether the 2015 Annual Report and Accounts met the requirements.

The Committee considered and discussed with management the established and documented process put in place by management for the preparation of the 2015 Annual Report and Accounts, in particular timetable, co-ordination and review activities. The Committee also noted the formal process undertaken by the external auditors. This enabled the Committee, and then the Board, to conclude that the Annual Report, taken as a whole, is fair, balanced and understandable and that it provides the necessary information for shareholders to assess performance, business model and strategy.

Financial Reporting and Significant Financial Judgements

In regard to the Annual Report and Accounts, the Committee assesses whether suitable accounting policies have been adopted and whether management has made appropriate estimates and judgements. The Committee obtains support from the external auditors in making these assessments.

The Committee pays particular attention to matters it considers to be important by virtue of their impact on the Group's results and particularly those which involve a relatively higher level of complexity, judgement or estimation by management. The table on page 79 sets out the significant issues considered by the Committee in relation to the financial statements for the year ended 31 March 2015.

Management confirmed to the Committee that they were not aware of any material misstatements in the financial statements and PwC confirmed that they had found no material misstatement in the course of their work.

Risk Management and Internal Control

The Audit Committee has been delegated responsibility by the Board for the ongoing monitoring of the effectiveness of the Group's system of risk management and internal control.

The Audit Committee receives a report at each meeting on the activities of the Group Internal Audit function, including internal audits, IT audits and special investigations. Reports are also received from the Risk Committee and the Enterprise Risk Management and Group Compliance functions. Further details on the Group's risk management framework are set out in the Risk Report on page 10.

The Chairman of the Audit Committee reports to the Board at each meeting on the Committee's activities in regard to the Group's risk management and internal control systems. The Board also receives a summary risk report, prepared by the Head of Enterprise Risk Management, at each Board meeting and receives a report on Health, Safety and Environmental matters on a quarterly basis.

The Audit Committee conducts, on behalf of the Board, the annual assessment of the operation of the Group's system of risk management and internal control. This assessment was based on a detailed review carried out by Enterprise Risk Management and Group Internal Audit, utilising the risk register process described in the Risk Report on page 10. 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 the procedures in place to monitor them. Where areas for improvement have been identified the necessary actions in respect of the relevant control procedures have been or are being taken.

The Chairman of the Audit Committee has reported to the Board on the conduct of and the findings and agreed actions from this annual assessment of risk management and internal control.

Significant Issues in relation to the financial statements for the year ended 31 March 2015

Goodwill	As set out in note 21 to the Group financial statements, the Group had goodwill of £713.2 million as at 31 March 2015. In order to satisfy itself that this balance was appropriately stated, the Committee considered the impairment reviews carried out by management. Impairment reviews are carried out annually using the carrying values of subsidiaries at 31 December and the latest three year plan information. In performing their impairment reviews, management determined the recoverable amount of each cash generating unit ('CGU'), and compared this to the carrying amount. The recoverable amount of each CGU is defined as the higher of its fair value less costs to sell and its value in use. Management uses the present value of future cash flows to determine the value in use. In calculating the value in use, management judgement is required in forecasting cash flows of CGU's, in determining the long term growth rate and selecting an appropriate discount rate. Management reported to the Committee that future cash flows of each CGU had been estimated based on the most up to date business forecasts and discounted using discount rates that reflected the Group's estimated before-tax average cost of capital. Sensitivity analysis was considered on the discount rate and the long term growth rate. The Committee constructively challenged management's key assumptions to understand their impact on the CGU's recoverable amounts. The Committee was satisfied that the significant assumptions used for determining the recoverable amount had been appropriately scrutinised, challenged and were sufficiently robust. A £5.6 million impairment charge was made against the carrying value of goodwill relating to a small subsidiary in the Healthcare division. The Committee agreed with management's results that all of the Group's other CGU's displayed an excess of value in use over their carrying values.
Exceptional Items	During the year, the Committee considered a detailed paper prepared by management in respect of the Group's accounting policy in relation to exceptional items. Following discussion, the Committee confirmed the appropriateness of the accounting policy, which is set out on page 126. The Committee has concluded that the items disclosed in the Group financial statements as exceptional complied with the accounting policy.
Other Matters	In addition, the Committee has considered a number of other judgements which have been made by management including: revenue recognition, financial instruments, business combinations and contingent consideration, provisioning for impairment of trade receivables and inventories and tax provisioning.
Going Concern	The Audit Committee considered a report on Going Concern, presented by the Chief Financial Officer. This report took account of the Guidance on Going Concern and Liquidity Risk for directors of listed companies (2009), which applies for DCC's financial year ended 31 March 2015, the 2015/2016 budget analysis, the borrowing requirements of the Group, liability management, contingent liabilities and financial risk management.

External Auditor

The Audit Committee oversees the relationship with the external auditor including approval of the external auditor's fee proposals.

PricewaterhouseCoopers ('PwC') were the external auditors for the Company and they conducted the audit in respect of the year ended 31 March 2015. KPMG have been appointed as the external auditor for the year to 31 March 2016, following a formal external audit tender process, which is detailed below.

The Audit Committee reviewed the full PwC external audit plan at the meeting held in October 2014 and reviewed a brief update at the meeting in March 2015, prior to the commencement of the audit. Following the audit, the Audit Committee met with PwC to review the findings from the audit of the Group financial statements.

The Audit Committee reviews the effectiveness of the external audit process. As part of this process, audit effectiveness questionnaires are completed by Group and subsidiary finance executives and the responses are summarised by management in a report to the Audit Committee. Based on its consideration of this report and its own interaction with PwC, in the form of reports and meetings, the Audit Committee concludes on the effectiveness of the external audit process and reports its conclusions to the Board.

The Audit Committee meets with the external auditors on a regular basis without the presence of management.

In accordance with its Terms of Reference, the Audit Committee is required to make a recommendation to the Board on the appointment, reappointment and removal of the external auditor.

External Audit Tender Process

As noted in last year's Audit Committee Report, the Audit Committee was keeping developments at EU level in regard to audit tenure under close review. Taking account of these developments, a decision was taken in mid-2014 to commence a formal external audit tender process to select a new external auditor for the year to 31 March 2016.

A request for proposal was sent to three main external audit firms in January 2015. It was agreed, in light of the rules emerging from the EU, that PwC would not be invited to take part in the tender process.

Detailed tender proposals were received from the three firms in February 2015. Each of these firms then made detailed presentations to an executive committee comprising the Chief Financial Officer, the Company Secretary, the Head of Group Accounting and the Head of Internal Audit.

Following consultation with the Audit Committee in regard to the outcome of these presentations, it was agreed to invite two of the firms to make final presentations to the Audit Committee in March 2015. These presentations were also attended by the Chairman of the Board, the Chief Executive and the members of the executive committee noted above.

Audit Committee Report Continued

Following the final presentations and further discussion, the Audit Committee decided to recommend to the Board that KPMG be appointed as the external auditors. The Board accepted this recommendation and appointed KPMG as the external auditor for the year to 31 March 2016. This appointment will be put to shareholders for their approval at the 2015 Annual General Meeting.

PwC have confirmed that there are no matters in connection with their resignation as auditors which need to be brought to the attention of shareholders.

Independence
The Audit 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 auditor through its annual review of fees paid to the external auditor for audit and non-audit work and seeking confirmation from the external auditor that they are in compliance with relevant ethical and professional guidance and that, in their professional judgment, they are independent from the Group.

The Audit Committee has approved a policy on the employment of employees or former employees of the external auditor. This policy provides that the Chief Executive will consult with the Chairman of the Audit Committee prior to the appointment to a senior financial reporting position, to a senior management role or to a Company officer role of any employee or former employee of the external auditor, where such a person was a member of the external audit team in the previous two years.

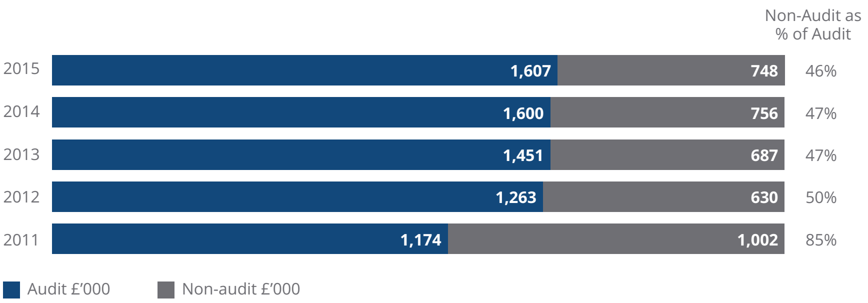
Non-Audit Services
The Audit Committee has approved a policy on the engagement of the external auditor to provide non-audit services, which provides that the external auditor is permitted to provide non-audit services that are not, or are not perceived to be, in conflict with auditor independence, providing they have the skill, competence and integrity to carry out the work and are considered to be the most appropriate to undertake such work in the best interests of the DCC Group. The policy also provides that any non-audit work which would result in the aggregate of non-audit fees paid to the external auditor exceeding 50% of annual audit fees must be approved in advance by the Chief Executive and the Chairman of the Audit Committee. Details of the amounts paid to the external auditor during the year for non-audit services are set out in note 7 on page 141. A summary of audit and non-audit fees over the five year period from 2011 to 2015 inclusive is set out in the table below.

Group Internal Audit
The Audit Committee approves the annual work programme for the Group Internal Audit function, ensures that it is adequately resourced and has appropriate standing within the Group.

External Quality Assessments ('EQA') by independent external consultants are conducted at least every five years to confirm compliance by the Group Internal Audit function with the International Professional Performance Framework of the Institute of Internal Auditors. The most recent EQA review was successfully completed by KPMG in 2011 and the next EQA review is planned for late 2015. An internal review against the same standards is completed on an annual basis.

Group Internal Audit uses the market leading audit management system, Teammate, to prepare workpapers and audit reports and to record and monitor progress with respect to corrective action plans. The Teammate system is used as a central platform for all related assurance activities including the recording and monitoring of corrective actions arising from Group HSE, Group Compliance, external audit and management self-assessment reviews.

Audit vs Non-Audit Fees



The COBIT ('Control Objectives for Information and related Technology') based IT standards framework previously developed by Group Internal Audit and Group IT continues to be used to underpin the integration of new acquisitions.

The Group Internal Audit function incorporates a dedicated IT audit team, which has been further resourced to ensure greater use of data analytics throughout the audit process.

The Audit Committee receives regular reports from Group Internal Audit, which includes summaries of the key findings of each audit in the period.

The Audit Committee ensures co-ordination between Group Internal Audit and the external auditor, with four meetings per annum held to maximise the benefits from clear communication and co-ordinated activities.

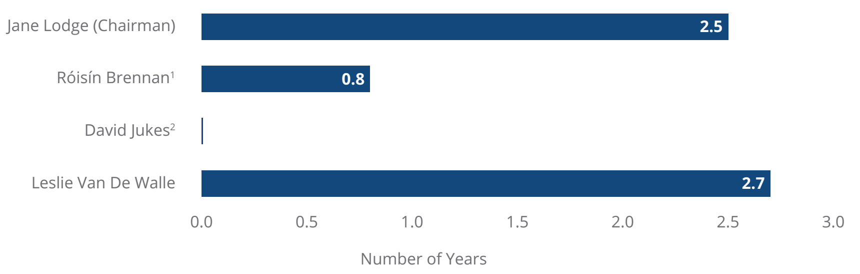
The Head of Internal Audit has direct access to the Chairman of the Audit Committee and the Audit Committee meets with the Head of Internal Audit on a regular basis without the presence of management.

Whistleblowing Arrangements
The Audit Committee is responsible for ensuring that the Group maintains suitable whistleblowing arrangements for its employees. The Committee reviewed those arrangements during the year to ensure that they continue to meet the needs of the Group as it grows and develops into new geographies.

Governance
Composition
The Audit Committee comprises four independent non-executive Directors, Jane Lodge (Chairman), Róisín Brennan, David Jukes (joined 31 March 2015) and Leslie Van de Walle. Each member's length of tenure at 31 March 2015 is set out in the table on page 81. Biographical details for these Directors are set out on pages 70 to 71. The Board is satisfied that Jane Lodge has recent and relevant financial experience, as required by the Code, and that the members of the Audit Committee have an excellent mix of skills and expertise in commercial, financial and audit matters arising from the senior positions they hold or held in other organisations.

Meetings
The Committee met six times during the year ended 31 March 2015 and there was full attendance by all members of the Committee (excluding David Jukes, who only joined on 31 March 2015).

Audit Committee Tenure



1. Róisín Brennan was previously a member of the Audit Committee from September 2005 until March 2009.
2. David Jukes joined the Board and became a member of the Audit Committee on 31 March 2015.

The Chief Executive, Chief Financial Officer, Head of Enterprise Risk Management, Head of Internal Audit, Head of Group Sustainability, Head of Group Compliance, Chief Information Officer, other Directors and executives and representatives of the external auditor are invited to attend all or part of any meeting. The Company Secretary is the secretary to the Audit Committee.

The Committee also meets separately a number of times each year with the external auditor and with the Head of Internal Audit, without other executive management being present.

Annual Evaluation of Performance
As detailed on page 75, the Board conducts an annual evaluation of its own performance and that of its Committees, Committee Chairmen and individual Directors. In 2015, this process was externally facilitated by the ICSA, in accordance with the requirement, under Provision B.6.2 of the Code, to have it externally facilitated every three years.

The conclusion from this process was that the performance of the Committee and of the Chairman of the Committee was satisfactory and that no changes were necessary to the Committee's Terms of Reference.

Reporting
The Chairman of the Audit Committee reports to the Board at each meeting on the activities of the Committee.

The Chairman of the Audit Committee attends the Annual General Meeting to answer questions on the report on the Committee's activities and matters within the scope of the Committee's responsibilities.

Remuneration Report

The Remuneration Committee comprises three independent non-executive Directors, Leslie Van de Walle (Chairman), David Byrne and Pam Kirby and the Chairman of the Board, John Moloney. The members of the Committee have significant financial and business experience, including in the area of executive remuneration. Further biographical details regarding the members of the Remuneration Committee are set out on pages 70 to 71.

Introduction

Dear Shareholder,

As Chairman of DCC's Remuneration Committee, I am pleased to present the Remuneration Report for the year ended 31 March 2015 which has been prepared by the Committee and approved by the Board.

The responsibilities of the Remuneration Committee are summarised in the table on page 83 and are set out in full in its Terms of Reference, which are available on the DCC website www.dcc.ie.

DCC's Remuneration Policy seeks to incentivise executive Directors and other senior Group executives to create shareholder value and consequently their remuneration is weighted towards performance related elements with targets incentivising delivery of strategy over the short and long term. The full Remuneration Policy, which was approved by shareholders at the 2014 Annual General Meeting and remains unchanged, is set out on pages 84 to 91.

Performance

DCC achieved a very strong result in the year to 31 March 2015, with operating profit growth in each of the four divisions and overall Group operating profit from continuing activities being 10.5% ahead of the prior year (11.9% on a constant currency basis). Adjusted earnings per share grew by 9.8% on a continuing basis and it is proposed that the dividend for the year will be increased by 10%.

Return on capital employed, a key metric for DCC, increased to 18.9% from 16.3% in the prior year, and is again substantially in excess of the Group's cost of capital.

DCC has generated a total shareholder return of 177.0% over the last five years and 339.6% over the last ten years as demonstrated in the charts on page 83.

Bonuses

The bonuses earned by the executive Directors in respect of the year ended 31 March 2015 are set out on page 93. They primarily reflect the growth of 9.4% in Group adjusted earnings per share in the year and achievement of a range of developmental and personal objectives. The bonuses earned represent approximately 64% of the bonus potential for the year for the executive Directors.

Long Term Incentive Plan

Amendments to Long Term Incentive Plan

At the 2014 Annual General Meeting, shareholders approved a series of amendments to the DCC plc Long Term Incentive Plan 2009 ('LTIP') relating to the quantum of awards, the performance conditions, the vesting period and threshold vesting levels. Full details of the amendments were set out in the Remuneration Report in the 2014 Annual Report.

The awards made to the executive Directors in November 2014, as set out on page 98, were made under the amended LTIP.

Vesting of LTIP Awards

In December 2014, the Remuneration Committee determined that 59.4% of the share options granted in November 2011 under the LTIP had vested, based on performance under the TSR and EPS conditions (this was the same as the estimated vesting of 59.4% included in last year's Report). Further details on this vesting are set out on page 95.

The extent of vesting of the share options granted in November 2012 will be determined by the Remuneration Committee in December 2015. It is currently estimated that 100% of the share options granted will vest.

Further details in relation to the LTIP are set out on page 86.

Format of Report and Shareholder Votes

In last year's report, I noted that in October 2013, the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (the 'UK Regulations') came into effect in the UK. While DCC, as an Irish incorporated company, is not subject to these regulatory requirements, we recognised that they represented best practice in remuneration reporting and, given our listing on the London Stock Exchange, we substantially applied the UK Regulations to the 2014 Remuneration Report on a voluntary basis and have adopted the same approach in respect of this year's Report.

At the 2014 Annual General Meeting, separate resolutions on the Remuneration Policy and on the Annual Report on Remuneration were put to shareholders, on an advisory rather than on a binding basis. Both resolutions were passed by shareholders. The results of the votes are summarised in the chart below and set out in detail in the table on page 100.

The Annual Report on Remuneration, as set out on pages 92 to 99, will be put to an advisory vote by shareholders at the 2015 Annual General Meeting. As the Remuneration Policy remains unchanged since last year, it is not required, in accordance with the UK Regulations, to be put to shareholders at the 2015 Annual General Meeting.

It is our intention to operate in line with the approved Policy. We welcome and will consider any shareholder feedback on the Remuneration Policy and Annual Report on Remuneration.

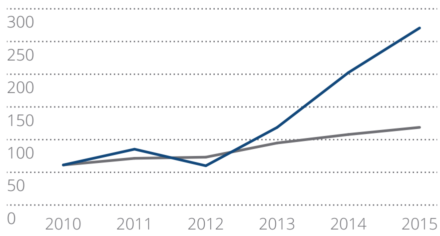
Conclusion

I am satisfied that the Remuneration Committee has implemented the Group's existing remuneration policy in the year ended 31 March 2015 in a manner that properly reflects the performance of the Group in the year.

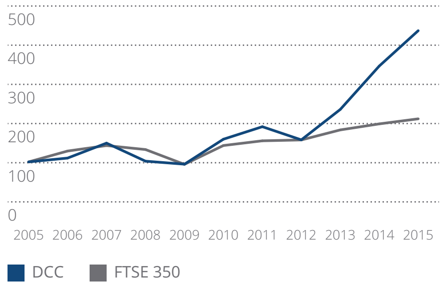
On behalf of the Remuneration Committee.

Leslie Van de Walle
Chairman, Remuneration Committee
18 May 2015

DCC's TSR Vs the FTSE 350 since 1 April 2010

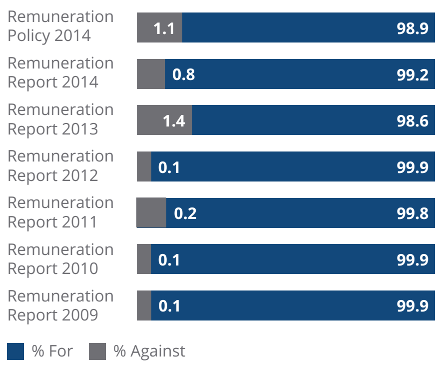


DCC's TSR Vs the FTSE 350 since 1 April 2005



The charts above show the growth of a hypothetical €100 holding in DCC plc shares since 1 April 2010 and 1 April 2005 respectively, relative to the FTSE 350 index.

AGM Votes



Role and Responsibilities

- To determine and agree with the Board the policy for the remuneration of the Chief Executive, other executive Directors and certain Group senior executives (as determined by the Committee).
- To determine the remuneration packages of the Chairman, Chief Executive, other executive Directors and senior executives, including salary, bonuses, pension rights and compensation payments.
- To oversee remuneration structures for other Group and subsidiary senior management and to oversee any major changes in employee benefits structures throughout the Group.
- To nominate executives for inclusion in the Company's long term incentive schemes, to grant options or awards under these schemes, to determine whether the criteria for the vesting of options or awards have been met and to make any necessary amendments to the rules of these schemes.
- To ensure that contractual terms on termination or redundancy, and any payments made, are fair to the individual and the Company.
- To be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- To obtain reliable, up to date information about remuneration in other companies of comparable scale and complexity.
- To agree the policy for authorising claims for expenses from the Directors.

Remuneration Report Continued

Remuneration Policy Report

DCC's Remuneration Policy ('the Policy'), which was approved by shareholders at the 2014 Annual General Meeting, was set out in full in the 2014 Annual Report and is reproduced below, subject only to the updating of the Scenarios Charts on page 90 and page and other minor references.

As an Irish incorporated company, DCC is not required to comply with the UK legislation which requires UK companies to submit their remuneration policies to a binding shareholder vote. However, we recognise the need for our remuneration policies, practices and reporting to reflect best corporate governance practice and therefore we submitted the Policy to an advisory, non-binding vote at the 2014 Annual General Meeting.

As the Remuneration Policy remains unchanged since last year, it is not required, in accordance with the UK Regulations, to be put to shareholders at the 2015 Annual General Meeting. The Company intends to operate its remuneration arrangements in line with the approved Remuneration Policy.

The Policy is designed and managed to support a high performance and entrepreneurial culture, taking into account competitive market positioning.

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 UK Corporate Governance Code. Central to this policy is the Group's belief in long-term, performance based incentivisation and the encouragement of share ownership.

The basic policy objective is to have overall remuneration reflect performance and contribution, while having basic pay rates and the short term element of incentive payments at the median of a market capitalisation comparator group.

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

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

The Remuneration Committee takes external advice from remuneration consultants on market practice to ensure that remuneration structures continue to support the key remuneration policy objectives.

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

The Remuneration Committee also considers it useful to use a set of other comparators as secondary references to ensure rigorous and comprehensive benchmarking, being the FTSE 250 and a group of Irish listed industrial companies which can be taken to be broadly comparable to DCC.

Key elements of pay of executive Directors and other senior Group management under the Policy are set out in the table below:

<table>
<tr><th>Element and link to strategy</th><th>Operation</th><th>Maximum Opportunity</th></tr>
<tr><td colspan="3">Base Salary</td></tr>
<tr><td>Attract and retain skilled and experienced senior executives.</td><td>Base salaries are reviewed annually on 1 April.

The factors taken into account include:
– Role and experience
– Company performance
– Personal performance
– Competitive market practice
– Benchmarking, principally against the 'market capitalisation comparator group'.

When setting pay policy, account is taken of movements in pay generally across the Group.</td><td>No prescribed maximum base salary or maximum annual increase.

General intention that any increases will be in line with the general increase across the Group.

Increases may be higher in certain circumstances such as changes in role and responsibility or significant changes in market practice.</td></tr>
<tr><td colspan="3">Benefits</td></tr>
<tr><td>To provide market competitive benefits.</td><td>Benefits include the use of a company car, life/disability cover, club subscriptions or cash equivalent.</td><td>No maximum level has been set as payments depend on individual Director circumstances.</td></tr>
<tr><td colspan="3">Annual Bonus</td></tr>
<tr><td>To reward the achievement of annual performance targets.</td><td>Bonus payments to executive Directors and other senior Group executives are based upon meeting pre-determined targets for a number of key measures, including Group earnings and divisional operating profit and overall contribution and attainment of personal objectives. The contribution and personal targets are focused on areas such as delivery on strategy, organisational development, risk management and talent development/succession planning.

The measures, their weighting and the targets are reviewed on an annual basis.

The current measures for the executive Directors, and their weighting, are set out on page 92. The targets are considered commercially confidential and will not be disclosed on a prospective basis, but may be disclosed retrospectively.

In regard to Mr. Breen, any actual bonus earned in excess of 100% of salary, once the appropriate tax and social security deductions have been made, will be invested in DCC shares which will be made available to him after three years, or on his employment terminating if earlier, together with accrued dividends.

Bonus levels are determined by the Committee after the year end based on actual performance achieved. The Committee can apply appropriate discretion in specific circumstances in respect of determining the bonuses to be awarded. In particular, the Committee has the discretion to reduce bonuses in the event that a predetermined target return on capital employed is not achieved.

A formal clawback policy is in place for the executive Directors and other senior Group, divisional and subsidiary management, under which bonuses are subject to clawback for a period of three years in the event of a material restatement of financial statements or other specified events. Further details on clawback policy are set out on page 88.

The Committee has discretion in relation to bonus payments to joiners and leavers.</td><td>The maximum bonus potential, as a percentage of base salary, for the executive Directors is as follows:

Executive Director — % of Base Salary
Tommy Breen — 120%
Donal Murphy — 100%
Fergal O'Dwyer — 100%

The maximum bonus potential, as a percentage of base salary, for other senior Group executives ranges between 40% and 60% of base salary.</td></tr>
</table>

Remuneration Report Continued

Element and link to strategy	Operation	Maximum Opportunity
Long Term Incentive Plan ('LTIP')		
To align the interests of executives with those of the Group's shareholders and to reflect the Group's culture of long term performance based incentivisation.	The LTIP provides for the Remuneration Committee to grant nominal cost options to acquire shares to Group employees, including executive Directors. The vesting period is normally five years from the date of grant, with the extent of vesting being determined over the first three years, based on the performance conditions set out below. In addition to the detailed performance conditions, an award will not vest unless the Remuneration Committee is satisfied that the Company's underlying financial performance has shown a sustained improvement in the three year period since the award date. The extent of vesting for awards granted to participants will be determined by the Remuneration Committee, in its absolute discretion, based on the performance conditions set out below. Return on Capital Employed ('ROCE'): Up to 40% of an award will vest depending on ROCE achieved in excess of the Group's Weighted Average Cost of Capital ('WACC') over a three year period with the Remuneration Committee to set a range for threshold and maximum vesting at the time of each award in the light of development activity, including any significant corporate transactions, and three year plans for the Group.	The market value of the shares subject to the options granted in any period of 12 months may not, at the date of the grant, exceed 200% of base pay.

Percentage excess over WACC	% of total award vesting
Below % set as threshold	0%
At % set as threshold	10%
Between % set as threshold and % set as maximum	10%-40% pro rata
Above % set as maximum	40%

The range set will be disclosed in the Annual Report on Remuneration.

The calculation of ROCE will be consistent with the Group financial statements.

Element and link to strategy	Operation	Maximum Opportunity

Long Term Incentive Plan ('LTIP') Continued

Earnings per Share ('EPS'):
Up to 40% of an award will vest depending on EPS growth over a three year period starting on 1 April in the year in which the award is granted compared with the change in the UK Retail Price Index ('RPI') as follows:

Annualised EPS growth in excess of annualised change in RPI	% of total award vesting
Less than 3%	0%
At 3%	10%
3% – specified maximum %	10%-40% pro rata
Above specified maximum %	40%

The intention is that the specified maximum percentage (level of excess over RPI) will be set at the time of each award in the light of development activity, including any significant corporate transactions, and three year plans for the Group and prevailing business and economic circumstances. The range set will be disclosed in the Annual Report on Remuneration.

Total Shareholder Return ('TSR'):
Up to 20% of an award will vest depending on TSR performance over a three year period, starting on 1 April in the year in which the award is granted, compared with the FTSE 350 Index (the 'Index').

TSR	% of total award vesting
Below the Index	0%
At the Index	5%
Between the Index and 8% p.a. out-performance	5%-20% pro rata
Above 8% p.a. out-performance of the Index	20%

No re-testing of the performance conditions is permitted.

The performance conditions and their relative weighting may be modified by the Remuneration Committee in accordance with the Rules of the LTIP, provided that they remain no less challenging and are aligned with the interests of the Company's shareholders.

In the case of participants other than the executive Directors, the Remuneration Committee will have discretion to utilise additional specific divisional ROCE and profit growth performance conditions, provided that they remain no less challenging and are aligned with the interests of the Company's shareholders. These additional conditions will not account for more than 20% of vesting, with a corresponding reduction in the percentage of vesting dependent on the ROCE performance condition.

A formal clawback policy is in place, under which awards are subject to clawback in the event of a material restatement of financial statements or other specified events. Further details on this clawback policy are set out on page 88.

Remuneration Report Continued

Element and link to strategy	Operation	Maximum Opportunity
Pension		
To reward sustained contribution.	A small number of senior Group executives, including the executive Directors, are participants in a defined benefit pension scheme. Other senior Group executives participate in a defined contribution pension scheme. The pension scheme gives the Company full discretion to pay appropriate pension levels and the Company reviews market and benchmarking data for pension contributions for each employee group.	Defined benefit pensions are provided through an Irish Revenue approved retirement benefit scheme, up to pension caps, as introduced by the Irish Finance Act 2006 and amended by subsequent Acts (see page 93). All of the executives affected have elected to cease accruing pension benefits at the cap and to receive a taxable non-pensionable cash allowance in lieu of pension benefits foregone. All cash allowances have been calculated based on independent actuarial advice, approved by the Remuneration Committee, as the equivalent of the reduction in liability of the Company arising from the pension benefits foregone. The Company contributes to a defined contribution pension scheme for other senior Group executives at rates reflecting their seniority and experience. The contribution levels also reflect market benchmarking data. Pensionable salary is calculated as 105% of base salary and does not include any performance related bonuses or benefits.

Payments from Existing Awards
Subject to the achievement of the applicable performance conditions, executive Directors are eligible to receive payment from any award made prior to the approval and implementation of the Remuneration Policy detailed in this report.

Clawback Policy
Bonus payments made to executives may be subject to clawback for a period of three years from payment in certain circumstances including:
- a material restatement of the Company's audited financial statements;
- a material breach of applicable health and safety regulations; or
- business or reputational damage to the Company or a subsidiary arising from a criminal offence, serious misconduct or gross negligence by the individual executive.

The LTIP allows for the giving of discretion to the Remuneration Committee to reduce or impose further conditions on awards prior to vesting in the circumstances as outlined above.

Remuneration Policy for Recruitment of New Executive Directors
In determining the remuneration package for a new executive Director, the Remuneration Committee would be guided by the principle of offering such remuneration as is required to attract, retain and motivate a candidate with the particular skills and experience required for a role, if it considers this to be in the best interests of the Company and the shareholders. The Remuneration Committee will generally set a remuneration package which is in accordance with the terms of the approved Remuneration Policy in force at the time of the appointment, though the Committee may make payments outside of the Policy if required in the particular circumstances and if in the best interests of the Company and the shareholders. Any such payments which relate to the buyout of variable pay (bonuses or awards) from a previous employer will be based on matching the estimated fair value of that variable pay and will take account of the performance conditions and the time until vesting of that variable pay.

Other than in such buyout situations, it is the Company's policy not to offer any additional bonuses or awards on recruitment.

For an internal appointment, any variable pay element awarded in respect of the prior role and any other ongoing remuneration obligations existing prior to appointment would be honoured.

Remuneration Policy for Other Employees
While the Remuneration Committee's specific oversight of individual executive remuneration packages extends only to the 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, through its oversight of remuneration structures for other Group and subsidiary senior management and of any major changes in employee benefits structures throughout the Group.

DCC employs approximately 10,200 people in 14 countries. Remuneration arrangements across the Group differ depending on the specific role being undertaken, the industry in which the business operates, the level of seniority and responsibilities, the location of the role and local market practice.

Consultation with Employees
Although the Remuneration Committee does not consult with employees on the Directors Remuneration Policy, it does consider remuneration arrangements and trends across the broader employee population when determining the Policy.

Consultation with Shareholders
The Committee engages in dialogue with major shareholders on remuneration matters, particularly in relation to planned significant changes in policy. The Committee also takes into account the views of shareholder organisations and proxy voting agencies.

As set out in last year's Annual Report, the Remuneration Committee undertook a detailed consultation process in regard to the then proposed changes to the LTIP.

The Committee acknowledges that shareholders have a right to have a 'say on pay' by putting the Remuneration Policy and the Annual Report on Remuneration to advisory votes at the Annual General Meeting.

Exit Payments Policy
The provisions on exit in respect of each of the elements of pay are as follows:

Salary and Benefits

Exit payments are made only in respect of base salary excluding benefits for the relevant notice period. For the Chief Executive the notice period is 12 months and for the other executive Directors the notice period is 3 months. In all cases, the notice period applies to both the Company and the executive.

Annual Bonus

The Remuneration Committee can apply appropriate discretion in respect of determining the bonuses to be awarded based on actual performance achieved and the period of employment during the financial year.

Long Term Incentive Plan

To the extent that a share award or option has vested on the participant's cessation date, the participant may exercise the share award or option during a specified period following such date but in no event may the share award or option be exercised later than the expiry date as specified in the award certificate.

In general, a share award or option that has not vested on the participant's cessation date immediately lapses.

The Committee would normally exercise its discretion when dealing with a participant who ceases to be an employee by reason of certain exceptional circumstances e.g. death, injury or disability, redundancy, retirement or any other exceptional circumstances. In such circumstances, any share award or option that has not already vested on the participant's cessation date would be eligible for vesting on a date determined by the Remuneration Committee. The number of shares, if any, in respect of which the share award or option vests would be determined by the Remuneration Committee.

In the event that a participant ceases to be an employee by reason of a termination of his employment for serious misconduct, each share award and option held by the participant, whether or not vested, will automatically lapse immediately upon the service of notice of such termination, unless the Committee in its sole discretion determines otherwise.

Pension

The rules of the Company's defined benefit pension scheme, of which the executive Directors are members, contain detailed provisions in respect of termination of employment.

Remuneration Report Continued

Service Contracts
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. Mr. Breen's service contract provides that either he or the Company can terminate his employment by giving 12 months' notice in writing. The Company may, at its sole discretion, require that Mr. Breen, instead of working out the period of notice, cease employment immediately in which case he would receive compensation in the form of base salary only in respect of the notice period. The service contract also provides for summary termination (i.e. without notice) in a number of circumstances, including material breach or grave misconduct. The service contract does not include any provisions for compensation for loss of office, other than the notice period provisions set out above.

Mr. O'Dwyer and Mr. Murphy have letters of appointment which provide for three months' notice periods.

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

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

Executive	Share ownership guideline
Chief Executive	3 times annual base salary
Other executive Directors	2 times annual base salary
Senior Group executives	1 times annual base salary

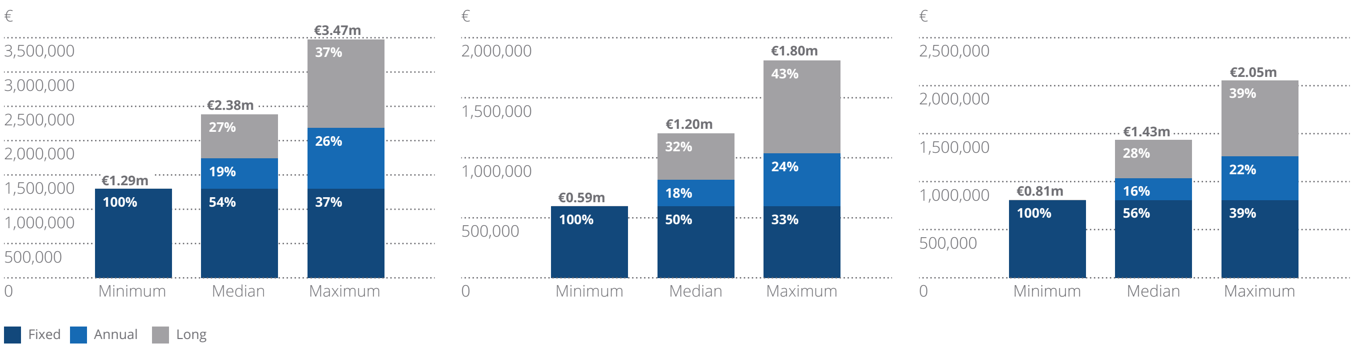
The position of the executive Directors and senior Group executives under the Share Ownership Guidelines is reviewed annually by the Remuneration Committee. The position of the executive Directors as at 31 March 2015 is set out in the Annual Report on Remuneration on page 99.

Scenarios Charts
The current value and composition of the executive Directors' remuneration packages at minimum, median and maximum performance are set out in the charts below. As all of the Directors are paid in euro, the Remuneration Committee considers it appropriate that the figures disclosed in this report continue to be presented in euro.

Tommy Breen, Chief Executive

Donal Murphy, Executive Director

Fergal O'Dwyer, Executive Director



Notes:
1. Fixed = base salary, benefits and pension.
2. Annual = bonus
3. Long = maximum value of options that can be granted under the DCC plc Long Term Incentive Plan 2009.
4. Total pay for minimum performance comprises base salary, benefits and pension (fixed).
5. Total pay for median performance comprises base salary, benefits and pension (fixed), 50% of maximum bonus potential (annual) and 50% of maximum LTIP value (long).
6. Total pay for maximum performance comprises base salary, benefits and pension (fixed), 100% of maximum bonus potential (annual) and 100% of maximum LTIP value (long).
7. In calculating any value that may be delivered in shares, no account has been taken of any potential increase or decrease in share price.

Policy for non-executive Directors

Element and link to strategy	Operation	Maximum Opportunity
Fees		
The fees paid to non-executive Directors reflect their experience and ability and the time demands of their Board and Board committee duties. A basic non-executive Director fee is paid for Board membership. Additional fees are paid to the members and the Chairmen of Board Committees, to the Chairman and to the Deputy Chairman/Senior Independent Director.	The remuneration of the Chairman is determined by the Remuneration Committee for approval by the Board. The Chairman absents himself from the Committee meeting while this matter is being considered. The remuneration of the other non-executive Directors is determined by the Chairman and the Chief Executive for approval by the Board. The fees are reviewed annually, taking account of any changes in responsibilities and benchmarking advice from external remuneration consultants on the level of fees in a range of comparable Irish and UK companies.	No prescribed maximum annual increase. In accordance with the Articles of Association, shareholders set the maximum aggregate ordinary remuneration (basic fees, excluding fees for committee membership and chairman fees). The current limit of €650,000 was set at the 2014 Annual General Meeting. Non-executives Directors do not participate in the Company's LTIP and do not receive any pension benefits from the Company.

Non-executive Directors Letters of Appointment
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.

Remuneration Report Continued

Annual Report on Remuneration

This section of the Remuneration Report sets out how DCC's Remuneration Policy, as described on pages 84 to 91, will operate in the year to 31 March 2016, gives details of remuneration outcomes for the year ended 31 March 2015 and explains how the Remuneration Committee works.

Operation of Remuneration Policy in the year to 31 March 2016

Salary

The salaries of the executive Directors for the year to 31 March 2016, together with comparative figures, are as follows:

Executive Director	Year to March 2016 €	Year to March 2015 €
Tommy Breen	737,000	715,000
Donal Murphy	440,000	420,000
Fergal O'Dwyer	452,500	440,000

The increases in salaries for the executive Directors over recent years are shown in the table below:

	% Increase in Year				
Executive Director	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
Tommy Breen	3.1%	2.1%	0.0%	0.0%	0.0%
Donal Murphy	4.8%	2.4%	2.5%	0.0%	0.0%
Fergal O'Dwyer	2.8%	2.3%	7.5%	0.0%	0.0%

The increases in salaries for the executive Directors for the year to 31 March 2016 reflect Company and personal performance and benchmarking against market practice.

In Mr. Murphy's case, his increase reflects the growth in the scale and breadth of the Energy division, for which he has responsibility.

The increase in Mr. Breen's salary in 2014/2015 was the first increase in his salary since June 2008, when he became Chief Executive.

The increase in Mr. O'Dwyer's salary in 2013/2014 followed a benchmarking exercise which showed his salary was positioned towards the lower quartile of the primary comparator group.

Bonus

The maximum bonus potential for the executive Directors for the year to 31 March 2016 is set out in the table below. These are unchanged from those which applied for the year ended 31 March 2015.

Executive Director	Maximum bonus potential
Tommy Breen	120% of salary
Donal Murphy	100% of salary
Fergal O'Dwyer	100% of salary

The Committee has set performance targets for the year which will determine the extent of payment of bonuses to the executive Directors, as follows:

Executive Director	Performance Targets
Tommy Breen	70% based on growth in Group adjusted earnings per share and 30% based on overall contribution and attainment of personal objectives.
Donal Murphy	20% based on growth in Group adjusted earnings per share, 40% based on growth in DCC Energy operating profit and 40% based on overall contribution and attainment of personal objectives.
Fergal O'Dwyer	70% based on growth in Group adjusted earnings per share and 30% based on overall contribution and attainment of personal objectives.

Bonuses for other senior Group executives are based upon meeting pre-determined targets which relate to Group earnings, divisional operating profit and overall contribution and attainment of personal objectives.

Growth in Group adjusted earnings per share and in divisional operating profit is measured against pre-determined ranges, with zero payment below threshold up to full payment at the maximum of the range. The Committee considers that information on the ranges is commercially confidential and therefore it is not being disclosed on a prospective basis but, to the extent no longer commercially confidential, may be disclosed retrospectively.

The Committee will keep the performance targets under review in light of acquisition and other development activity during the year to 31 March 2016, with particular reference to the agreement reached on 18 May 2015 to acquire Butagaz S.A.S.

Benefits
No changes are proposed to the benefits payable to the executive Directors for the year to 31 March 2016. Benefits include the use of a company car, life/disability cover and club subscriptions or cash equivalent.

Retirement Benefits
No changes are proposed to retirement benefits payable to the executive Directors for the year to 31 March 2016. As noted on page 88, a small number of senior Group executives, including the executive Directors, are participants in a defined benefit pension scheme.

The Irish Finance Act 2006 established a cap on pension assets by introducing a penalty tax charge on pension assets in excess of the higher of €5 million or the value of individual accrued pension entitlements as at 7 December 2005. The Irish Finance Act 2011 reduced these thresholds to the higher of €2.3 million or the value of individual accrued pension entitlements as at 7 December 2010. As a result of this change the Remuneration Committee decided that the executive Directors and the other senior Group executives, who are members of the defined benefit scheme, would have the option of continuing to accrue pension benefits as previously or to cap their benefits in line with the 2011 limits. All of the executive Directors and the other senior Group executives who are members of the defined benefit scheme elected to cap their benefits and receive a taxable non-pensionable cash allowance in lieu of pension benefits foregone.

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

Long Term Incentives
Following a detailed review during the last financial year of remuneration structures in place in DCC, a series of amendments were made to the LTIP, full details of which are set out in last year's Remuneration Report. These amendments were approved by shareholders at the 2014 Annual General Meeting.

Details of the LTIP, as amended, are set out in the Remuneration Policy Report on page 86. Awards to be made in the year to 31 March 2016 will be in accordance with the amended LTIP.

For the purposes of the ROCE performance condition, the Remuneration Committee has set a ROCE range for threshold and maximum vesting of 13% to 17% for awards to be made in the year to 31 March 2016.

For the purposes of the EPS performance condition, the Remuneration Committee has set EPS growth equal to UK RPI plus 7% per annum compound for maximum vesting of awards to be made in the year to 31 March 2016.

Both the ROCE Range and the EPS Range will be kept under review by the Committee in light of acquisition and other development activity in the year to 31 March 2016, with particular reference to the agreement reached on 18 May 2015 to acquire Butagaz S.A.S.

Remuneration outcomes for the year ended 31 March 2015

Executive Directors' Remuneration Details
The table below sets out the details of the remuneration payable to the executive Directors for the year ended 31 March 2015.

	Salary		Bonus		Benefits		Retirement Benefit Expense		LTIP		Audited Total	
	2015 €'000	2014 €'000	**2015 €'000**	2014 €'000	**2015 €'000**	2014 €'000	**2015 €'000**	2014 €'000	**2015 €'000**	2014 €'000	**2015 €'000**	2014 €'000
Executive Directors												
Tommy Breen	**715**	700	**532**	765	**88**	85	**468**	365	**2,050**	1,253	**3,853**	3,168
Donal Murphy	**420**	410	**284**	362	**33**	32	**122**	102	**976**	597	**1,835**	1,503
Fergal O'Dwyer	**440**	430	**273**	406	**33**	33	**323**	254	**976**	597	**2,045**	1,720
	1,575	1,540	**1,089**	1,533	**154**	150	**913**	721	**4,002**	2,447	**7,733**	6,391

There were no payments made to former Directors during the year ended 31 March 2015.

Salary
The salaries of the Executive Directors for the year ended 31 March 2015 represented increases over the prior year as shown in the table below:

	Salary	% Increase
Tommy Breen	€715,000	2.1%
Donal Murphy	€420,000	2.4%
Fergal O'Dwyer	€440,000	2.3%

The salaries of other senior Group executives increased by 2% overall during the year, with individual increases reflecting development in roles and responsibilities.

Remuneration Report Continued

Determination of Bonuses for the year ended 31 March 2015
The growth in Group adjusted earnings per share in the year ended 31 March 2015 on a continuing basis was 9.8%.

The Remuneration Committee noted that operating profit growth of 8.1% was achieved in DCC Energy (10.3% ahead on a constant currency basis), despite the effect of mild winter weather conditions.

The Committee concluded that there had been very strong achievement of the targets set in respect of overall contribution and attainment of personal objectives, in particular with regard to delivery on strategy, acquisitions and organisational development.

The resultant bonus payout levels for the year ended 31 March 2015 were as follows:

	Tommy Breen % of Salary		Donal Murphy % of Salary		Fergal O'Dwyer % of Salary	
Component	Max %	Payout %	Max %	Payout %	Max %	Payout %
Group EPS	84.0	38.4	20.0	9.1	70.0	32.0
DCC Energy Operating Profit			40.0	18.4		
Contribution / Personal	36.0	36.0	40.0	40.0	30.0	30.0
	120.0	74.4	100.0	67.5	100.0	62.0

Mr. Breen's bonus in respect of the year ended 31 March 2015 amounted to 62.0% of salary. Mr. Breen's bonus in respect of the previous year ended 31 March 2014 amounted to 109.3% of salary, of which 9.3%, net of tax and social security deductions, was invested in DCC shares, which will be made available to him after three years, or on his employment terminating if earlier, together with accrued dividends.

Benefits
Benefits include the use of a company car, life/disability cover, club subscriptions or cash equivalent.

Retirement Benefit Expense
As outlined on page 88, the executive Directors have elected to cease accruing pension benefits at the pension cap and to receive a taxable, non-pensionable cash allowance in lieu of pension benefits foregone. All cash allowances have been calculated based on independent actuarial advice approved by the Remuneration Committee as the equivalent of the reduction in liability of the Company arising from the pension benefits foregone. Retirement Benefits Expense comprises an amount of €468,000 for Tommy Breen, being a cash allowance of €685,000 less the value of a reversal of previously funded benefits of €217,000, a cash allowance of €122,000 for Donal Murphy and a cash allowance of €323,000 for Fergal O'Dwyer.

Defined Benefit Pensions
The table below sets out the change in the accrued pension benefits to which executive Directors have become entitled during the year ended 31 March 2015 and the transfer value of the change in accrued benefit, under the Company's defined benefit pension scheme:

	Change in accrued pension benefit (excl inflation) during the year[1] €'000	Transfer value equivalent to the change in accrued pension benefit[1] €'000	Total accrued pension benefit at year end[2] €'000
Tommy Breen	(10)	(217)	308
Donal Murphy	–	–	115
Fergal O'Dwyer	–	–	162
Total	(10)	(217)	585

1. The pensions of the executive Directors have been capped in line with the provisions of the Irish Finance Acts as detailed on page 88.
2. Figures represent the total accrued pension payable from normal retirement date, based on pensionable service at 31 March 2015.

Long Term Incentive Plan
The values of the LTIP as shown in the table on page 93 for 2015 and 2014 related to awards made in November 2012 and November 2011 respectively. Both of these awards were made under the LTIP prior to being amended in 2014. The vesting criteria which applied to the 2012 and 2011 awards are summarised below.

TSR
60% of shares vest depending on TSR performance over a three year period starting on 1 April in the year in which the award is granted, compared with the TSR of a designated peer group, which 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.

TSR rank	% of total award vesting
Below median	0%
Median	25%
Median – 75th percentile	25%-60% pro rata
Above 75th percentile	60%

EPS

40% of shares vest depending on EPS growth over a three year 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').

EPS growth in excess of CPI	% of total award vesting
Below 3%	0%
3%	15%
3%-7%	15%-40% pro rata
Above 7%	40%

2015

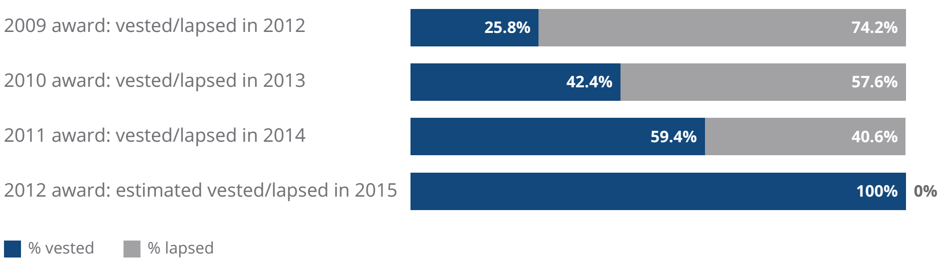
The LTIP awards granted in November 2012 will vest in December 2015. The extent of vesting will be determined by the Committee, taking account of an analysis to be conducted by Towers Watson, and will be based on TSR performance (60% of the total award) and EPS performance (40% of the total award) over the three year period ended 31 March 2015. The Group's TSR performance is expected to give rise to a vesting of 60% of the total award. The EPS performance condition is expected to give rise to a vesting of 40% of the total award. Consequently, 100% of the 2012 awards are expected to vest. The value of the LTIP for the year ended 31 March 2015 is estimated using the number of options expected to vest in November 2015 and the share price at 31 March 2015 of €55.31 (£40.23).

2014

The LTIP awards granted in November 2011 vested in December 2014. The extent of vesting was based on TSR performance (60% of the total award) and EPS performance (40% of the total award) over the three year period ended 31 March 2014. An analysis was conducted by Towers Watson to measure the level of DCC's TSR performance relative to the FTSE 250 peer group over a 36 month period to 31 March 2014. The result ranked DCC at the 63rd percentile, in the median to upper quartile in TSR performance, which gave rise to a vesting of 43.8% of the total award. DCC's adjusted EPS increased by 4.1% annualised over the three year period. CPI increased by an annualised 1.0% over the same period. Based on the excess of 3% annualised, this gave rise to a vesting of 15.63% of the total award. Consequently, the Remuneration Committee determined that 59.43% of the 2011 awards had vested. The value of the LTIP for the year ended 31 March 2014 is based on the number of options which vested in December 2014 and the share price at the date of vesting of €43.95 (£34.55). These final values for 2014 differ from those in the 2014 Annual Report, which were based upon estimated vesting of 59.4% and the share price as at 31 March 2014.

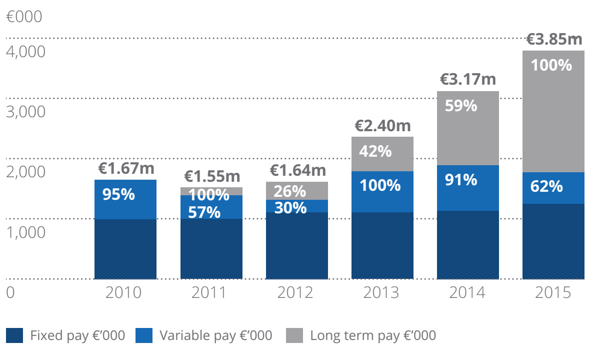
LTIP – Historic vesting

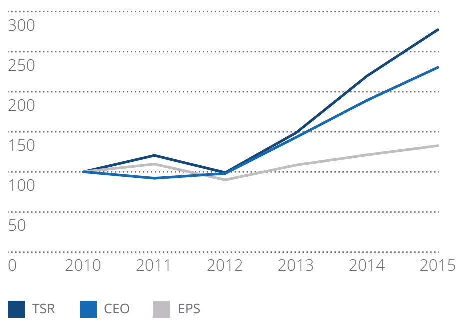
The extent of vesting of awards made under the LTIP since its introduction in 2009 is set out in the table below.



Chief Executive's Remuneration

The charts below show the total remuneration for the Chief Executive for the six years from 1 April 2009 to 31 March 2015 and map the total remuneration against the six year trend in EPS and TSR, using a base of 100 for 2010 for comparator purposes.





1. Total remuneration paid to the Chief Executive for the years 2010 to 2015 inclusive. Further details in relation to remuneration paid in 2015 and 2014 is set out on page 93.
2. Fixed pay comprises salary, benefits and retirement benefits expense.
3. Variable pay comprises the annual bonus; the percentage shown is the value of the bonus paid as a percentage of the maximum opportunity.
4. Long term pay comprises the value of awards under the DCC plc 1998 Employee Share Option Scheme (for 2010 and 2011) and the DCC plc Long Term Incentive Plan 2009 (for 2012 to 2015); the percentage shown is the value of the awards vested as a percentage of the maximum opportunity (actual vesting for 2010 to 2014 and estimated vesting for 2015).

Remuneration Report Continued

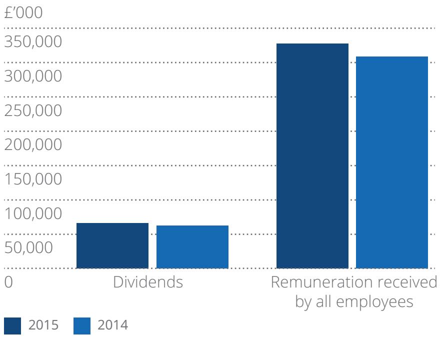
The percentage change in elements of remuneration for the Chief Executive between the year ended 31 March 2015 and the year ended 31 March 2014 is as follows:

Salary	+2.1%
Benefits	+3.6%
Bonus	-30.5%

The combined percentage change was -14%. There was a 6% increase in the total average employment costs in respect of employees in the Group as a whole between the year ended 31 March 2015 and 31 March 2014.

Relative Importance of Spend on Pay

The table below sets out the amount paid in remuneration to all employees of the Group compared to dividends to shareholders, for 2015 and 2014.



Policy on External Board Appointments

Executive Directors may accept external non-executive directorships with the prior approval of the Board. The Board recognises the benefits that such appointments can bring both to the Company and to the Director in terms of broadening their knowledge and experience.

The fees received for such roles may be retained by the executive Directors. Tommy Breen took up the position of non-executive director of Essentra plc on 23 April 2015 and will retain the annual fee of £52,000.

Non-executive Directors' Remuneration Details

The remuneration paid to non-executive Directors for the year ended 31 March 2015 is set out in the table below. Non-executive Directors are paid a basic fee. Additional fees are paid to the members and the Chairmen of Board Committees, to the Chairman and to the Deputy Chairman/Senior Independent Director.

The remuneration of the Chairman is determined by the Remuneration Committee for approval by the Board. The Chairman absents himself from the Committee meeting while this matter is being considered. The remuneration of the other non-executive Directors is determined by the Chairman and the Chief Executive for approval by the Board.

The fees are reviewed annually, taking account of any changes in responsibilities and benchmarking advice from external remuneration consultants on the level of fees in a range of comparable Irish and UK companies.

	Basic Fee		Committee Chair and Membership Fees		Chairman / Deputy Chairman / Senior Independent Director Fees		Audited Total	
	2015 €'000	2014 €'000	**2015 €'000**	2014 €'000	**2015 €'000**	2014 €'000	**2015 €'000**	2014 €'000
Non–executive Directors								
John Moloney[1]	**60**	60	**8**	8	**76**	–	**144**	68
Róisín Brennan	**60**	60	**8**	8	**–**	–	**68**	68
David Byrne	**60**	60	**8**	8	**35**	35	**103**	103
David Jukes[2]	**–**	–	**–**	–	**–**	–	**–**	–
Pamela Kirby[3]	**60**	35	**5**	–	**–**	–	**65**	35
Jane Lodge	**60**	60	**20**	20	**–**	–	**80**	80
Leslie Van de Walle	**60**	60	**24**	24	**–**	–	**84**	84
Michael Buckley[4]	**30**	60	**2**	8	**61**	122	**93**	190
Kevin Melia[5]	**15**	60	**2**	8	**–**	–	**17**	68
	405	455	**77**	84	**172**	157	**654**	696
Ex gratia pension to dependant of retired Director							**10**	10
Total							**664**	706

Notes
1. John Moloney was appointed as Chairman on 30 September 2014.
2. David Jukes was appointed as a Director on 31 March 2015.
3. Pamela Kirby was appointed as a Director on 3 September 2013.
4. Michael Buckley retired as a non-executive Director and Chairman on 30 September 2014.
5. Kevin Melia passed away in June 2014.

The non-executive Director fee structure for the year to 31 March 2016 is set out below:

	€
Chairman (to include basic and committee fees)	225,000
Basic Fee	65,000
Committee Fees:	
Audit	8,000
Nomination and Governance	3,000
Remuneration	5,000
Additional Fees:	
Audit Committee Chairman	12,000
Remuneration Committee Chairman	7,500
Deputy Chairman Fee	23,000
Senior Independent Director Fee	12,000

The basic fee for non-executive Directors increased to €65,000 from €60,000 with effect from 1 April 2015.

Total Directors' Remuneration	Audited Total	
	2015 €'m	2014 €'m
Executive Directors		
Base Salary	**1,575**	1,540
Bonus	**1,089**	1,533
Benefits	**154**	150
Retirement Benefits Expense	**913**	721
LTIP	**4,002**	2,447
Total executive Directors' remuneration	**7,733**	6,391
Non-executive Directors		
Fees	**654**	696
Total non-executive Directors' remuneration	**654**	696
Ex gratia payment to dependant of retired Director	**10**	10
Total Directors' remuneration	**8,397**	**7,097**

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 2015 (together with their interests at 31 March 2014) are set out below:

	No. of Ordinary Shares At 31 March 2015	No. of Ordinary Shares At 31 March 2014
Directors		
John Moloney	**2,000**	2,000
Tommy Breen	**250,744**	250,000
Róisín Brennan	**–**	–
David Byrne	**1,200**	1,200
David Jukes[1]	**–**	–
Pam Kirby	**2,500**	2,500
Jane Lodge	**3,000**	3,000
Donal Murphy	**90,913**	85,413
Fergal O'Dwyer	**240,389**	240,389
Leslie Van de Walle	**670**	670
Company Secretary		
Gerard Whyte	**145,000**	144,400

1. David Jukes was appointed as a Director on 31 March 2015.

Remuneration Report Continued

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 2015.

There were no changes in the above Directors and Secretary's interests between 31 March 2015 and 18 May 2015.

The shareholdings held by the executive Directors are substantially in excess of the share ownership guidelines in place, which are set out on page 90 of this report.

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

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						
	At 31 March 2014	Granted in year	Lapsed in year	**At 31 March 2015**	Performance period	Earliest exercise date	Market price on award
Executive Directors							
Tommy Breen	13,887	–	–	**13,887**	1 April 2009 – 31 March 2012	20 August 2012	€15.63
	16,760	–	–	**16,760**	1 April 2010 – 31 March 2013	15 November 2013	€21.25
	48,000	–	(19,474)	**28,526**	1 April 2011 – 31 March 2014	15 November 2014	€17.50
	37,070	–	–	**37,070**	1 April 2012 – 31 March 2015	12 November 2015	€22.66
	24,706	–	–	**24,706**	1 April 2013 – 31 March 2016	12 November 2016	£28.54
	–	28,406	–	**28,406**	1 April 2014 – 31 March 2017	12 November 2019	£34.56
	140,423	**28,406**	**(19,474)**	**149,355**			
Donal Murphy	5,456	–	–	**5,456**	1 April 2009 – 31 March 2012	20 August 2012	€15.63
	8,011	–	–	**8,011**	1 April 2010 – 31 March 2013	15 November 2013	€21.25
	22,857	–	(9,273)	**13,584**	1 April 2011 – 31 March 2014	15 November 2014	€17.50
	17,652	–	–	**17,652**	1 April 2012 – 31 March 2015	12 November 2015	€22.66
	12,059	–	–	**12,059**	1 April 2013 – 31 March 2016	12 November 2016	£28.54
	–	16,686	–	**16,686**	1 April 2014 – 31 March 2017	12 November 2019	£34.56
	66,035	**16,686**	**(9,273)**	**73,448**			
Fergal O'Dwyer	6,034	–	–	**6,034**	1 April 2009 – 31 March 2012	20 August 2012	€15.63
	8,011	–	–	**8,011**	1 April 2010 – 31 March 2013	15 November 2013	€21.25
	22,857	–	(9,273)	**13,584**	1 April 2011 – 31 March 2014	15 November 2014	€17.50
	17,652	–	–	**17,652**	1 April 2012 – 31 March 2015	12 November 2015	€22.66
	12,647	–	–	**12,647**	1 April 2013 – 31 March 2016	12 November 2016	£28.54
	–	17,481	–	**17,481**	1 April 2014 – 31 March 2017	12 November 2019	£34.56
	67,201	**17,481**	**(9,273)**	**75,409**			
Company Secretary							
Gerard Whyte	3,038	–	–	**3,038**	1 April 2009 – 31 March 2012	20 August 2012	€15.63
	3,666	–	–	**3,666**	1 April 2010 – 31 March 2013	15 November 2013	€21.25
	10,500	–	(4,260)	**6,240**	1 April 2011 – 31 March 2014	15 November 2014	€17.50
	8,109	–	–	**8,109**	1 April 2012 – 31 March 2015	12 November 2015	€22.66
	5,559	–	–	**5,559**	1 April 2013 – 31 March 2016	12 November 2016	£28.54
	–	5,834	–	**5,834**	1 April 2014 – 31 March 2017	12 November 2019	£34.56
	30,872	**5,834**	**(4,260)**	**32,446**			

The LTIP awards which were granted in November 2014 will vest in November 2019. The extent of vesting will be based on ROCE (40% of the total award), EPS (40% of the total award) and TSR (20% of the total award). Full details of these performance conditions, including specific targets, were set out in the Annual Report on Remuneration on pages 98 and 99 of the 2014 Annual Report.

DCC plc 1998 Employee Share Option Scheme

Details as at 31 March 2015 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 2014	Exercised in year	Lapsed in year	At 31 March 2015	Weighted average option price at 31 March 2015 €	Normal Exercise Period	Exercise price €	Market price at date of exercise £
Executive Directors								
Tommy Breen								
Basic Tier	100,000	(15,000)	–	85,000	€19.83	Dec 2008 – May 2018	€15.65	£34.40
Donal Murphy								
Basic Tier	45,000	(15,000)	–	30,000	€19.52	Jul 2010 – May 2018	€15.65	£34.40
Fergal O'Dwyer								
Basic Tier	72,500	(15,000)	–	57,500	€19.27	Dec 2008 – May 2018	€15.65	£34.40
Company Secretary								
Gerard Whyte								
Basic Tier	45,000	(10,000)	–	35,000	€18.60	Dec 2008 – May 2018	€15.65	£34.40

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 0.7% 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.

The market price of DCC shares on 31 March 2015 was £40.23 and the range during the year was £30.33 to £41.96.

Additional information in relation to the DCC plc Long Term Incentive Plan 2009 and the DCC plc 1998 Employee Share Option Scheme appears in note 10 on pages 142 to 144.

Share Ownership Guidelines

The shareholdings held by the executive Directors as at 31 March 2015, as shown below, are substantially in excess of the guidelines set out on page 90.

Executive	Number of shares held as at 31 March 2015	Shareholding as a multiple of base salary for the year ended 31 March 2015	Share ownership guideline
Tommy Breen	250,744	19.4	3.0
Donal Murphy	90,913	12.0	2.0
Fergal O'Dwyer	240,389	30.2	2.0

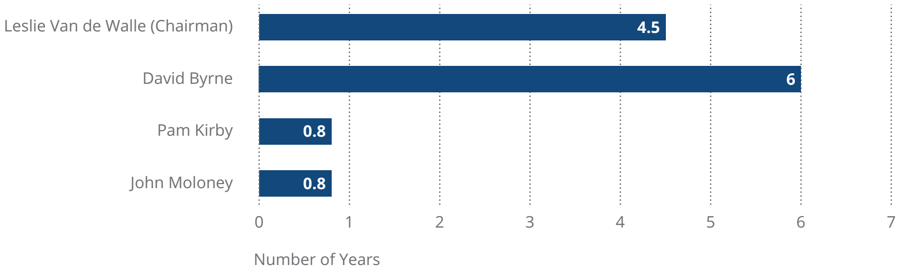
The shareholdings in the table comprise only the shares held by the executive Directors. Unvested and unexercised share options are not included. The shareholdings are calculated based on the share price at 31 March 2015 of £40.23 (€55.31).

Remuneration Report Continued

Governance

Composition

The Remuneration Committee comprises three independent non-executive Directors, Leslie Van de Walle (Chairman), David Byrne and Pam Kirby and the Chairman of the Board, John Moloney. The members of the Committee have significant financial and business experience, including in the area of executive remuneration. Each member's length of tenure at 31 March 2015 is set out in the table below. Further biographical details regarding the members of the Remuneration Committee are set out on pages 70 to 71.



Meetings

The Committee met six times during the year ended 31 March 2015 and there was full attendance by all members of the Committee, subject to one meeting which David Byrne could not attend. The main agenda items included remuneration policy and the operation of the DCC plc Long Term Incentive Plan 2009, remuneration trends and market practice, the remuneration packages of the Chairman, the Chief Executive, the other executive Directors and certain senior Group executives, pension matters, grants of share options under the Company's LTIP and approval of this report.

The Chief Executive and the Head of Group Human Resources may be invited to attend meetings of the Committee, except when their own remuneration is being discussed. No Director is involved in consideration of his or her own remuneration. The Company Secretary acts as secretary to the Remuneration Committee.

Annual Evaluation of Performance

As detailed on page 75, the Board conducts an annual evaluation of its own performance and that of its Committees, Committee Chairmen and individual Directors. In 2015, this process was externally facilitated by the ICSA, in accordance with the Code. The conclusion from this process was that the performance of the Committee and of the Chairman of the Committee were satisfactory and that no changes were necessary to the Committee's Terms of Reference.

Reporting

The Chairman of the Remuneration Committee reports to the Board at each meeting on the activities of the Committee.

The Chairman of the Remuneration Committee attends the Annual General Meeting to answer questions on the report on the Committees' activities and matters within the scope of the Committee's responsibilities.

External Advice

The Remuneration Committee seeks independent advice when necessary from external consultants. Towers Watson acts as independent remuneration advisors to the Committee and during the year provided advice in relation to market trends, competitive positioning and developments in remuneration policy and practice. Towers Watson is a signatory to the Remuneration Consultants Group Code of Conduct and any advice was provided in accordance with this code. In light of this, and the level and nature of the service received, the Committee remains satisfied that the advice is indeed objective and independent.

In the year to 31 March 2015, Towers Watson received fees of €53,000 in respect of advice provided to the Committee in regard to executive Director remuneration. Towers Watson also provided services to the Group on benchmarking, incentive design, Directors Remuneration Report and in relation to the LTIP.

In the year to 31 March 2015, Mercer received fees of €6,373 as pension advisors to the Committee. Mercer also provides specific advice on pension practice and developments and act as actuaries and pension advisors to a number of companies in the Group.

The table below shows the voting outcome at the 2014 AGM in relation to the 2014 Annual Report on Remuneration, the Remuneration Policy and the Amendments to the LTIP.

2014 Annual General Meeting Votes on Remuneration Matters

Vote	Total votes cast	Total votes for	Total votes against	Total abstentions
Advisory vote on 2014 Annual Report on Remuneration	61,674,585	61,164,448 (99.17%)	510,137 (0.83%)	7,953
Advisory vote on 2014 Remuneration Policy	60,411,274	59,765,133 (98.93%)	646,141 (1.07%)	1,271,264
Binding vote on Amendments to the LTIP	60,408,174	59,346,157 (98.24%)	1,062,017 (1.76%)	1,274,364

Nomination and Governance Committee Report

The Nomination and Governance Committee comprises John Moloney (Chairman) and two independent non-executive Directors, David Byrne and Leslie Van de Walle. Further biographical details regarding the members of the Nomination and Governance Committee are set out on pages 70 to 71.

Dear Shareholder,

As Chairman of DCC's Nomination and Governance Committee, I am pleased to present the report of the Committee for the year ended 31 March 2015 which has been prepared by the Committee and approved by the Board.

The responsibilities of the Committee are summarised in the table on page 102 and are set out in full in its Terms of Reference, which are available on the DCC website www.dcc.ie.

The Nomination and Governance Committee is responsible for keeping Board composition under constant review, including the skills, knowledge and experience required, taking account of the Group's businesses, strategic direction and diversity objectives. The Committee has overseen the development of an excellent balance of background and experience on our Board as vacancies have arisen in recent years.

In this context, the Committee undertook a formal process which led to the recommendation to the Board that David Jukes be appointed as a new non-executive Director of the Company in March 2015.

The Committee also engaged in a process in relation to the appointment of a new Chairman, following which I was appointed Chairman Designate in June 2014. I took up the position of Chairman in September 2014 following the retirement of Michael Buckley, my predecessor as Chairman of the Board and Chairman of this Committee.

The Committee is conscious of the merits of gender diversity on the Board, which currently comprises 30% female Directors. As I noted in my introduction to the Governance section, the Women on Boards Davies Review Annual Report 2015 ranks DCC at thirteenth in the FTSE 250 companies for its level of female Board representation.

The Committee is also responsible for reviewing corporate governance developments and in particular has reviewed the changes to the UK Corporate Governance Code issued in September 2014 ('the 2014 Code'). This applies to financial periods beginning after 1 October 2014 – in DCC's case for the financial year to 31 March 2016.

We confirm full compliance with the 2012 UK Corporate Governance Code ('the Code') for the year ended 31 March 2015 and we have identified the new requirements emanating from the 2014 Code, with the objective of ensuring that DCC will be fully compliant with the 2014 Code for the financial year to 31 March 2016.

On behalf of the Nomination and Governance Committee

John Moloney
Chairman, Nomination and Governance Committee
18 May 2015

Nomination and Governance Committee Report Continued

Role and Responsibilities

Board Composition and Renewal

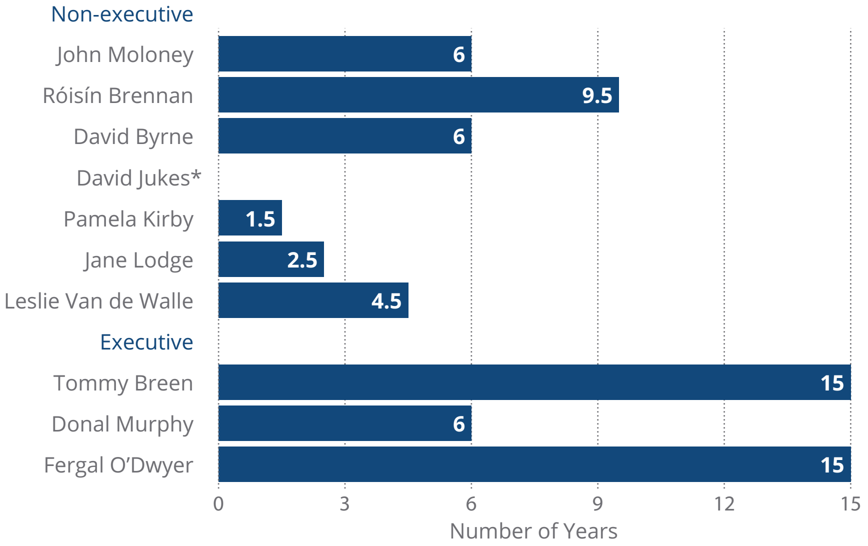
- Regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes.
- Before making a nomination, to evaluate the balance of skills, knowledge, independence and experience on the Board, and, in the light of this evaluation, to prepare a description of the role and capabilities required for a particular appointment.
- Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
- Give consideration to succession planning for Directors, in particular the Chairman and the Chief Executive, and senior Group management.
- Make recommendations to the Board as regards the re-appointment of non-executive Directors at the conclusion of their specified term of office and the re-election of all Directors by shareholders at the Annual General Meeting
- Keep under review the Board Diversity Policy and the setting of measurable objectives for implementing the Policy.

Corporate Governance

- Monitor the Company's compliance with corporate governance best practice and with applicable legal, regulatory and listing requirements (including but not limited to the Companies Acts, the UK Listing Authority's Listing Rules and the UK Corporate Governance Code) and recommend to the Board such changes or additional action as the Committee deems necessary.
- Advise the Board of significant developments in the law and practice of corporate governance.
- Oversee the conduct of the annual evaluation of Board, Committee and individual Director performance.

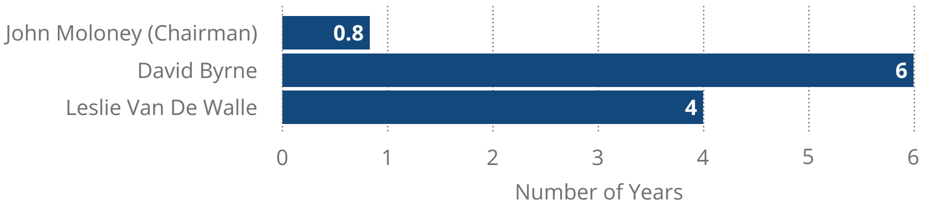
The length of tenure of the Directors on the Board and on the Nomination and Governance Committee is set out below. The length of tenure of members of other Board Committees is dealt with in the individual Committee reports.

Length of Tenure on Board



* David Jukes joined the Board on 31 March 2015.

Length of Tenure on Nomination and Governance Committee



Board Composition and Renewal

At each of its meetings during the year, the Nomination and Governance Committee considered the composition of the Board to ensure the Board had the appropriate combination of skills, knowledge and experience.

Appointment of new non-executive Director

In early 2014, the Committee identified a need for a new non-executive Director with experience in the distribution sector internationally, at senior management and Board level, as well as a track record of business development internationally.

An external professional search firm, Norman Broadbent, who also provide senior executive search and recruitment services to the Company, was employed to carry out a wide ranging, international search. The search firm produced a long list of possible candidates, which was reviewed by the Chairman, who undertook preliminary interviews with a number of candidates. A short list was then drawn up, reviewed with and approved by the Committee. Those on the short list were interviewed by the Chairman and by a number of the executive and non-executive Directors. When David Jukes emerged as the preferred candidate, he further met on an individual basis with the executive Directors and most of the non-executive Directors, before a formal proposal was made to the Board. This culminated in David being appointed to the Board on 31 March 2015.

The Committee remains focused on the identification of potential new non-executive Director candidates in the context of Board succession and renewal.

Appointment of Chairman

As noted in the introduction, John Moloney was appointed Chairman Designate in June 2014 and took up the position of Chairman of the Board in September 2014 following the retirement of Michael Buckley. As part of the process to appoint a new Chairman, the Committee gave detailed consideration to the requirements of the role and to John Moloney's previous executive and non-executive director experience and current commitments and was satisfied that he was the most suitable person for the role.

In accordance with the Code, Michael Buckley did not chair the Committee when it was dealing with the appointment of his successor as Chairman.

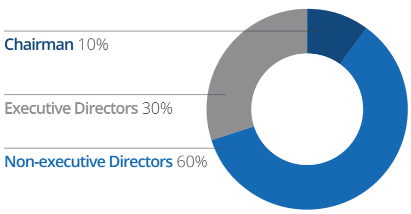
The Company did not use an external search consultancy or open advertising in relation to the appointment of the new Chairman as it was not deemed necessary.

Re-appointment of non-executive Directors

During the year, John Moloney, David Byrne and Róisín Brennan each completed terms as non-executive Directors. After detailed consideration, including of performance and independence, the Committee recommended to the Board and the Board requested that they serve additional terms.

As noted in the Corporate Governance Statement on page 73, particular regard was taken of the fact that Róisín Brennan has served on the Board for nine and a half years.

Split of Directors



Diversity

Board diversity was a regular agenda item at Committee meetings during the year. A Board Diversity Policy, developed by the Committee and approved by the Board in 2013, is available on the Company's website www.dcc.ie.

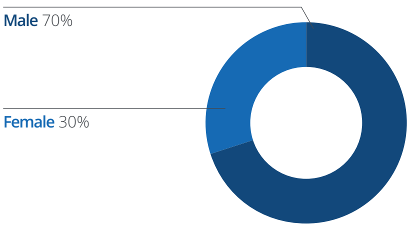
A Group Diversity and Equal Opportunities Policy Statement, developed by Group Human Resources, has also been implemented in Group subsidiaries.

In reviewing the composition of the Board and giving consideration to the appointment of new non-executive Directors, the Committee takes into account the benefits of gender diversity, diversity of business background and diversity of geographical location.

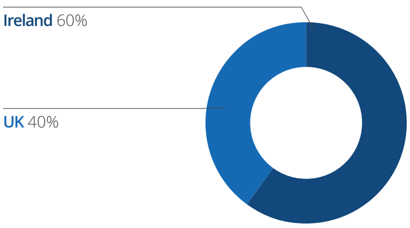
Nomination and Governance Committee Report Continued

The composition of the Board in terms of gender and geographic location as at 31 March 2015 is illustrated below.

Gender Diversity



Geographical Spread



Succession Planning and Management Talent Development

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 Group strategy, as well as the challenges and opportunities facing the Group and the skills and expertise required. A detailed succession management plan, prepared by the Chief Executive, is considered by the Committee on an annual basis and presented to the Board for approval.

The Committee also has oversight of Group management talent development programmes and reviews these with the Chief Executive before they are presented to the Board.

Corporate Governance

The Committee advises the Board on significant developments in the law and practice of corporate governance and monitors the Company's compliance with corporate governance best practice, with particular reference to the UK Corporate Governance Code. The Committee recommends any necessary action required to be adopted and implemented by the Board in respect of the Code, with particular reference to any revisions to the Code.

In particular, the Committee has reviewed the changes in the revised Code issued in September 2014, which apply to financial periods beginning after 1 October 2014 – in DCC's case for the financial year to 31 March 2016, with the objective of ensuring that DCC will be fully compliant with the 2014 Code for the financial year to 31 March 2016.

The Nomination and Governance Committee reviewed and approved the Corporate Governance Statement in the Annual Report and other material being made public in respect of the Company's corporate governance.

The terms and conditions of appointment of non-executive Directors are set out in their letters of appointment, and include expected time commitment in respect of Board and Committee meetings, boardroom development training and visits to Group subsidiaries. The letters of appointment are available for inspection at the Company's registered office during normal office hours and at the Annual General Meeting of the Company.

Governance

Composition

The Nomination and Governance Committee comprises John Moloney (Chairman) and two independent non-executive Directors, David Byrne and Leslie Van De Walle. Each member's length of tenure at 31 March 2015 is set out in the table on page 102. Further biographical details regarding the members of the Nomination and Governance Committee are set out on pages 70 to 71.

Meetings

The Nomination and Governance Committee met eight times during the year ended 31 March 2015 and there was full attendance by all members of the Committee.

The Chief Executive, other executives and external advisers are invited to attend all or part of any meeting. The Company Secretary is the secretary to the Nomination and Governance Committee.

Annual Evaluation of Performance

As detailed on page 75, the Board conducts an annual evaluation of its own performance and that of its Committees, Committee Chairmen and individual Directors. In 2015, this process was externally facilitated by the ICSA, in accordance with the Code. The conclusion from this process was that the performance of the Committee and of the Chairman of the Committee was satisfactory and that no changes were necessary to the Committee's Terms of Reference.

Reporting

The Chairman of the Nomination and Governance Committee reports to the Board at each meeting on the activities of the Committee.

The Chairman of the Nomination and Governance Committee attends the Annual General Meeting to answer questions on the report on the Committees' activities and matters within the scope of the Committee's responsibilities.

Report of the Directors

The Directors of DCC plc present their report and the audited financial statements for the year ended 31 March 2015.

Results and Review of Activities

Revenue for the year amounted to £10,606.1 million (2014: £11,044.8 million). The profit for the year attributable to owners of the Parent amounted to £144.4 million (2014: £121.2 million). Adjusted earnings per share amounted to 209.2 pence (2014: 191.2 pence). Further details of the results for the year are set out in the Group Income Statement on page 115.

The Chairman's Message on pages 2 to 3, the Chief Executive's Review on pages 4 to 5, the Operating Reviews on pages 26 to 53 and the Financial Review on pages 54 to 61 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 2015, 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 49 on page 186.

Dividends

An interim dividend of 28.73 pence per share, amounting to £24.12 million, was paid on 28 November 2014. The Directors recommend the payment of a final dividend of 55.81 pence per share, amounting to £46.89 million (based on the number of shares in issue at 18 May 2015). Subject to shareholders' approval at the Annual General Meeting on 17 July 2015, this dividend will be paid on 23 July 2015 to shareholders on the register on 29 May 2015. The total dividend for the year ended 31 March 2015 amounts to 84.54 pence per share, a total of £71.01 million. This represents an increase of 10% on the prior year's total dividend per share.

The profit attributable to owners of the Parent, which has been transferred to reserves, and the dividends paid during the year ended 31 March 2015 are shown in note 40 on page 173.

Share Capital and Treasury Shares

DCC's authorised share capital is 152,368,568 ordinary shares of €0.25 each, of which 84,018,134 shares (excluding treasury shares) and 4,211,270 treasury shares were in issue at 31 March 2015. 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 4,367,440 (4.95% of the issued share capital) with a nominal value of €1.092 million.

A total of 156,170 shares (0.18% of the issued share capital) with a nominal value of €0.039 million were re-issued during the year at prices ranging from €0.25 to €23.35 consequent to the exercise of share options under the DCC plc 1998 Employee Share Option Scheme and the DCC plc Long Term Incentive Plan 2009, leaving a balance held as treasury shares at 31 March 2015 of 4,211,270 shares (4.77% of the issued share capital) with a nominal value of €1.053 million.

At the Annual General Meeting held on 18 July 2014, 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 17 July 2015, 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.

Details of the share capital of the Company are set out in note 37 on page 171 and are deemed to form part of this Report.

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 Risk Report on pages 10 to 15.

Directors

The names of the Directors and a short biographical note on each Director appear on pages 70 to 71.

In accordance with the UK Corporate Governance Code, all Directors 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 Remuneration Report on pages 82 to 100.

Report of the Directors Continued

Corporate Governance

The Corporate Governance Statement on pages 72 to 76 sets out the Company's appliance of the principles and compliance with the provisions of the UK Corporate Governance Code, the Group's system of risk management and internal control and the adoption of the going concern basis in preparing the financial statements. The Corporate Governance Statement shall be treated as forming part of this Report.

DCC plc is fully compliant with the 2012 version of the UK Corporate Governance Code, which applied to the Company for the year ended 31 March 2015.

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.

General Meetings

The Company's Annual General Meeting ('AGM') affords shareholders the opportunity to question the Chairman, the Board and the Chairmen of the Audit, Remuneration and Nomination and Governance Committees. The Chief Executive presents at the AGM on the Group's business and its performance during the prior year and answers questions from shareholders.

Notice of the AGM, the Form of Proxy and the Annual Report are sent to shareholders at least 20 working days before the AGM. At the AGM, 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 AGM are added to the proxy votes received in advance of the AGM and the total number of votes for, against and withheld for each resolution are announced.

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

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

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

Shareholders may exercise their right to vote by appointing a proxy/proxies, by electronic means or in writing, to vote on 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 of the Company, has the right to requisition a general meeting. A shareholder or a group of shareholders, holding at least 3% of the issued share capital, 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 2015 AGM will be held at 11.00 a.m. on 17 July 2015 at the InterContinental Hotel, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland.

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 AGM or EGM of the Company.

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

The Notice of the 2015 AGM sets out details of a resolution to be put to shareholders at the AGM in regard to changes to the Memorandum and Articles of Association of the Company to align them with the requirements of the new Irish Companies Act 2014.

Transparency Rules

As required by the Transparency Rules published by the Central Bank of Ireland under Section 22 of the Investment Funds, Companies and Miscellaneous Provisions Act 2006, the following sections of the Annual Report shall be treated as forming part of this Report: the Chairman's Message on pages 2 to 3, the Chief Executive's Review on pages 4 to 5, the Operating Reviews on pages 26 to 53, the Financial Review on pages 54 to 61, the Principal Risks and Uncertainties on pages 12 to 15, the earnings per ordinary share in note 19 on page 151, the Key Performance Indicators on page 16 and the derivative financial instruments in note 29 on page 160.

The Company has been notified of the following shareholdings of 3% or more in the issued share capital (excluding treasury shares) of the Company as at 31 March 2015 and 18 May 2015:

	As at 31 March 2015		As at 18 May 2015	
	No. of €0.25 Ordinary Shares	% of Issued Share Capital (excluding treasury shares)	No. of €0.25 Ordinary Shares	% of Issued Share Capital (excluding treasury shares)
FMR LLC and FIL Limited on behalf of its direct and indirect subsidiaries*	10,776,133	12.83%	11,012,773	13.11%
Invesco*	4,472,787	5.32%	4,404,562	5.24%
Blackrock*	3,645,085	4.34%	3,581,379	4.26%
Setanta Asset Management*	3,317,618	3.95%	3,039,649	3.62%
Mawer Investment Management*	3,279,852	3.90%	3,277,427	3.90%
Jim Flavin	2,633,000	3.13%	2,633,000	3.13%

* 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 189 to 192.

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, Leopardstown Road, Foxrock, Dublin 18, Ireland.

Takeover Regulations
The Company has certain financing 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 exercise of share options or awards in the event that a change of control occurs with respect to the Company.

Auditors
A formal external audit tender process has now been completed by the Audit Committee on behalf of the Board and KPMG have been selected by the Board as the new statutory auditors in respect of the financial year to 31 March 2016. A shareholder resolution at the AGM is required for the appointment of new statutory auditors and the Board is recommending that KPMG be appointed.

PricewaterhouseCoopers intend to resign as statutory auditors with effect from 30 June 2015 and have confirmed, in accordance with Section 185 of the Companies Act 1990, that there are no circumstances connected with their resignation which should be brought to the attention of members or creditors of the Company.

John Moloney, Tommy Breen
Directors
18 May 2015

Financial Statements

Financial Statements

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 ('IFRS') 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 judgements and estimates that are reasonable and prudent;
- comply with applicable International Financial Reporting Standards as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; 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 are also required by applicable law and the Listing Rules issued by the Financial Conduct Authority, 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 confirm that they have complied with the above requirements in preparing the financial statements.

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 2013 and, as regards the Group financial statements, Article 4 of the International Accounting Standards ('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 70 and 71, confirms that, to the best of each person's knowledge and belief:

As required by the Transparency Regulations:
- the financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities and financial position of the Company and the Group and of the profit of the Group; and
- the Report of the Directors contained in the Annual Report 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.

As required by the UK Corporate Governance Code:
- the Annual Report and consolidated financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable.

On behalf of the Board

John Moloney
Non-executive Chairman

Tommy Breen
Chief Executive

Independent Auditors' Report to the Members of DCC plc

Report on the Financial Statements

Our opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union, of the state of the Group's affairs as at 31 March 2015 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 2013, of the state of the Company's affairs as at 31 March 2015 and of its cash flows for the year then ended; and
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

What we have audited

DCC plc's financial statements comprise:

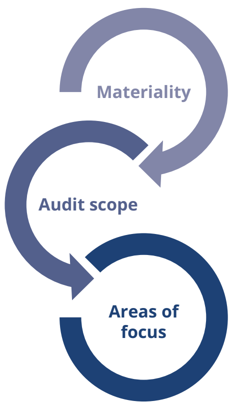
- the Group and Company Balance Sheets as at 31 March 2015;
- the Group Income Statement and the Group and Company Statements of Comprehensive Income for the year then ended;
- the Group and Company Cash Flow Statements for the year then ended;
- the Group and Company Statements of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and IFRSs as adopted by the European Union and, as regards the Company, as applied in accordance with the provisions of the Companies Acts 1963 to 2013.

Our audit approach

Overview



Materiality

- Overall Group materiality: £8.5 million (31 March 2014: £8.5 million) which represents circa. 5% of profit before tax and exceptional items.

Audit scope

- The Group is structured across four divisions; Energy, Technology, Healthcare and Environmental. The Group's Food & Beverage division is classified as discontinued at 31 March 2015. The Group financial statements are a consolidation of 54 reporting units, comprising the Group's operating businesses and central functions. We conducted audit work in all locations.
- Audits of the full financial information were undertaken for Group reporting purposes at territories and functions which together represent 99% of Group turnover and 99% of Group profit before tax from continuing operations.

Areas of focus

- Goodwill impairment assessment and acquisition and disposal accounting.
- Revenue recognition.
- Financial instruments accounting – presentation, valuation and disclosure.

The scope of our audit and our areas of focus

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ('ISAs (UK & Ireland)').

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that may represent a risk of material misstatement due to fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as "areas of focus" in the table below together with an explanation of how we tailored our audit to address these specific areas. This is not a complete list of all risks identified by our audit.

Area of focus	How our audit addressed the area of focus
Goodwill impairment assessment and acquisition and disposal accounting	
Goodwill impairment assessment The Group has goodwill of £713.2 million at 31 March 2015 (see note 21). There are 27 individual Cash Generating Units ('CGUs'), the most significant of which is the Group's Certas Energy UK business (£253 million) and the Group's DCC Vital business (£135 million). We focused on this area given the scale of the assets and the judgement involved in determining key assumptions which form the basis for the assessment for impairment.	We evaluated the Directors' determination of recoverable amount, on a value in use basis, in respect of each CGU. We evaluated the adequacy and appropriateness of the impairment charge of £5.6 million recorded in DCC Vital in the year. Our evaluation included understanding and challenging cash flow forecasts and the process by which they were prepared, including testing the extraction of the forecast cash flows from the Board approved three year plans. Our assessment of management's forecast future cash flows for the CGUs included our independent consideration of (i) past performance against plan and (ii) challenge of management's expectations of forecast future trends by comparing them to historical results and economic and industry forecasts. Our work also included challenge of the discount rate, by assessing the cost of capital of the individual businesses against comparable organisations in those sectors. We also considered the long-term growth rates applied. We performed sensitivity analysis of the key assumptions and of the key drivers of the cash flow forecasts for the individual CGUs and considered the likelihood of such changes arising. We analysed in particular, the sensitivity analysis which considers reasonably possible changes in key assumptions in respect of a CGU in the Technology division where the headroom over carrying value is limited. We considered the disclosures in the Annual Report in relation to these matters. The Directors have described the impairment reviews in note 21.
Acquisition and disposal accounting During the year, DCC plc acquired 19 businesses for an aggregate initial consideration of £115.7 million. The most significant acquisitions in the year were Qstar, Williams Medical, Beacon and Captech. Accounting for acquisitions requires the Group to determine the fair value of the consideration transferred, any non-controlling interests and the assets and liabilities acquired as part of each acquisition.	We have read and considered the terms of the acquisition agreements and considered the judgements relating to the allocation of purchase price to the assets and liabilities acquired and adjustments made to align accounting policies of the acquired businesses to those of DCC plc.
In the period since year-end, the Group has entered into an agreement in principle to acquire 100% of Butagaz, a French LPG business. The Group has disclosed the fair value of consideration and the initial assessment of the assets acquired as part of the acquisition in respect of this commitment.	We have also obtained an understanding of the terms of the Group's commitments to acquire Butagaz and Computers Unlimited in the period since year-end. We have considered the disclosures in the Annual Report (see note 49) in relation to this commitment.
The Group disposed of Robert Roberts, Kelkin and part of the Allied Foods businesses within the Food & Beverage segment during the year. We focused on the presentation and classification of these businesses as discontinued and the classification of the Bottle Green business as held for sale at year-end. The disposal of the Food & Beverage businesses resulted in a gain on disposal of £8.2 million. The results for the period and the gain on disposal are classified as discontinued operations.	We tested the gain on disposal by agreeing the consideration to sales documents and cash received and agreed the net assets disposed of to underlying records. We considered the status of the disposal process in respect of the Group's remaining business in the Food & Beverage division at 31 March 2015, examined correspondence and considered whether the classification as held for sale at that date was appropriate. We also evaluated the presentation of items identified as held for sale or discontinued in the Annual Report (see note 16).

Independent Auditors' Report to the Members of DCC plc
Continued

Area of focus	How our audit addressed the area of focus
Revenue recognition The Group has a number of different divisions with different revenue recognition policies. We focused on the terms of sale arrangements within each of the Group's divisions, including the timing of transfer of risk and rewards and the nature of discount and rebate arrangements.	We evaluated the relevant IT systems and tested the internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements. We read the relevant customer terms of sale and agreements and tested the accounting for consistency with those terms of sale for the Group's businesses. Our work included consideration of the accounting for and presentation of rebate and discount arrangements. We also tested journal entries posted to revenue accounts focusing on unusual or irregular items.
Financial instruments accounting – presentation, valuation and disclosure The Group manages its treasury function and engages in financial risk management using a variety of tools including derivative instruments to hedge exposure to interest rate, commodity and currency risks. In addition the Group actively manages corporate debt and during the year it issued new Private Placement debt. We focused on the accounting for financial instruments given the extent of the movement in US Dollar, Sterling and Euro exchange rates and the decrease in oil prices during the year.	We tested the fair values ascribed to treasury instruments, including derivatives by reference to observable foreign exchange rates, interest rates or broker prices. As set out in note 29 derivatives are valued in accordance with level 2 of the fair value hierarchy. We tested the year-end reconciliation process and we independently obtained third party confirmations of year-end balances. We tested the assessment of hedge ineffectiveness by evaluation of hedging processes and procedures, consideration of hedging documentation and independent valuation of the treasury instruments at year-end and considered the classification of hedge ineffectiveness within exceptional items in accordance with the Group's accounting policy. We obtained an understanding of the Group's Private Placement debt agreements and evaluated the related disclosures in note 30 of the Group financial statements. We considered the disclosure of financial instruments (note 47) and of key financial risks (note 2).

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the geographic structure of the Group, the accounting processes and controls, and the industries in which the Group operates.

The Group is comprised of four divisions; Energy, Technology, Healthcare and Environmental. The Group's Food & Beverage division is classified as discontinued at 31 March 2015. The four divisions and ultimately the Group financial statements are a consolidation of 54 reporting units, comprising the Group's operating businesses and centralised functions.

Audits of the full financial information were undertaken for Group reporting purposes at territories and functions which together represent 99% of Group turnover and 99% of Group profit before tax from continuing operations.

Materiality

The scope of our audit is influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall Group materiality	£8.5 million (31 March 2014: £8.5 million).
How we determined it	This represents circa. 5% of profit before tax and exceptional items.
Rationale for benchmark applied	In our professional judgement, this benchmark is the best measure of recurring financial performance.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £0.45 million (2014: £0.45 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Going concern

As noted in the Directors' statement, the Directors have concluded that it is appropriate to prepare the Group and Company financial statements using the going concern basis of accounting. The going concern basis presumes that the Group and Company have adequate resources to remain in operation, and that the Directors intend them to do so, for at least one year from the date the financial statements were signed. As part of our audit we have concluded that the Directors' use of the going concern basis is appropriate.

However, because not all future events or conditions can be predicted, these statements are not a guarantee as to the Group's and the Company's ability to continue as a going concern.

Other required reporting

Consistency of other information

Companies Acts 1963 to 2013 opinions

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

ISAs (UK & Ireland) reporting

Under ISAs (UK & Ireland) we are required to report to you if, in our opinion:

– information in the Annual Report is: – materially inconsistent with the information in the audited financial statements; or – apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group and Company acquired in the course of performing our audit; or – is otherwise misleading.	We have no exceptions to report arising from this responsibility.
– the statement given by the Directors on page 109, in accordance with provision C.1.1 of the UK Corporate Governance Code (the 'Code'), that they consider the Annual Report taken as a whole to be fair, balanced and understandable and provides the information necessary for members to assess the Group's performance, business model and strategy is materially inconsistent with our knowledge of the Group acquired in the course of performing our audit.	We have no exceptions to report arising from this responsibility.
– the section of the Annual Report on pages 78 and 79, as required by provision C.3.8 of the Code, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.	We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Acts 1963 to 2013 we are required to report to you if, in our opinion, the disclosure of Directors' remuneration and transactions specified by law have not been made. We have no exceptions to report arising from this responsibility.

Corporate governance statement

Under the United Kingdom Listing Authority Listing Rules we are required to review the part of the Corporate Governance Statement relating to the Company's compliance with ten provisions of the UK Corporate Governance Code specified for our review. We have nothing to report having performed our review.

Other matters on which we are required to report by the Companies Acts 1963 to 2013

- 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.
- 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 2015 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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 109, the Directors are responsible for the preparation of the Group and Company financial statements giving a true and fair view.

Our responsibility is to audit and express an opinion on the Group and Company financial statements in accordance with Irish law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, 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 these opinions, 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.

Independent Auditors' Report to the Members of DCC plc
Continued

What an audit of financial statements involves
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:
- whether the accounting policies are appropriate to the Group's and Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Paul Hennessy
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

18 May 2015

Group Income Statement

For the year ended 31 March 2015

	Note	2015 Pre exceptionals £'000	2015 Exceptionals (note 11) £'000	2015 Total £'000	Restated 2014 Pre exceptionals £'000	Restated 2014 Exceptionals (note 11) £'000	Restated 2014 Total £'000
Continuing operations							
Revenue	5	**10,606,080**	**–**	**10,606,080**	11,044,763	–	11,044,763
Cost of sales		**(9,781,910)**	**–**	**(9,781,910)**	(10,283,389)	–	(10,283,389)
Gross profit		**824,170**	**–**	**824,170**	761,374	–	761,374
Administration expenses		**(262,923)**	**–**	**(262,923)**	(246,515)	–	(246,515)
Selling and distribution expenses		**(350,978)**	**–**	**(350,978)**	(330,582)	–	(330,582)
Other operating income	6	**19,657**	**3,798**	**23,455**	19,253	30,491	49,744
Other operating expenses	6	**(8,210)**	**(23,602)**	**(31,812)**	(2,833)	(39,053)	(41,886)
Operating profit before amortisation of intangible assets	5	**221,716**	**(19,804)**	**201,912**	200,697	(8,562)	192,135
Amortisation of intangible assets	5	**(24,057)**	**–**	**(24,057)**	(19,656)	–	(19,656)
Operating profit		**197,659**	**(19,804)**	**177,855**	181,041	(8,562)	172,479
Finance costs	12	**(60,216)**	**(2,191)**	**(62,407)**	(50,540)	(2,128)	(52,668)
Finance income	12	**31,288**	**–**	**31,288**	29,409	–	29,409
Share of equity accounted investments' profit after tax	14	**402**	**–**	**402**	520	–	520
Profit before tax from continuing operations		**169,133**	**(21,995)**	**147,138**	160,430	(10,690)	149,740
Profit for the financial year from discontinued operations	16	**5,088**	**11,079**	**16,167**	6,006	(4,721)	1,285
Profit before tax		**174,221**	**(10,916)**	**163,305**	166,436	(15,411)	151,025
Income tax expense	15	**(18,881)**	**–**	**(18,881)**	(21,827)	(5,255)	(27,082)
Profit after tax for the financial year		**155,340**	**(10,916)**	**144,424**	144,609	(20,666)	123,943

	Note	2015 Total £'000	Restated 2014 Total £'000
Profit attributable to:			
Owners of the Parent		**144,427**	121,234
Non-controlling interests		**(3)**	2,709
		144,424	123,943
Profit after tax for the financial year comprises:			
Profit after tax from continuing operations		**128,661**	123,369
Profit after tax from discontinued operations		**15,763**	574
		144,424	123,943
Earnings per ordinary share			
Basic – continuing operations	19	**153.20p**	144.02p
Basic – discontinued operations	19	**18.77p**	0.68p
Basic	19	**171.97p**	144.70p
Diluted – continuing operations	19	**152.10p**	143.22p
Diluted – discontinued operations	19	**18.63p**	0.68p
Diluted	19	**170.73p**	143.90p

John Moloney, Tommy Breen, Directors

Group Statement of Comprehensive Income

For the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Group profit for the financial year		**144,424**	123,943
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Currency translation:			
– arising in the year		**(15,007)**	(7,575)
– recycled to the Income Statement on disposal		**(2,721)**	324
Movements relating to cash flow hedges		**(6,942)**	(3,455)
Movement in deferred tax liability on cash flow hedges		**324**	288
		(24,346)	(10,418)
Items that will not be reclassified to profit or loss			
Group defined benefit pension obligations:			
– remeasurements	33	**(19,302)**	(835)
– movement in deferred tax asset		**2,187**	152
		(17,115)	(683)
Other comprehensive income for the financial year, net of tax		**(41,461)**	(11,101)
Total comprehensive income for the financial year		**102,963**	112,842
Attributable to:			
Owners of the Parent		**103,555**	110,189
Non-controlling interests		**(592)**	2,653
		102,963	112,842
Attributable to:			
Continuing operations		**103,378**	114,479
Discontinued operations		**(415)**	(1,637)
		102,963	112,842

John Moloney, Tommy Breen, Directors

Group Balance Sheet
As at 31 March 2015

	Note	2015 £'000	Restated 2014 £'000
ASSETS			
Non-current assets			
Property, plant and equipment	20	**464,689**	464,864
Intangible assets	21	**759,179**	742,516
Equity accounted investments	22	**4,963**	6,124
Deferred income tax assets	32	**9,380**	11,251
Derivative financial instruments	29	**233,150**	56,240
		1,471,361	1,280,995
Current assets			
Inventories	24	**320,655**	501,408
Trade and other receivables	25	**847,274**	957,821
Derivative financial instruments	29	**5,395**	1,221
Cash and cash equivalents	28	**1,260,942**	962,139
		2,434,266	2,422,589
Assets classified as held for sale	16	**12,196**	–
		2,446,462	2,422,589
Total assets		**3,917,823**	3,703,584
EQUITY			
Capital and reserves attributable to owners of the Parent			
Share capital	37	**14,688**	14,688
Share premium	38	**83,032**	83,032
Share based payment reserve	39	**12,756**	10,630
Cash flow hedge reserve	39	**(10,462)**	(3,844)
Foreign currency translation reserve	39	**32,683**	49,822
Other reserves	39	**932**	932
Retained earnings	40	**849,119**	786,158
Equity attributable to owners of the Parent		**982,748**	941,418
Non-controlling interests	41	**4,245**	4,837
Total equity		**986,993**	946,255
LIABILITIES			
Non-current liabilities			
Borrowings	30	**1,314,386**	725,831
Derivative financial instruments	29	**92**	45,636
Deferred income tax liabilities	32	**30,533**	27,518
Post employment benefit obligations	33	**10,230**	16,033
Provisions for liabilities and charges	35	**29,016**	24,157
Contingent acquisition consideration	34	**40,149**	36,949
Government grants	36	**1,272**	1,323
		1,425,678	877,447
Current liabilities			
Trade and other payables	26	**1,312,136**	1,489,054
Current income tax liabilities		**16,095**	32,244
Borrowings	30	**149,472**	316,726
Derivative financial instruments	29	**7,902**	18,699
Provisions for liabilities and charges	35	**8,096**	6,785
Contingent acquisition consideration	34	**3,235**	16,374
		1,496,936	1,879,882
Liabilities associated with assets classified as held for sale	16	**8,216**	–
		1,505,152	1,879,882
Total liabilities		**2,930,830**	2,757,329
Total equity and liabilities		**3,917,823**	3,703,584

John Moloney, Tommy Breen, Directors

Group Statement of Changes in Equity

For the year ended 31 March 2015

	Attributable to owners of the Parent						
	Share capital £'000	Share premium £'000	Retained earnings £'000	Other reserves (note 39) £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
At 1 April 2014	**14,688**	**83,032**	**786,158**	**57,540**	**941,418**	**4,837**	**946,255**
Profit for the financial year	–	–	144,427	–	144,427	(3)	144,424
Other comprehensive income:							
Currency translation:							
– arising in the year	–	–	–	(14,418)	(14,418)	(589)	(15,007)
– recycled to the Income Statement on disposal	–	–	–	(2,721)	(2,721)	–	(2,721)
Group defined benefit pension obligations:							
– remeasurements	–	–	(19,302)	–	(19,302)	–	(19,302)
– movement in deferred tax asset	–	–	2,187	–	2,187	–	2,187
Movements relating to cash flow hedges	–	–	–	(6,942)	(6,942)	–	(6,942)
Movement in deferred tax liability on cash flow hedges	–	–	–	324	324	–	324
Total comprehensive income	–	–	127,312	(23,757)	103,555	(592)	102,963
Re-issue of treasury shares	–	–	1,699	–	1,699	–	1,699
Share based payment	–	–	–	2,126	2,126	–	2,126
Dividends	–	–	(66,050)	–	(66,050)	–	(66,050)
At 31 March 2015	**14,688**	**83,032**	**849,119**	**35,909**	**982,748**	**4,245**	**986,993**

For the year ended 31 March 2014

	Attributable to owners of the Parent						
	Share capital £'000	Share premium £'000	Retained earnings £'000	Other reserves (note 39) £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
At 1 April 2013	14,688	83,032	725,514	66,717	889,951	2,391	892,342
Profit for the financial year	–	–	121,234	–	121,234	2,709	123,943
Other comprehensive income:							
Currency translation:							
– arising in the year	–	–	–	(7,519)	(7,519)	(56)	(7,575)
– recycled to the Income Statement on disposal	–	–	–	324	324	–	324
Group defined benefit pension obligations:							
– remeasurements	–	–	(835)	–	(835)	–	(835)
– movement in deferred tax asset	–	–	152	–	152	–	152
Movements relating to cash flow hedges	–	–	–	(3,455)	(3,455)	–	(3,455)
Movement in deferred tax liability on cash flow hedges	–	–	–	288	288	–	288
Total comprehensive income	–	–	120,551	(10,362)	110,189	2,653	112,842
Re-issue of treasury shares	–	–	1,981	–	1,981	–	1,981
Share based payment	–	–	–	1,185	1,185	–	1,185
Dividends	–	–	(61,888)	–	(61,888)	(207)	(62,095)
At 31 March 2014	14,688	83,032	786,158	57,540	941,418	4,837	946,255

John Moloney, Tommy Breen, Directors

Group Cash Flow Statement

For the year ended 31 March 2015

	Note	2015 £'000	Restated 2014 £'000
Operating activities			
Cash generated from operations before exceptionals	42	**377,818**	346,863
Exceptionals		**(16,454)**	(21,097)
Cash generated from operations		**361,364**	325,766
Interest paid		**(59,678)**	(50,011)
Income tax paid		**(32,361)**	(33,033)
Net cash flows from operating activities		**269,325**	242,722
Investing activities			
Inflows:			
Proceeds from disposal of property, plant and equipment		**16,054**	8,579
Government grants received	36	**52**	100
Dividends received from equity accounted investments		**828**	633
Disposals of subsidiaries and equity accounted investments	16	**55,090**	11,073
Interest received		**31,222**	30,210
		103,246	50,595
Outflows:			
Purchase of property, plant and equipment		**(79,401)**	(78,557)
Acquisition of subsidiaries	46	**(107,223)**	(39,876)
Contingent acquisition consideration paid		**(16,326)**	(10,196)
		(202,950)	(128,629)
Net cash flows from investing activities		**(99,704)**	(78,034)
Financing activities			
Inflows:			
Re-issue of treasury shares		**1,699**	1,981
Increase in interest-bearing loans and borrowings		**448,989**	342,950
Net cash inflow on derivative financial instruments		**–**	4,554
Increase in finance lease liabilities		**–**	324
		450,688	349,809
Outflows:			
Repayment of interest-bearing loans and borrowings		**(169,631)**	(60,364)
Repayment of finance lease liabilities		**(486)**	(499)
Net cash outflow on derivative financial instruments		**(9,832)**	–
Dividends paid to owners of the Parent	18	**(66,050)**	(61,888)
Dividends paid to non-controlling interests	41	**–**	(207)
		(245,999)	(122,958)
Net cash flows from financing activities		**204,689**	226,851
Change in cash and cash equivalents		**374,310**	391,539
Translation adjustment		**(58,206)**	(8,355)
Cash and cash equivalents at beginning of year		**813,561**	430,377
Cash and cash equivalents at end of year	31	**1,129,665**	813,561
Cash and cash equivalents consists of:			
Cash and short term bank deposits	28	**1,260,942**	962,139
Overdrafts	31	**(133,629)**	(148,578)
Cash and short term deposits attributable to assets held for sale	16	**2,352**	–
		1,129,665	813,561

John Moloney, Tommy Breen, Directors

Company Statement of Comprehensive Income

For the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Profit for the financial year	17	**127,185**	40,894
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Currency translation effects		**(24,962)**	(3,489)
Other comprehensive income for the financial year, net of tax		**(24,962)**	(3,489)
Total comprehensive income for the financial year		**102,223**	37,405
Attributable to:			
Owners of the Parent		**102,223**	37,405

Company Balance Sheet

As at 31 March 2015

	Note	2015 £'000	2014 £'000
ASSETS			
Non-current assets			
Investments in subsidiary undertakings	23	**122,792**	142,692
		122,792	142,692
Current assets			
Trade and other receivables	25	**258,033**	335,662
Cash and cash equivalents	28	**617**	2,999
		258,650	338,661
Total assets		**381,442**	481,353
EQUITY			
Capital and reserves attributable to owners of the Parent			
Share capital	37	**14,688**	14,688
Share premium	38	**83,032**	83,032
Other reserves	39	**34,839**	59,801
Retained earnings	40	**69,865**	7,031
Total equity		**202,424**	164,552
LIABILITIES			
Non-current liabilities			
Amounts due to subsidiary undertakings		**14,128**	36,976
		14,128	36,976
Current liabilities			
Trade and other payables	26	**164,890**	279,825
		164,890	279,825
Total liabilities		**179,018**	316,801
Total equity and liabilities		**381,442**	481,353

John Moloney, Tommy Breen, Directors

Company Statement of Changes in Equity

For the year ended 31 March 2015

	Share capital £'000	Share premium £'000	Retained earnings £'000	Other reserves (note 39) £'000	Total equity £'000
At 1 April 2014	**14,688**	**83,032**	**7,031**	**59,801**	**164,552**
Profit for the financial year	–	–	**127,185**	–	**127,185**
Other comprehensive income:					
Currency translation	–	–	–	**(24,962)**	**(24,962)**
Total comprehensive income	–	–	**127,185**	**(24,962)**	**102,223**
Re-issue of treasury shares	–	–	**1,699**	–	**1,699**
Dividends	–	–	**(66,050)**	–	**(66,050)**
At 31 March 2015	**14,688**	**83,032**	**69,865**	**34,839**	**202,424**

For the year ended 31 March 2014

	Share capital £'000	Share premium £'000	Retained earnings £'000	Other Reserves (note 39) £'000	Total equity £'000
At 1 April 2013	14,688	83,032	26,044	63,290	187,054
Profit for the financial year	–	–	40,894	–	40,894
Other comprehensive income:					
Currency translation	–	–	–	(3,489)	(3,489)
Total comprehensive income	–	–	40,894	(3,489)	37,405
Re-issue of treasury shares	–	–	1,981	–	1,981
Dividends	–	–	(61,888)	–	(61,888)
At 31 March 2014	14,688	83,032	7,031	59,801	164,552

John Moloney, Tommy Breen, Directors

Company Cash Flow Statement

For the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Operating activities			
Cash generated from operations	42	**(94,544)**	51,362
Interest paid		**(3,210)**	(2,085)
Net cash flows from operating activities		**(97,754)**	49,277
Investing activities			
Inflows:			
Interest received		**10,371**	12,178
Proceeds on disposal		**37,775**	–
Dividends received from subsidiaries		**115,716**	14
		163,862	12,192
Outflows:			
Acquisition of subsidiaries		**(3,945)**	(1,880)
		(3,945)	(1,880)
Net cash flows from investing activities		**159,917**	10,312
Financing activities			
Inflows:			
Re-issue of treasury shares		**1,699**	1,981
		1,699	1,981
Outflows:			
Dividends paid to owners of the Parent	18	**(66,050)**	(61,888)
		(66,050)	(61,888)
Net cash flows from financing activities		**(64,351)**	(59,907)
Change in cash and cash equivalents		**(2,188)**	(318)
Translation adjustment		**(194)**	(64)
Cash and cash equivalents at beginning of year		**2,999**	3,381
Cash and cash equivalents at end of year		**617**	2,999

John Moloney, 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 2013 applicable to companies reporting under IFRS. IFRS as adopted by the EU differ in certain respects from IFRS as issued by the IASB. Both the Parent Company and the Group financial statements have been prepared in accordance with IFRS as adopted by the EU and references to IFRS hereafter should be construed as references to 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.

The Going Concern Statement on page 76 forms part of the Group financial statements.

DCC plc, the ultimate 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 sterling, rounded to the nearest thousand, have been prepared under the historical cost convention, as modified by the measurement at fair value of share-based payments, post employment benefit obligations and certain financial assets and liabilities including 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 2015 are set out below. These policies have been applied consistently by the Group's subsidiaries, joint ventures and associates for all periods presented in these consolidated financial statements.

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

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

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

- IFRS 10 *Consolidated Financial Statements*. This standard replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single entity remains unchanged, as do the mechanics of consolidation. IAS 27 is renamed '*Separate Financial Statements*' and is now a standard dealing solely with separate financial statements. This standard and the amendment to IAS 27 did not have a significant impact on the Group's financial statements;
- IFRS 11 *Joint Arrangements*. Under IAS 31 *Interests in Joint Ventures*, the Group's net interests in its joint arrangements were classified as joint ventures and the Group's share of assets, liabilities, revenue, income and expense were proportionately consolidated. IFRS 11 makes equity accounting mandatory for participants in joint ventures. The change to equity accounting had no impact on the Group's profit after tax but impacted each line item in the Consolidated Income Statement. Similarly, the Consolidated Balance Sheet was impacted on a line by line basis but net assets remained unchanged. As required by IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the nature and effect of changes arising as a result of the adoption of IFRS 11 on the Consolidated Income Statement, Consolidated Statement of Cash Flows and Consolidated Balance Sheet are disclosed in note 16. Under the transitional provisions of IFRS 11 the Group is not required to disclose the impact that the adoption of IFRS 11 has had on the current period;
- IFRS 12 *Disclosure of Interests in Other Entities*. This standard sets out the required disclosures for entities reporting under IFRS 10 and IFRS 11. IFRS 12 requires entities to disclose information about the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. This standard did not have a significant impact on the Group's financial statements; and
- Amendment to IAS 32 *Financial Instruments: Presentation*. This amendment clarifies that the right of set-off within financial assets and financial liabilities must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. This amendment did not have a significant impact on the Group's financial statements.

There are a number of other changes to IFRS which became effective for the Group during the financial year but did not result in material changes to the Group's consolidated financial statements.

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, the most significant of which are as follows:

- IFRS 9 *Financial Instruments* (effective date: DCC financial year beginning 1 April 2018). This standard is designed to replace IAS 39 *Financial Instruments: Recognition and Measurement* and is being completed in a number of phases with the final version issued by the IASB in July 2014. The Standard includes requirements for recognition, measurement, impairment and de-recognition of financial instruments and general hedge accounting. Subject to EU endorsement, the Group will apply IFRS 9 from its effective date. The Group is currently assessing the impact of IFRS 9 with the new standard likely to affect the Group's accounting for some financial instruments; and

Notes to the Financial Statements Continued

1. Summary of Significant Accounting Policies Continued

– IFRS 15 *Revenue from Contracts with Customers* (effective date: DCC financial year beginning 1 April 2017). This standard will replace IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations. The standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and therefore has the ability to direct the use and obtain the benefits from the good or service. Subject to EU endorsement, the Group will apply IFRS 15 from its effective date. The Group is currently assessing the impact of IFRS 15.

Other changes to IFRS have been issued but are not yet effective for the Group. However, they are either not expected to have a material effect on the consolidated financial statements or they are not currently relevant for the Group.

Basis of Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income (the equity method of accounting). When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

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.

Investments in Subsidiary Undertakings

Investments in subsidiaries are stated at cost less any accumulated impairments and are reviewed for impairment if there are indications that the carrying value may not be recoverable.

Revenue Recognition

Revenue comprises the fair value of the sale of goods and services to external customers net of value added tax, volume and promotional rebates, allowances and discounts. Revenue is generally recognised on a duty inclusive basis where applicable. Revenue is recorded when the collection of the amount is reasonably assured and when specific criteria have been met for each of the Group's activities as detailed below.

Sales of goods

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the customer and when the amount of revenue and costs incurred can be measured reliably. This generally arises on delivery or in accordance with specific terms and conditions agreed with individual customers. In the case of consignment stock arrangements, revenue is recognised on the date that legal title passes. Sales returns and discounts are recorded in the same period as the original revenue.

1. Summary of Significant Accounting Policies Continued

DCC Energy derives the majority of its revenue from the sale of oil and LPG. Revenue is recognised when the products are delivered to the customer. Products can be sold under short or long term agreements at prevailing market prices or at fixed prices for which DCC Energy will have fixed supply prices.

DCC Technology derives the majority of its revenue from the sale of consumer and SME focused technology products. Revenue is generally recognised on despatch. Should volume and promotional rebates be granted to customers they are recognised as a reduction in sales revenue at the time of the sale based on managements' estimate of the likely rebate to be awarded to customers. Estimates are based on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

DCC Healthcare derives its revenue from the sale of a broad range of third party and own-branded pharmaceutical and medical devices. Revenue is also generated from the manufacture of products for health and beauty brand owners focused principally on the areas of nutrition and beauty. Revenue is recognised on delivery of the product to the customer in the majority of cases.

Revenue in DCC Environmental is recognised on receipt of waste and on sale of recyclable materials. Revenue includes amounts which are based on market prices for recyclate products. Revenue is also derived from the sale of chemicals and processed oil which is recognised on delivery to the customer.

Sales of services

Revenue from the rendering of services is recognised in the period in which the services are rendered. Where services are performed rateably over a period of time revenue is recognised on a straight-line basis over the period of the contract.

Service revenue in DCC Energy is generated from a variety of value added services provided to customers. Revenue is recognised as the service is provided.

DCC Technology generates service revenue from providing a range of value-added services to both its customers and suppliers including third party logistics, web site development and management, outsourced managed services, training and certain supply chain management services such as quality assurance and compliance. Revenue relating to these services is recognised as the service is provided.

DCC Healthcare generates service revenue from a variety of sources such as logistics services including stock management, distribution services to hospitals and healthcare manufacturers as well as engineering and preventative maintenance services. Revenue is recognised as the service is rendered and completed.

Service revenue in DCC Environmental is recognised at the point when the service has been performed. When contractual agreements provide for specific services, revenue is recognised at the point of delivery of each separate service.

Interest income

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

Dividend income

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

Rental income

Rental income from operating leases is recognised on a straight line basis over the term of the lease. The related assets are recorded as plant and machinery within property, plant and equipment and are depreciated on a straight-line basis over the useful lives of the assets.

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 four reportable operating segments: DCC Energy, DCC Technology, DCC Healthcare and DCC Environmental.

Foreign Currency Translation

Functional and presentation currency

The functional currency of the Company is euro. The consolidated financial statements are presented in sterling which is the Company's and the Group's presentation currency as the majority of the Group's revenue and operating profit is generated in sterling. 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.

Notes to the Financial Statements Continued

1. Summary of Significant Accounting Policies Continued

Group companies

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

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

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

Exceptional Items

The Group has adopted an Income Statement format which seeks to highlight significant items within the Group results for the year. Such items may include restructuring, profit or loss on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, profit or loss on disposal of property, plant and equipment, IAS 39 ineffective mark to market movements together with gains or losses arising from currency swaps offset by gains or losses on related fixed rate debt, acquisition costs, profit or loss on defined benefit pension scheme restructuring, adjustments to contingent consideration (arising on business combinations from 1 April 2010) and impairment of assets. Judgement is used by the Group in assessing the particular items, which by virtue of their scale and nature, should be presented in the Income Statement and disclosed in the related notes as exceptional items.

Property, Plant and Equipment

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

	Annual Rate
Freehold and long term leasehold buildings	2%
Plant and machinery	5 – 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

Business combinations from 1 April 2010

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

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

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

1. Summary of Significant Accounting Policies Continued

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IAS 39 in the Income Statement.

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

A financial liability is recognised in relation to the other shareholder's option to put its shareholding, being the fair value of the estimate of amounts payable to acquire the subsidiary shareholding. The financial liability is included in contingent consideration. The discount component is unwound as an interest charge in the Income Statement over the life of the obligation. Subsequent changes to the financial liability are recognised in the Income Statement.

Business combinations prior to 1 April 2010

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

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

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

A financial liability was recognised in relation to the other shareholder's option to put its shareholding, being the fair value of the estimate of amounts payable to acquire the subsidiary shareholding. The financial liability was included in contingent consideration. The discount component was unwound as an interest charge in the Income Statement over the life of the obligation. Subsequent changes to the financial liability were recognised as an adjustment to goodwill.

Non-Current Assets Held for Sale

Non-current assets and disposal groups are classified as assets held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. The assets held for sale are stated at the lower of their carrying amount and fair value less costs to sell.

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.

Notes to the Financial Statements Continued

1. Summary of Significant Accounting Policies Continued

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 ten 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).

The Group does not have any indefinite-lived intangible assets other than goodwill.

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.

Financial Instruments
A financial instrument is recognised when the Group becomes a party to its contractual provisions. Financial assets are derecognised when the Group's contractual rights to the cash flows from the financial assets expire, are extinguished or transferred to a third party. Financial liabilities are derecognised when the Group's obligations specified in the contracts expire, are discharged or cancelled.

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.

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

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

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

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

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

1. Summary of Significant Accounting Policies Continued

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.

Derivative Financial Instruments

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

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

Changes in the fair value of currency swaps that are hedging borrowings and for which the Group has not elected to apply hedge accounting, along with changes in the fair value of derivatives hedging borrowings, that are part of designated fair value hedge relationships, are reflected in the Income Statement in 'Finance Costs' and presented in note 12.

Changes in the fair value of other derivative financial instruments for which the Group has not elected to apply hedge accounting are reflected in the Income Statement, in 'Other Operating Income' or 'Other Operating Expenses' and presented in note 6.

Hedging

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

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

The fair values of various derivative instruments are disclosed in note 29 and the movements on the cash flow hedge reserve in equity are shown in note 39. The full fair value of a derivative is classified as a non-current asset or non-current liability if the remaining maturity of the derivative is more than twelve months and as a current asset or current liability if the remaining maturity of the derivative is less than twelve months.

Fair value hedge

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

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. The ineffective portion is reported in the Income Statement in 'Finance Income' and 'Finance Costs' where the hedged item is private placement debt, and in 'Other Operating Income' or 'Other Operating Expenses' for all other cases. When a forecast transaction results in the recognition of an asset or a liability, the cumulative gain or loss is removed from equity and included in the initial measurement of the asset or liability. Otherwise, the associated gains or losses that had previously been recognised in equity are transferred to the Income Statement in the same reporting period as the hedged transaction in Revenue or Costs of Sales (depending on whether the hedge related to a forecasted sale or purchase).

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

Notes to the Financial Statements Continued

1. Summary of Significant Accounting Policies Continued

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. In addition, the Group has certain site remediation obligations to be incurred in compliance with local or national environmental regulations together with constructive obligations stemming from established best practice. The measurement of these provisions is based on the evaluation of currently available facts with respect to each individual site and is adjusted periodically as remediation efforts progress or as additional information becomes available. Inherent uncertainties exist in such measurements primarily due to unknown timing, site conditions and changing regulations.

Full provision is made for the net present value of the estimated costs in relation to the Group's environmental liabilities. The net present value of the estimated costs is capitalised as property, plant and equipment and the unwinding of the discount element on the environmental provision is reflected in the Income Statement.

Finance Costs

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method, net losses on hedging instruments that are recognised in the Income Statement, facility fees 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 net finance cost on defined benefit pension scheme liabilities is recognised in the Income Statement in accordance with IAS 19.

The 'mark to market of designated swaps and related debt' and the 'mark to market of undesignated currency swaps and related debt' are included in 'Finance Costs' in the case of a net loss. The mark to market of designated swaps and related debt comprises the gain or loss on interest rate swaps and cross currency interest rate swaps that are in hedge relationships with borrowings, together with the gain or loss on the hedged borrowings which is attributable to the hedged risk. The mark to market of undesignated swaps and related debt comprises the gain or loss on currency swaps which are not designated as hedging instruments, but which are used to offset movements in foreign exchange rates on certain borrowings, along with the currency movement on those borrowings.

Finance Income

Interest income is recognised in the Income Statement as it accrues, using the effective interest method, and includes net gains on hedging instruments that are recognised in the Income Statement.

The mark to market of designated swaps and related debt and the mark to market of undesignated currency swaps and related debt, both as defined above, are included in 'Finance Income' in the case of a net gain.

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 using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the end of the reporting period.

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.

1. Summary of Significant Accounting Policies Continued

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

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

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

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

Pension and Other Post Employment Obligations

The Group operates defined contribution and defined benefit pension schemes.

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

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

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

The net surplus or deficit arising in the Group's defined benefit pension schemes are shown within either non-current assets or liabilities in 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. Remeasurements, comprising actuarial gains and losses and the return on plan assets (excluding net interest) are recognised immediately in the Group Balance Sheet with a corresponding entry to retained earnings through Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The defined benefit pension asset or liability in the Group Balance Sheet comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Fair value is based on market price information and, in the case of published securities, it is the published bid price. The value of any defined benefit asset is limited to the present value of any economic benefits available in the form of refunds from the plan and reductions in the future contributions to the plan.

A curtailment arises when the Group is demonstrably committed to make a significant reduction in the number of employees covered by a plan. A past service cost, negative or positive, arises following a change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post employment benefits. A settlement arises where the Group is relieved of responsibility for a pension obligation and eliminates significant risk relating to the obligation and the assets used to effect the settlement. Past-service costs, negative or positive, are recognised immediately in the Income Statement. Losses arising on settlement or curtailment not allowed for in the actuarial assumptions are measured at the date on which the Group becomes demonstrably committed to the transaction. Gains arising on a settlement or curtailment are measured at the date on which all parties whose consent is required are irrevocably committed to the transaction. Curtailment and settlement gains and losses are dealt with in the Income Statement.

Share-Based Payment Transactions

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

The fair value of share entitlements granted is recognised as an employee expense in the Income Statement with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement, with a corresponding adjustment to 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 and a binomial model for the DCC plc 1998 Employee Share Option Scheme.

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

Notes to the Financial Statements Continued

1. Summary of Significant Accounting Policies Continued

The DCC plc 1998 Employee Share Option Scheme contains 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 Share Based Payment Reserve. 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.

Where the share-based payments give rise to the issue of new equity share capital, the proceeds received by the Company are credited to Share Capital (nominal value) and Share Premium when the share entitlements are exercised. Where 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.

Equity

Treasury shares

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

Non-Controlling Interests

Non-controlling interests represent the portion of the equity of a subsidiary not attributable either directly or indirectly to the Parent Company and are presented separately in the Group Income Statement and within equity in the Group Balance Sheet, distinguished from shareholders' equity attributable to owners of the Parent. Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions. On an acquisition by acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

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 47.

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.

2. Financial Risk Management Continued

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

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

Fair values of the Group's financial assets and financial liabilities are summarised in note 47.

3. Critical Accounting Estimates and Judgements

The Group's main accounting policies affecting its results of operations and financial condition are set out on pages 123 to 132. In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Group should it later be determined that a different choice would be more appropriate. Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and judgements:

Goodwill

The Group has capitalised goodwill of £713.2 million at 31 March 2015. Goodwill is required to be tested for impairment at least annually or more frequently if changes in circumstances or the occurrence of events indicating potential impairment exist. The Group uses the present value of future cash flows to determine recoverable amount. In calculating the value in use, management judgement is required in forecasting cash flows of cash-generating units, in determining terminal growth values and in selecting an appropriate discount rate. Sensitivities to changes in assumptions are detailed in note 21.

Business Combinations

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

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

Taxation

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

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

Provision for Impairment of Trade Receivables

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

Useful Lives for Property, Plant and Equipment and Intangible Assets

Long-lived assets comprising primarily of property, plant and equipment and intangible assets represent a significant portion of the Group's 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.

Post Employment 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 £95.4 million at 31 March 2015. At 31 March 2015 the Group also has plan assets totalling £85.2 million, giving a net pension liability of £10.2 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 33.

Notes to the Financial Statements Continued

4. Adoption of New Accounting Standards

As noted under Accounting Policies above, the Group adopted IFRS 11 *Joint Arrangements* on 1 April 2014. As required by IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the financial impact of the adoption of this standard is outlined below.

Impact on Group Income Statement

	Year ended 31 March 2014				
				Analysed as:	
	As reported £'000	Change in accounting policy £'000	Restated £'000	Restated continuing operations £'000	Restated discontinued operations £'000
Revenue	11,231,666	(20,834)	11,210,832	11,044,763	166,069
Operating profit before exceptional items and amortisation of intangible assets	208,403	(1,137)	207,266	200,697	6,569
Net operating exceptionals	(13,283)	–	(13,283)	(8,562)	(4,721)
Amortisation of intangible assets	(20,416)	–	(20,416)	(19,656)	(760)
Operating profit	174,704	(1,137)	173,567	172,479	1,088
Finance costs (net)	(23,539)	–	(23,539)	(23,259)	(280)
Share of equity accounted investments	33	964	997	520	477
Profit before tax	151,198	(173)	151,025	149,740	1,285
Income tax expense	(27,255)	173	(27,082)	(26,371)	(711)
Profit after tax for the financial year	123,943	–	123,943	123,369	574
Earnings per ordinary share					
Basic	144.70p	–	144.70p	144.02p	0.68p
Diluted	143.90p	–	143.90p	143.22p	0.68p
Adjusted earnings per ordinary share					
Basic	191.20p	–	191.20p	184.09p	7.11p
Diluted	190.14p	–	190.14p	183.06p	7.08p

4. Adoption of New Accounting Standards Continued

Impact on Group Balance Sheet

	As at 31 March 2014		
	As reported £'000	Change in accounting policy £'000	Restated £'000
Assets			
Property, plant and equipment	469,417	(4,553)	464,864
Intangible assets	744,073	(1,557)	742,516
Equity accounted investments	824	5,300	6,124
Deferred income tax assets	11,260	(9)	11,251
Inventories	501,765	(357)	501,408
Trade and other receivables	959,655	(1,834)	957,821
Cash and cash equivalents	963,144	(1,005)	962,139
Other current and non-current assets	57,461	–	57,461
Total assets	3,707,599	(4,015)	3,703,584
Equity			
Total equity	946,255	–	946,255
Liabilities			
Deferred income tax liabilities	27,526	(8)	27,518
Trade and other payables	1,492,968	(3,914)	1,489,054
Current income tax liabilities	32,276	(32)	32,244
Provisions for liabilities and charges (current and non-current)	31,003	(61)	30,942
Other current and non-current liabilities	1,177,571	–	1,177,571
Total liabilities	2,761,344	(4,015)	2,757,329
Total equity and liabilities	3,707,599	(4,015)	3,703,584
Net debt included above	(86,287)	(1,005)	(87,292)

Impact on Group Cash Flow Statement

	Year ended 31 March 2014		
	As reported £'000	Change in accounting policy £'000	Restated £'000
Net cash flows from operating activities	244,363	(1,641)	242,722
Net cash flows from investing activities	(79,346)	1,312	(78,034)
Net cash flows from financing activities	226,851	–	226,851
Change in cash and cash equivalents	391,868	(329)	391,539
Translation adjustment	(8,376)	21	(8,355)
Opening cash and cash equivalents	431,074	(697)	430,377
Closing cash and cash equivalents	814,566	(1,005)	813,561

Notes to the Financial Statements Continued

5. Segment Information

Analysis by operating segment and by geography

DCC is a sales, marketing, distribution and business support services group headquartered in Dublin, Ireland. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as Mr. Tommy Breen, Chief Executive and his executive management team. The Group is organised into four operating segments: DCC Energy, DCC Technology, DCC Healthcare and DCC Environmental.

DCC Energy markets and sells oil products and services for transport, commercial/industrial, marine, aviation and home heating use in Europe. DCC Energy markets and sells liquefied petroleum gas for similar uses in Europe. DCC Energy also owns, operates and supplies unmanned and manned retail service stations in Europe.

DCC Technology sells, markets and distributes a broad range of consumer and SME focused technology products in Europe.

DCC Healthcare sells, markets and distributes pharmaceuticals and medical devices in the British and Irish markets. DCC Healthcare also provides outsourced product development, manufacturing, packaging and other services to health and beauty brand owners in Europe.

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

The chief operating decision maker monitors the operating results of segments separately in order to allocate resources between segments and to assess performance. Segment performance is predominantly evaluated based on operating profit before amortisation of intangible assets and net operating exceptional items. 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.

During the year ended 31 March 2015, the Group disposed of the DCC Food & Beverage division. This resulted in a change in the composition of operating segments. Following this change, we have revised our segmental reporting and restated the prior year segmental disclosures as required under IFRS 8.

The segment results for the year ended 31 March 2015 are as follows:

Income Statement items

	Year ended 31 March 2015				
	DCC Energy £'000	DCC Technology £'000	DCC Healthcare £'000	DCC Environmental £'000	Total £'000
Segment revenue	**7,624,082**	**2,350,284**	**488,114**	**143,600**	**10,606,080**
Operating profit*	**119,392**	**49,341**	**39,689**	**13,294**	**221,716**
Amortisation of intangible assets	**(14,334)**	**(2,794)**	**(6,143)**	**(786)**	**(24,057)**
Net operating exceptionals (note 11)	**(7,137)**	**(11,101)**	**(1,161)**	**(405)**	**(19,804)**
Operating profit	**97,921**	**35,446**	**32,385**	**12,103**	**177,855**
Finance costs					**(62,407)**
Finance income					**31,288**
Share of equity accounted investments' profit after tax					**402**
Profit before income tax					**147,138**
Income tax expense					**(18,477)**
Profit for the year					**128,661**

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

5. Segment Information Continued

	DCC Energy £'000	DCC Technology £'000	DCC Healthcare £'000	DCC Environmental £'000	Total £'000
	Year ended 31 March 2014 (restated)				
Segment revenue	8,243,645	2,263,973	406,510	130,635	11,044,763
Operating profit*	110,467	48,092	30,392	11,746	200,697
Amortisation of intangible assets	(13,686)	(1,974)	(2,711)	(1,285)	(19,656)
Net operating exceptionals (note 11)	(4,219)	(11,371)	3,285	3,743	(8,562)
Operating profit	92,562	34,747	30,966	14,204	172,479
Finance costs					(52,668)
Finance income					29,409
Share of equity accounted investments' profit after tax					520
Profit before income tax					149,740
Income tax expense					(26,371)
Profit for the year					123,369

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

Balance Sheet items

	DCC Energy £'000	DCC Technology £'000	DCC Healthcare £'000	DCC Environmental £'000	Discontinued operations £'000	Total £'000
	As at 31 March 2015					
Segment assets	**1,295,081**	**575,816**	**348,753**	**172,147**	**–**	**2,391,797**
Reconciliation to total assets as reported in the Group Balance Sheet						
Equity accounted investments						**4,963**
Derivative financial instruments (current and non-current)						**238,545**
Deferred income tax assets						**9,380**
Cash and cash equivalents						**1,260,942**
Assets classified as held for sale						**12,196**
Total assets as reported in the Group Balance Sheet						**3,917,823**
Segment liabilities	**789,025**	**429,028**	**102,878**	**38,523**	**–**	**1,359,454**
Reconciliation to total liabilities as reported in the Group Balance Sheet						
Interest-bearing loans and borrowings (current and non-current)						**1,463,858**
Derivative financial instruments (current and non-current)						**7,994**
Income tax liabilities (current and deferred)						**46,628**
Contingent acquisition consideration (current and non-current)						**43,384**
Government grants (current and non-current)						**1,296**
Liabilities associated with assets classified as held for sale						**8,216**
Total liabilities as reported in the Group Balance Sheet						**2,930,830**

Notes to the Financial Statements Continued

5. Segment Information Continued

	As at 31 March 2014 (restated)					
	DCC Energy £'000	DCC Technology £'000	DCC Healthcare £'000	DCC Environmental £'000	Discontinued operations £'000	Total £'000
Segment assets	1,400,781	711,053	301,976	172,558	80,241	2,666,609
Reconciliation to total assets as reported in the Group Balance Sheet						
Equity accounted investments						6,124
Derivative financial instruments (current and non-current)						57,461
Deferred income tax assets						11,251
Cash and cash equivalents						962,139
Total assets as reported in the Group Balance Sheet						3,703,584
Segment liabilities	852,116	516,131	92,376	36,807	38,579	1,536,009
Reconciliation to total liabilities as reported in the Group Balance Sheet						
Interest-bearing loans and borrowings (current and non-current)						1,042,557
Derivative financial instruments (current and non-current)						64,335
Income tax liabilities (current and deferred)						59,762
Contingent acquisition consideration (current and non-current)						53,323
Government grants (current and non-current)						1,343
Total liabilities as reported in the Group Balance Sheet						2,757,329

Other segment information

	Year ended 31 March 2015					
	DCC Energy £'000	**DCC Technology £'000**	**DCC Healthcare £'000**	**DCC Environmental £'000**	**Discontinued operations £'000**	**Total £'000**
Capital expenditure – additions	**49,648**	**8,653**	**7,241**	**9,062**	**722**	**75,326**
Capital expenditure – business combinations	**26,594**	**736**	**2,916**	**–**	**22**	**30,268**
Depreciation	**39,759**	**4,859**	**6,412**	**7,558**	**1,122**	**59,710**
Total consideration – business combinations	**43,365**	**15,645**	**54,337**	**–**	**2,365**	**115,712**
Intangible assets acquired – business combinations	**34,582**	**1,587**	**53,303**	**–**	**2,156**	**91,628**
Impairment of goodwill (note 11)	**–**	**–**	**5,637**	**–**	**–**	**5,637**

5. Segment Information Continued

	Year ended 31 March 2014 (restated)					
	DCC Energy £'000	DCC Technology £'000	DCC Healthcare £'000	DCC Environmental £'000	Discontinued operations £'000	Total £'000
Capital expenditure – additions	62,447	7,976	6,223	8,062	1,062	85,770
Capital expenditure – business combinations	3,990	28	4,629	524	–	9,171
Depreciation	35,498	4,551	6,006	7,497	1,850	55,402
Total consideration – business combinations	10,466	4,799	25,433	1,536	1,899	44,133
Intangible assets acquired – business combinations	10,493	5,574	17,503	1,228	2,136	36,934
Impairment of goodwill	–	7,286	1,606	–	5,031	13,923

Geographical analysis

The Group has a presence in 14 countries worldwide. The following represents a geographical analysis of the segment information presented above in accordance with IFRS 8, which requires disclosure of information about the country of domicile (Republic of Ireland) and countries with material revenue and non-current assets. The analysis of items included in the Income Statement represents continuing operations whilst the analysis of balance sheet items and other segment information includes both continuing and discontinued operations.

	Year ended 31 March							
	UK		**Republic of Ireland**		**Rest of the World**		**Total**	
	2015 £'000	Restated 2014 £'000	**2015 £'000**	Restated 2014 £'000	**2015 £'000**	Restated 2014 £'000	**2015 £'000**	Restated 2014 £'000
Income Statement items								
Revenue	**8,023,403**	8,342,727	**717,077**	767,573	**1,865,600**	1,934,463	**10,606,080**	11,044,763
Operating profit*	**170,014**	158,710	**17,671**	15,518	**34,031**	26,469	**221,716**	200,697
Amortisation of intangible assets	**(15,200)**	(11,721)	**(1,164)**	(1,315)	**(7,693)**	(6,620)	**(24,057)**	(19,656)
Net operating exceptionals	**(12,822)**	8,107	**(5,222)**	(14,537)	**(1,760)**	(2,132)	**(19,804)**	(8,562)
Segment result	**141,992**	155,096	**11,285**	(334)	**24,578**	17,717	**177,855**	172,479
Balance Sheet items								
Segment assets	**1,759,724**	1,984,007	**213,479**	325,201	**418,594**	357,401	**2,391,797**	2,666,609
Segment liabilities	**974,137**	1,151,614	**114,892**	136,558	**270,425**	247,837	**1,359,454**	1,536,009
Other segment information								
Non-current assets**	**951,649**	905,113	**120,238**	186,459	**156,944**	121,932	**1,228,831**	1,213,504
Capital expenditure – additions	**52,078**	69,403	**12,325**	10,795	**10,923**	5,572	**75,326**	85,770
Capital expenditure – business combinations	**2,921**	8,709	**22**	84	**27,325**	378	**30,268**	9,171
Depreciation	**43,003**	40,785	**9,115**	10,049	**7,592**	4,568	**59,710**	55,402
Total consideration – business combinations	**55,791**	37,058	**2,372**	2,030	**57,549**	5,045	**115,712**	44,133
Intangible assets acquired	**54,434**	24,890	**2,163**	2,105	**35,031**	9,939	**91,628**	36,934
Impairment of goodwill	**–**	5,031	**5,637**	8,892	**–**	–	**5,637**	13,923

* Operating profit before amortisation of intangible assets and net operating exceptionals
** Non-current assets comprise intangible assets, property, plant and equipment and equity accounted investments

Notes to the Financial Statements Continued

5. Segment Information Continued
Revenue and operating profit are derived almost entirely from the sale of goods and are disclosed based on the location of the entity producing the goods. There are no material dependencies or concentrations on individual customers which would warrant disclosure under IFRS 8. The Balance Sheet and other segment information presented above are disclosed based on the location of the assets.

6. Other Operating Income/Expense
Other operating income and expense comprise the following credits/(charges):

	2015 £'000	Restated 2014 £'000
Other operating income		
Fair value gains on non-hedge accounted derivative financial instruments – commodities	**663**	44
Fair value gains on non-hedge accounted derivative financial instruments – forward exchange contracts	**2,463**	982
Throughput	**5,432**	6,226
Haulage	**1,941**	766
Rental income	**5,479**	3,870
Other operating income	**3,679**	7,365
	19,657	19,253
Other operating income included in net exceptional items (note 11)	**3,798**	30,491
Total other operating income	**23,455**	49,744
Other operating expenses		
Expensing of employee share options (note 10)	**(2,126)**	(1,185)
Fair value losses on non-hedge accounted derivative financial instruments – commodities	**(425)**	(57)
Fair value losses on non-hedge accounted derivative financial instruments – forward exchange contracts	**(2,727)**	(1,026)
Other operating expenses	**(2,932)**	(565)
	(8,210)	(2,833)
Other operating expenses included in net exceptional items (note 11)	**(23,602)**	(39,053)
Total other operating expenses	**(31,812)**	(41,886)

7. Group Profit for the Year
Group profit for the year has been arrived at after charging/(crediting) the following amounts which include amounts relating to discontinued operations:

	Continuing operations 2015 £'000	**Discontinued operations 2015 £'000**	**Total 2015 £'000**	Continuing operations 2014 £'000	Discontinued operations 2014 £'000	Total 2014 £'000
Depreciation (note 20)	**58,588**	**1,122**	**59,710**	53,552	1,850	55,402
Amortisation of intangible assets (note 21)	**24,057**	**1,288**	**25,345**	19,656	760	20,416
Impairment of goodwill	**5,637**	**–**	**5,637**	8,892	5,031	13,923
Impairment of property, plant and equipment	**1,508**	**–**	**1,508**	550	–	550
Profit on sale of property, plant and equipment	**(3,252)**	**(4)**	**(3,256)**	(1,716)	(67)	(1,783)
Amortisation of government grants (note 36)	**(358)**	**–**	**(358)**	(383)	–	(383)
Foreign exchange loss/(gain)	**987**	**(128)**	**859**	405	11	416
Operating lease rentals						
– land and buildings	**16,145**	**193**	**16,338**	15,473	338	15,811
– plant and machinery	**471**	**162**	**633**	435	279	714
– motor vehicles	**11,281**	**252**	**11,533**	11,080	67	11,147
	27,897	**607**	**28,504**	26,988	684	27,672

7. Group Profit for the Year Continued

During the year the Group obtained the following services from the Group's auditors (PricewaterhouseCoopers) including amounts relating to discontinued operations:

	2015 £'000	2014 £'000
Statutory auditor:		
Audit fees	**621**	683
Tax compliance and advisory services	**249**	154
Other non-audit services	**31**	4
	901	841
Other PricewaterhouseCoopers network firms:		
Audit fees	**986**	917
Tax compliance and advisory services	**356**	572
Other non-audit services	**112**	26
	1,454	1,515

Auditor statutory disclosure

The audit fee for the Parent Company is £12,860 (2014: £13,759). This amount is paid to PricewaterhouseCoopers, Ireland, the statutory auditor.

8. Directors' Emoluments and Interests

Directors' emoluments (which are included in operating costs) and interests are presented in the Remuneration Report on pages 82 to 100.

9. Employment

The average weekly number of persons (including executive Directors) employed by the Group in continuing and discontinued operations during the year analysed by class of business was:

	2015 Number	Restated 2014 Number
DCC Energy	**4,698**	4,635
DCC Technology	**1,767**	1,753
DCC Healthcare	**1,963**	1,602
DCC Environmental	**1,019**	952
Continuing operations	**9,447**	8,942
Discontinued operations (DCC Food & Beverage)	**309**	399
	9,756	9,341

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

	2015 £'000	Restated 2014 £'000
Wages and salaries	**326,427**	308,030
Social welfare costs	**37,696**	32,420
Share based payment expense (note 10)	**2,126**	1,185
Pension costs – defined contribution plans	**11,173**	9,371
Pension costs – defined benefit plans (note 33)	**394**	614
	377,816	351,620
The employee benefit expense is analysed as:		
Continuing operations	**362,799**	333,995
Discontinued operations	**15,017**	17,625
	377,816	351,620

Notes to the Financial Statements Continued

10. Employee Share Options and Awards

The Group's employee share options and awards 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 £2.126 million (2014: £1.185 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 and a binomial model, which is a lattice option-pricing model, for options issued under the DCC plc 1998 Employee Share Option Scheme.

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	Minimum duration of vesting period	Number of share awards/ options granted	Weighted average fair value	Expense in Income Statement 2015 £'000	Expense in Income Statement 2014 £'000
DCC plc Long Term Incentive Plan 2009						
20 August 2009	€15.63	3 years	255,406	€8.97	**(10)**	–
15 November 2010	€21.25	3 years	212,525	€12.00	**(9)**	(62)
15 November 2011	€17.50	3 years	252,697	€9.17	**299**	270
12 November 2012	€22.66	3 years	215,489	€12.09	**619**	731
12 November 2013	£28.54	3 years	153,430	£14.42	**651**	246
12 November 2014	£34.56	5 years	192,407	£26.96	**576**	–
Total expense					**2,126**	1,185

Share options and awards

DCC plc Long Term Incentive Plan 2009

At 31 March 2015, under the DCC plc Long Term Incentive Plan 2009, Group employees hold awards to subscribe for 792,149 ordinary shares.

The general terms of the DCC plc Long Term Incentive Plan 2009 are set out in the Remuneration Report on pages 82 to 100.

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

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

	2015 Number of share awards	2014 Number of share awards
At 1 April	**742,574**	733,414
Granted	**192,407**	153,430
Exercised	**(28,026)**	(15,941)
Expired	**(114,806)**	(128,329)
At 31 March	**792,149**	742,574

The weighted average share price at the dates of exercise for share awards exercised during the year under the DCC plc Long Term Incentive Plan 2009 was £34.92 (2014: £29.39). The share awards outstanding at the year end have a weighted average remaining contractual life of 4.8 years (2014: 5.1 years).

10. Employee Share Options and Awards Continued

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 2015	**£26.96**
Granted during the year ended 31 March 2014	£14.42

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:

	2015	2014
Risk-free interest rate (%)	**1.90**	1.65
Dividend yield (%)	**2.5**	3.1
Expected volatility (%)	**21.0**	23.3
Expected life in years	**6.0**	5.0
Share price at date of grant	**£34.56**	£28.54

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 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**	**2015 Number of share awards**	2014 Number of share awards
20 August 2009	20 August 2016	**41,988**	47,148
15 November 2010	15 November 2017	**56,200**	79,066
15 November 2011	15 November 2018	**148,106**	249,211
12 November 2012	12 November 2019	**206,398**	214,143
12 November 2013	12 November 2020	**147,050**	153,006
12 November 2014	12 November 2021	**192,407**	–
Total outstanding at 31 March		**792,149**	742,574

Analysis of closing balance – exercisable at end of year

As at 31 March 2015, 246,294 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 2015, under the DCC plc 1998 Employee Share Option Scheme, Group employees hold basic tier options to subscribe for 587,350 ordinary shares.

The general terms of the DCC plc 1998 Employee Share Option Scheme are set out in the Remuneration Report on pages 82 to 100.

The DCC plc 1998 Employee Share Option Scheme contains 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. 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.

Notes to the Financial Statements Continued

10. Employee Share Options and Awards Continued

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

	2015		2014	
	Average exercise price in € per share	**Options**	Average exercise price in € per share	Options
At 1 April	**17.96**	**804,250**	17.09	1,024,350
Exercised	**16.60**	**(127,400)**	15.35	(152,600)
Expired	**13.72**	**(89,500)**	10.70	(67,500)
At 31 March	**18.90**	**587,350**	17.96	804,250
Total exercisable at 31 March	**18.90**	**587,350**	18.49	714,750

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 £35.05 (2014: £27.87). The share options outstanding at the year end have a weighted average remaining contractual life of 2.3 years (2014: 2.6 years).

Analysis of closing balance – outstanding at end of year

		2015		2014	
Date of grant	**Date of expiry**	**Exercise price per share**	**Options**	Exercise price per share	Options
18 May 2004	18 May 2014	**€12.75**	**–**	€12.75	67,000
9 November 2004	9 November 2014	**€15.65**	**–**	€15.65	93,000
15 December 2005	15 December 2015	**€16.70**	**63,350**	€16.70	81,250
23 June 2006	23 June 2016	**€18.05**	**91,000**	€18.05	117,000
23 July 2007	23 July 2017	**€23.35**	**204,000**	€23.35	212,000
20 December 2007	20 December 2017	**€19.50**	**12,500**	€19.50	12,500
20 May 2008	20 May 2018	**€15.68**	**216,500**	€15.68	221,500
Total outstanding at 31 March			**587,350**		804,250

Analysis of closing balance – exercisable at end of year

		2015		2014	
Date of grant	**Date of expiry**	**Exercise price per share**	**Options**	Exercise price per share	Options
18 May 2004	18 May 2014	**€12.75**	**–**	€12.75	7,500
9 November 2004	9 November 2014	**€15.65**	**–**	€15.65	63,000
15 December 2005	15 December 2015	**€16.70**	**63,350**	€16.70	81,250
23 June 2006	23 June 2016	**€18.05**	**91,000**	€18.05	117,000
23 July 2007	23 July 2017	**€23.35**	**204,000**	€23.35	212,000
20 December 2007	20 December 2017	**€19.50**	**12,500**	€19.50	12,500
20 May 2008	20 May 2018	**€15.68**	**216,500**	€15.68	221,500
Total exercisable at 31 March			**587,350**		714,750

11. Exceptionals

	2015 £'000	Restated 2014 £'000
Restructuring costs	**(15,027)**	(19,720)
Impairment of goodwill	**(5,637)**	(8,892)
Acquisition and related costs	**(3,396)**	(5,602)
Impairment of property, plant and equipment	**(1,508)**	(550)
Adjustments to contingent acquisition consideration	**415**	16,165
Gain arising from Taiwanese legal claim	**894**	6,962
Net profit on disposal of Virtus Inc.	**–**	4,684
Restructuring of Group defined benefit pension schemes	**6,381**	1,435
Legal and other operating exceptional items	**(1,926)**	(3,044)
Net operating exceptional items	**(19,804)**	(8,562)
Mark to market of swaps and related debt (note 12)	**(2,191)**	(2,128)
Net exceptional items before taxation	**(21,995)**	(10,690)
Tax on Taiwanese legal claim	**–**	(5,255)
Net exceptional items after taxation (continuing activities)	**(21,995)**	(15,945)
Net profit on disposal of Food & Beverage division (note 16)	**8,214**	–
Other net exceptional items relating to discontinued operations	**2,865**	(4,721)
	(10,916)	(20,666)
Non-controlling interest share of profit on disposal of subsidiary	**–**	(2,055)
Net exceptional items attributable to owners of the Parent	**(10,916)**	(22,721)

The analysis of the net operating exceptional items of £19.804 million (2014: £8.562 million) is as follows:

Exceptional operating income	**3,798**	30,491
Exceptional operating expense	**(23,602)**	(39,053)
	(19,804)	(8,562)

The Group incurred an exceptional charge of £15.027 million in relation to restructuring of acquired and existing businesses, including restructuring and integration costs within DCC Technology's UK operations.

There was a non-cash exceptional charge of £5.637 million relating to the impairment of subsidiary goodwill. This charge reflects an impairment charge in relation to the carrying value of a cash generating unit within DCC Healthcare. There was also a non-cash impairment of property assets of £1.508 million which principally arose in DCC Healthcare.

Acquisition and related costs include the professional and tax costs (such as stamp duty) relating to the evaluation and completion of acquisition opportunities. During the year, acquisition and related costs amounted to £3.396 million.

Most of the Group's debt has been raised in the US Private Placement market and swapped, using long term interest, currency and cross currency derivatives, to both fixed and floating rate sterling and euro. The level of ineffectiveness calculated under IAS 39 on the fair value and cash flow hedge relationships relating to fixed rate debt, together with gains or losses arising from marking to market swaps not designated as hedges, offset by foreign exchange translation gains or losses on the related fixed rate debt, is charged or credited as an exceptional item. In the year to 31 March 2015 this amounted to a total exceptional loss of £2.191 million.

There was a non-cash credit of £0.415 million for contingent acquisition consideration overprovided in previous years. In accordance with IFRS 3 (revised), contingent consideration is measured at fair value at the time of the business combination. If the amount of contingent consideration changes as a result of a post-acquisition event then the changed amount is recognised in the Income Statement.

The Group continues to pursue collection of outstanding amounts relating to a Taiwanese legal claim. There was a further modest recovery of £0.894 million during the year.

The restructuring of certain of the Group's pension arrangements during the year gave rise to an exceptional gain of £6.381 million.

As detailed in note 16, the Group disposed of its Irish Food & Beverage subsidiaries during the second half of the financial year. The aggregate consideration from these disposals was £55.090 million and the disposals generated an exceptional gain, net of disposal costs, of £8.214 million. Other net exceptional items relating to discontinued operations of £2.865 million principally comprise a gain on the restructuring of certain of DCC Food & Beverage's pension arrangements.

Notes to the Financial Statements Continued

12. Finance Costs and Finance Income

	2015 £'000	Restated 2014 £'000
Finance costs		
On bank loans, overdrafts and Unsecured Notes		
– repayable within 5 years, not by instalments	**(23,567)**	(19,790)
– repayable within 5 years, by instalments	**(10)**	(16)
– repayable wholly or partly in more than 5 years	**(31,061)**	(26,276)
On finance leases	**(118)**	(204)
Facility fees	**(1,632)**	(1,632)
Other interest	**(3,512)**	(2,130)
	(59,900)	(50,048)
Other finance costs:		
Net interest on defined benefit pension scheme liabilities (note 33)	**(316)**	(492)
Mark to market of swaps and related debt* (note 11)	**(2,191)**	(2,128)
	(62,407)	(52,668)
Finance income		
Interest on cash and term deposits	**3,441**	2,542
Net income on interest rate and currency swaps	**27,844**	26,830
Other income	**3**	37
	31,288	29,409
Net finance cost	**(31,119)**	(23,259)
***Mark to market of swaps and related debt**		
Interest rate swaps designated as fair value hedges	**9,377**	(8,430)
Cross currency interest rate swaps designated as fair value hedges	**177,282**	(95,148)
Adjusted hedged fixed rate debt	**(189,431)**	101,589
Mark to market of swaps designated as fair value hedges and related debt	**(2,772)**	(1,989)
Currency movements on fixed rate debt not designated as hedged	**(6,927)**	9,399
Currency swaps not designated as hedges	**6,820**	(8,903)
Mark to market of undesignated swaps and related debt	**(107)**	496
Movement on cross currency interest rate swaps designated as cash flow hedges	**37,819**	(8,935)
Transferred to cash flow hedge reserve	**(37,131)**	8,300
	688	(635)
Total mark to market of swaps and related debt	**(2,191)**	(2,128)

13. Foreign Currency

The exchange rates used in translating non-sterling Income Statement and Balance Sheet amounts into sterling were as follows:

	Average rate		Closing rate	
	2015 Stg£1=	2014 Stg£1=	2015 Stg£1=	2014 Stg£1=
Euro	**1.2674**	1.1847	**1.3749**	1.2074
Danish Krone	**9.4577**	8.8386	**10.2705**	9.0146
Swedish Krona	**11.6866**	10.3362	**12.7734**	10.8045
Norwegian Krone	**10.7266**	9.5103	**11.9669**	9.9674

14. Share of Equity Accounted Investments' Profit after Tax

The Group's share of equity accounted investments' (i.e. joint ventures and associates) profit after tax is equity accounted and presented as a single line item in the Group Income Statement. The profit after tax generated by the Group's equity accounted investments is analysed as follows under the principal Group Income Statement captions:

	Joint ventures 2015 £'000	**Associates 2015 £'000**	**Total 2015 £'000**	Restated Joint ventures 2014 £'000	Associates 2014 £'000	Restated Total 2014 £'000
Group share of:						
Revenue	**21,373**	**3,140**	**24,513**	20,834	5,106	25,940
Operating profit	**661**	**24**	**685**	1,136	40	1,176
Finance costs (net)	**–**	**–**	**–**	–	–	–
Profit before tax	**661**	**24**	**685**	1,136	40	1,176
Income tax expense	**(196)**	**–**	**(196)**	(172)	(7)	(179)
Profit after tax	**465**	**24**	**489**	964	33	997
The profit after tax is analysed as:						
Continuing operations	**378**	**24**	**402**	487	33	520
Discontinued operations	**87**	**–**	**87**	477	–	477
Profit after tax	**465**	**24**	**489**	964	33	997

15. Income Tax Expense

(i) Income tax expense recognised in the Income Statement

	2015 £'000	Restated 2014 £'000
Current taxation		
Irish corporation tax at 12.5%	**1,741**	3,957
Exceptional taxation charge (note 11)	**–**	5,255
United Kingdom corporation tax at 21% (2014: 23%)	**17,897**	20,669
Other overseas tax	**4,548**	6,036
Over provision in respect of prior years	**(5,359)**	–
Total current taxation	**18,827**	35,917
Deferred tax		
Irish at 12.5%	**(4,589)**	(3,797)
United Kingdom at 20%	**814**	(284)
Other overseas deferred tax	**1,638**	(2,345)
Under/(over) provision in respect of prior years	**2,191**	(2,409)
Total deferred tax	**54**	(8,835)
Total income tax expense	**18,881**	27,082
The total income tax expense for the financial year is analysed as follows:		
Continuing operations	**18,477**	26,371
Discontinued operations	**404**	711
Total income tax expense	**18,881**	27,082

Notes to the Financial Statements Continued

15. Income Tax Expense Continued

(ii) Deferred tax recognised in Other Comprehensive Income

	2015 £'000	Restated 2014 £'000
Defined benefit pension obligations, continuing operations	**(1,777)**	(81)
Defined benefit pension obligations, discontinued operations	**(410)**	(71)
	(2,187)	(152)
Cash flow hedges	**(324)**	(288)
	(2,511)	(440)

(iii) Reconciliation of effective tax rate

	2015 £'000	Restated 2014 £'000
Profit on ordinary activities before taxation	**163,305**	151,025
Add back: share of equity accounted investments' profit after tax	**(402)**	(520)
Add back: amortisation of intangible assets	**25,345**	20,416
	188,248	170,921
At the standard rate of corporation tax in Ireland of 12.5%	**23,531**	21,365
Adjustments in respect of prior years	**(2,997)**	(2,409)
Effect of earnings taxed at higher rates	**8,349**	9,328
Other differences	**(4,994)**	(2,278)
Income tax expense	**23,889**	26,006
Tax on exceptional gain	**–**	5,255
Deferred tax attaching to amortisation of intangible assets	**(5,008)**	(4,179)
Total income tax expense	**18,881**	27,082

	2015 %	2014 %
Income tax expense as a percentage of profit before share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	**12.0%**	14.0%
Impact of share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	**(0.4%)**	4.0%
Total income tax expense as a percentage of profit before tax	**11.6%**	18.0%

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

No significant change is expected to the standard rate of corporation tax in the Republic of Ireland which is currently 12.5%. The standard rate of corporation tax in the UK reduced from 23% to 21% with effect from 1 April 2014. The UK tax rate reduces to 20% with effect from 1 April 2015 and account has been taken of this change in these financial statements.

The Group has not provided deferred tax in relation to temporary differences applicable to investments in subsidiaries on the basis that the Group can control the timing and realisation of these temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. No provision has been recognised in respect of deferred tax relating to unremitted earnings of subsidiaries as there is no commitment to remit earnings.

16. Net Result from Discontinued Operations and Assets Classified as Held for Sale

Net Result from Discontinued Operations

As announced on 23 February 2015 the Group completed the disposal of the Roberts Roberts (including Findlater Wine & Spirits) and Kelkin businesses. In addition, the Group disposed of the trade and assets of Allied Foods as announced on 4 November 2014 and the disposal of Bottle Green Limited was completed on 28 April 2015. These businesses represented the Group's Food & Beverage division.

The following table summarises the consideration received, the profit on disposal of discontinued operations and the net cash flow arising on the disposal of these businesses:

	2015 £'000
Net consideration:	
Net proceeds received	**55,090**
Costs of disposal	**(4,326)**
Total net consideration	**50,764**
Assets and liabilities disposed of:	
Property, plant and equipment	**16,737**
Intangible assets	**17,573**
Equity accounted investments	**627**
Net deferred tax asset	**383**
Inventories	**16,192**
Trade and other receivables	**21,439**
Post employment benefit obligations	**(8,782)**
Contingent acquisition consideration	**(79)**
Trade and other payables	**(19,017)**
Other current liabilities	**(552)**
Net identifiable assets and liabilities disposed of	**44,521**
Recycling of foreign exchange gain previously recognised in foreign currency translation reserve	**(2,721)**
Non-cash impairment loss arising on assets held for sale	**750**
	42,550
Profit on disposal of discontinued operations after tax	**8,214**
Net cash flow from disposal of discontinued operations:	
Total proceeds received	**55,176**
Cash and cash equivalents disposed of	**(86)**
Net cash inflow from disposal of discontinued operations	**55,090**
Disposal costs paid	**(2,431)**
	52,659

The conditions for the businesses disposed of during the year (Robert Roberts, Kelkin and the trade and assets of Allied Foods) and after year end (Bottle Green Limited) to be classified as discontinued operations were fulfilled in the second half of the current financial year and, consequently, the results of these businesses which represented the Group's Food & Beverage division are presented separately as discontinued operations in the Group Income Statement and Group Cash Flow Statement.

Notes to the Financial Statements Continued

16. Net Result from Discontinued Operations and Assets Classified as Held for Sale Continued

The following table details the results of discontinued operations included in the Group Income Statement:

	2015 £'000	2014 £'000
Revenue	**143,360**	166,069
Cost of sales	**(111,314)**	(128,849)
Gross profit	**32,046**	37,220
Operating expenses	**(25,563)**	(30,651)
Operating profit before amortisation of intangible assets and exceptional items	**6,483**	6,569
Amortisation of intangible assets	**(1,288)**	(760)
Operating profit	**5,195**	5,809
Net finance costs	**(194)**	(280)
Share of equity accounted investments' profit after tax	**87**	477
Profit before exceptional items and tax	**5,088**	6,006
Exceptional items	**2,865**	(4,721)
Profit on disposal of discontinued operations	**8,214**	–
Profit before tax	**16,167**	1,285
Income tax expense	**(404)**	(711)
Profit from discontinued operations after tax	**15,763**	574

The profit for the year from discontinued operations is fully attributable to the equity holders of the Company.

The following table details the cash flows from discontinued operations included in the Group Cash Flow Statement:

	2015 £'000	2014 £'000
Net cash flows from operating activities	**(1,756)**	4,897
Net cash flows from investing activities	**4,674**	1,692
Net cash flows from financing activities	**–**	–
Net cash flows from discontinued operations	**2,918**	6,589

Assets Classified as Held for Sale

Following the disposal of a number of subsidiaries from the Food & Beverage division during the year, the Board committed to selling the division's remaining small UK wine distribution subsidiary, Bottle Green Limited and, accordingly, the assets and liabilities of this business are classified as an asset held for sale at the balance sheet date and the trading result is treated as a discontinued operation. The sale of this remaining subsidiary was completed on 28 April 2015. The fair value less costs to sell of the major classes of assets and liabilities held for sale as at 31 March 2015 are as follows:

	2015 £'000
Assets	
Property, plant and equipment (note 20)	**647**
Deferred income tax assets (note 32)	**48**
Inventories (note 27)	**2,537**
Trade and other receivables (note 27)	**6,612**
Cash and cash equivalents (note 28)	**2,352**
Assets classified as held for sale	**12,196**
Liabilities	
Trade and other payables (note 27)	**(7,863)**
Current income tax liabilities	**(103)**
Provisions for liabilities and charges (note 35)	**(250)**
Liabilities associated with assets classified as held for sale	**(8,216)**
Net assets	**3,980**

Management estimates have been used to determine fair value less costs to sell of the asset held for sale. The fair value has been determined as level 3 on the fair value hierarchy. The fair value of the asset held for sale is based on expected cash flows arising on the sale.

17. Profit Attributable to DCC plc

Profit after taxation for the year attributable to owners of the Parent amounting to £127.185 million (2014: £40.894 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.

18. Dividends

Dividends paid per Ordinary Share are as follows:	**2015 £'000**	2014 £'000
Final – paid 50.73 pence per share on 24 July 2014 (2014: paid 56.20 cent per share on 25 July 2013)	**41,927**	39,721
Interim – paid 28.73 pence per share on 28 November 2014 (2014: paid 26.12 pence per share on 29 November 2013)	**24,123**	22,167
	66,050	61,888

The Directors are proposing a final dividend in respect of the year ended 31 March 2015 of 55.81 pence per ordinary share (£46.891 million, based on the number of ordinary shares in issue at 18 May 2015). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

Interim and final dividends declared previously in euro have been translated to sterling using the relevant average sterling/euro exchange rate for the period.

19. Earnings per Ordinary Share

	Continuing operations 2015 £'000	**Discontinued operations (note 16) 2015 £'000**	**Total 2015 £'000**	Continuing operations 2014 £'000	Discontinued operations (note 16) 2014 £'000	Total 2014 £'000
Profit attributable to owners of the Parent	**128,664**	**15,763**	**144,427**	120,660	574	121,234
Amortisation of intangible assets after tax	**19,171**	**1,166**	**20,337**	15,572	665	16,237
Exceptionals after tax (note 11)	**21,995**	**(11,079)**	**10,916**	18,000	4,721	22,721
Adjusted profit after taxation and non-controlling interests	**169,830**	**5,850**	**175,680**	154,232	5,960	160,192

Basic earnings per ordinary share	**Continuing operations 2015 pence**	**Discontinued operations 2015 pence**	**Total 2015 pence**	Continuing operations 2014 pence	Discontinued operations 2014 pence	Total 2014 pence
Basic earnings per ordinary share	**153.20p**	**18.77p**	**171.97p**	144.02p	0.68p	144.70p
Amortisation of intangible assets after tax	**22.83p**	**1.39p**	**24.22p**	18.59p	0.79p	19.38p
Exceptionals after tax	**26.19p**	**(13.19p)**	**13.00p**	21.48p	5.64p	27.12p
Adjusted basic earnings per ordinary share	**202.22p**	**6.97p**	**209.19p**	184.09p	7.11p	191.20p
Weighted average number of ordinary shares in issue (thousands)			**83,983**			83,781

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

19. Earnings per Ordinary Share Continued

Diluted earnings per ordinary share	**Continuing operations 2015 pence**	**Discontinued operations 2015 pence**	**Total 2015 pence**	Continuing operations 2014 pence	Discontinued operations 2014 pence	Total 2014 pence
Basic earnings per ordinary share	**152.10p**	**18.63p**	**170.73p**	143.22p	0.68p	143.90p
Amortisation of intangible assets after tax	**22.66p**	**1.38p**	**24.04p**	18.48p	0.79p	19.27p
Exceptionals after tax	**26.00p**	**(13.10p)**	**12.90p**	21.36p	5.61p	26.97p
Adjusted basic earnings per ordinary share	**200.76p**	**6.91p**	**207.67p**	183.06p	7.08p	190.14p
Weighted average number of ordinary shares in issue (thousands)			**84,594**			84,250

The earnings used for the purposes of the continuing diluted earnings per share calculations were £128.664 million (2014: £120.660 million) and £169.830 million (2014: £154.232 million) for the purposes of the continuing adjusted diluted earnings per share calculations.

The earnings used for the purposes of the discontinued diluted earnings per share calculations were £15.763 million (2014: £0.574 million) and £5.850 million (2014: £5.960 million) for the purposes of the discontinued 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 2015 was 84.594 million (2014: 84.250 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:

	2015 '000	2014 '000
Weighted average number of ordinary shares in issue	**83,983**	83,781
Dilutive effect of options and awards	**611**	469
Weighted average number of ordinary shares for diluted earnings per share	**84,594**	84,250

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 and awards are the Company's only category of dilutive potential ordinary shares.

Employee share options and awards, 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.

20. 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 2015					
Opening net book amount (restated)	**152,394**	**208,986**	**32,654**	**70,830**	**464,864**
Exchange differences	**(4,717)**	**(7,144)**	**(1,343)**	**(1,165)**	**(14,369)**
Arising on acquisition (note 46)	**3,983**	**22,980**	**2,204**	**1,101**	**30,268**
Disposal of subsidiaries (note 16)	**(13,323)**	**(1,757)**	**(919)**	**(738)**	**(16,737)**
Additions	**9,483**	**43,762**	**12,609**	**9,472**	**75,326**
Disposals	**(1,216)**	**(1,325)**	**(517)**	**(9,740)**	**(12,798)**
Depreciation charge	**(3,762)**	**(31,499)**	**(12,226)**	**(12,223)**	**(59,710)**
Impairment charge (note 11)	**(425)**	**(588)**	**(495)**	**–**	**(1,508)**
Assets classified as held for sale (note 16)	**(606)**	**–**	**(41)**	**–**	**(647)**
Reclassifications	**(494)**	**(4,499)**	**2,444**	**2,549**	**–**
Closing net book amount	**141,317**	**228,916**	**34,370**	**60,086**	**464,689**
At 31 March 2015					
Cost	**172,651**	**577,166**	**109,975**	**148,884**	**1,008,676**
Accumulated depreciation and impairment losses	**(31,334)**	**(348,250)**	**(75,605)**	**(88,798)**	**(543,987)**
Net book amount	**141,317**	**228,916**	**34,370**	**60,086**	**464,689**
Year ended 31 March 2014 (restated)					
Opening net book amount	147,255	200,393	27,660	61,497	436,805
Exchange differences	(1,059)	(1,625)	(193)	(207)	(3,084)
Arising on acquisition	5,701	2,595	426	449	9,171
Disposal of subsidiaries	(875)	(129)	(46)	–	(1,050)
Additions	7,606	39,075	13,344	25,745	85,770
Disposals	(712)	(1,021)	(760)	(4,303)	(6,796)
Depreciation charge	(3,734)	(28,889)	(10,252)	(12,527)	(55,402)
Impairment charge (note 11)	(550)	–	–	–	(550)
Reclassifications	(1,238)	(1,413)	2,475	176	–
Closing net book amount	152,394	208,986	32,654	70,830	464,864
At 31 March 2014 (restated)					
Cost	192,676	543,717	107,147	156,648	1,000,188
Accumulated depreciation and impairment losses	(40,282)	(334,731)	(74,493)	(85,818)	(535,324)
Net book amount	152,394	208,986	32,654	70,830	464,864

Assets held under finance leases

The net carrying amount of assets held under finance leases and accordingly capitalised in property, plant and equipment are as follows:

	2015 £'000	2014 £'000
Motor vehicles	**477**	1,005
Fixtures & fittings & office equipment	**305**	361
Plant & machinery & cylinders	**29**	76
Net book amount	**811**	1,442

Notes to the Financial Statements Continued

21. Intangible Assets

Group	Goodwill £'000	Customer related intangibles £'000	Brand related intangibles £'000	Total £'000
Year ended 31 March 2015				
Opening net book amount (restated)	**688,439**	**54,077**	**–**	**742,516**
Exchange differences	**(23,779)**	**(2,215)**	**(416)**	**(26,410)**
Arising on acquisition (note 46)	**67,715**	**18,484**	**5,429**	**91,628**
Disposal of subsidiaries (note 16)	**(13,510)**	**(4,063)**	**–**	**(17,573)**
Impairment charge (note 11)	**(5,637)**	**–**	**–**	**(5,637)**
Amortisation charge	**–**	**(24,802)**	**(543)**	**(25,345)**
Closing net book amount	**713,228**	**41,481**	**4,470**	**759,179**
At 31 March 2015				
Cost	**752,745**	**142,508**	**5,013**	**900,266**
Accumulated amortisation and impairment losses	**(39,517)**	**(101,027)**	**(543)**	**(141,087)**
Net book amount	**713,228**	**41,481**	**4,470**	**759,179**
Year ended 31 March 2014 (restated)				
Opening net book amount	684,328	63,399	–	747,727
Exchange differences	(6,359)	(1,239)	–	(7,598)
Arising on acquisition	24,601	12,333	–	36,934
Impairment charge	(13,923)	–	–	(13,923)
Other movements (note 34)	(208)	–	–	(208)
Amortisation charge	–	(20,416)	–	(20,416)
Closing net book amount	688,439	54,077	–	742,516
At 31 March 2014 (restated)				
Cost	722,319	133,721	–	856,040
Accumulated amortisation and impairment losses	(33,880)	(79,644)	–	(113,524)
Net book amount	688,439	54,077	–	742,516

Customer related intangible assets principally comprise contractual and non-contractual customer relationships arising from business combinations and are amortised over their estimated useful lives. The weighted average remaining amortisation period for customer related intangibles is 2.6 years (2014: 2.7 years). Brand related intangible assets comprise registered trade names and logos which are well established and recognised within the industries in which the Group operates. The weighted average remaining amortisation period for brand related intangibles is 9.0 years (2014: n/a). There are no internally generated brand related intangibles.

21. Intangible Assets Continued

Cash-generating units

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 CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. The CGUs represent the lowest level within the Group at which the associated goodwill is assessed for internal management purposes and are not larger than the operating segments determined in accordance with IFRS 8 *Operating Segments*. A total of 27 CGUs (2014: 30 CGUs) have been identified and these are analysed between the Group's operating segments below together with a summary of the allocation of the carrying value of goodwill by segment.

	Cash-generating units		Goodwill (£'000)	
	2015 number	Restated 2014 number	**2015 £'000**	Restated 2014 £'000
DCC Energy	**12**	12	**419,136**	406,511
DCC Technology	**7**	5	**62,603**	63,643
DCC Healthcare	**4**	4	**154,121**	125,197
DCC Environmental	**4**	4	**77,368**	78,909
Discontinued operations	**–**	4	**–**	14,179
	27	29	**713,228**	688,439

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

	2015 £'000	2014 £'000
Certas Energy UK Group	**252,735**	252,408
DCC Vital Group	**135,209**	106,700

For the purpose of impairment testing, the discount rates applied to these CGUs to which significant amounts of goodwill have been allocated were 8.5% (2014: 8.5%) for the Certas Energy UK Group and 8.2% (2014: 8.5%) for the DCC Vital Group. The long term growth rate assumed in both cases was 2.4% (2014: 2.3%). The remaining goodwill balance of £325.284 million is allocated across 25 CGUs (2014: £329.331 million over 27 CGUs), none of which are individually significant.

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to CGUs for the purpose of impairment testing. Impairment of goodwill occurs when the carrying value of a CGU is greater than the present value of the cash that it is expected to generate (i.e. the recoverable amount). The Group reviews the carrying value of each CGU at least annually or more frequently if there is an indication that the CGU may be impaired.

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 that has been formally approved by the Board of Directors and specifically excludes future acquisition activity. Cash flows for a further two years are based on the assumptions underlying the three year plan. A long term growth rate reflecting the lower of the extrapolated cash flow projections and the long term GDP rate for the country of operation is applied to the year five cash flows. The weighted average long term growth rate used in the impairment testing was 2.4% (2014: 2.3%).

A present value of the future cash flows is calculated using a before-tax discount rate representing the Group's estimated before-tax weighted average cost of capital, adjusted to reflect risks associated with each CGU. The range of discount rates applied ranged from 8.2% to 8.5% (2014: 7.5% to 8.5%).

Key assumptions include management's estimates of future profitability, working capital investment and capital expenditure requirements. Cash flow forecasts and key assumptions are generally determined based on historical performance together with management's expectation of future trends affecting the industry and other developments and initiatives in the business. The prior year assumptions were prepared on the same basis.

Applying these techniques, an impairment charge of £5.637 million arose in 2015 (2014: £13.923 million). The impairment charge, which is included in the Income Statement in other operating expenses, arose in DCC Vital (a subsidiary of the Group's Healthcare division) where a component of this CGU experienced weak demand in the current year and any potential recovery in profits is forecasted at a slower rate than previously anticipated. The recoverable amount for this CGU was determined on a value in use basis. For the purpose of impairment testing, the discount rate applied to this CGU was 8.2% (2014: 8.5%).

Notes to the Financial Statements Continued

21. Intangible Assets Continued

Sensitivity Analysis

Sensitivity analysis was performed by increasing the discount rate by 1.5%, reducing the long term growth rate by 0.3% and decreasing cash flows by 10% which resulted in an excess in the recoverable amount of 26 CGUs over their carrying amount under each approach. 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. In relation to the remaining CGU which forms part of the DCC Technology segment, the value in use of £38.8 million represented an excess of £1.9 million over its carrying value of £36.9 million. The table below identifies the amounts by which each of the key assumptions must change in order for its' recoverable amount to be equal to its' carrying amount:

Increase in discount rate	0.3 percentage points
Reduction in long term growth rate	0.4 percentage points
Reduction in cash flow	4.9%

22. Equity Accounted Investments

	2015 £'000	Restated 2014 £'000
At 1 April	**6,124**	5,889
Share of profit after tax	**489**	997
Dividends received	**(828)**	(633)
Disposal of equity accounted investments (note 16)	**(627)**	–
Exchange and other	**(195)**	(129)
At 31 March	**4,963**	6,124

Investments in associates and joint ventures at 31 March 2015 include goodwill of £1.674 million (2014: £1.907 million).

Summarised financial information for the Group's investment in joint ventures and associates which are accounted for using the equity method is as follows:

	Non-current assets £'000	**Current assets £'000**	**Non-current liabilities £'000**	**Current liabilities £'000**	**Net assets £'000**
As at 31 March 2015					
Joint ventures	**5,081**	**2,573**	**–**	**(3,356)**	**4,298**
Associates	**338**	**420**	**–**	**(93)**	**665**
Total	**5,419**	**2,993**	**–**	**(3,449)**	**4,963**
As at 31 March 2014 (restated)					
Joint ventures	6,118	3,198	(8)	(4,008)	5,300
Associates	407	887	(111)	(359)	824
Total	6,525	4,085	(119)	(4,367)	6,124

Details of the Group's joint ventures and associates are as follows:

Name and Registered Office	**Nature of Business**	**Financial Year End**	**% Shareholding**	**Relevant Share Capital**
Joint ventures:				
KSG Dining Limited, McKee Avenue, Finglas, Dublin 11, Ireland.	Restaurant and hospitality service provider.	31 March	50.0%	10,000,000 ordinary shares of €1.25 each.
Associates:				
Lee Oil (Cork) Limited, Clonminam Industrial Estate, Portlaoise, Co Laois, Ireland.	Sale and distribution of oil products.	31 March	50.0%	100 ordinary shares of €1.26 each.

23. Investments in Subsidiary Undertakings

Company	2015 £'000	2014 £'000
At 1 April	**142,692**	143,807
Additions	**3,945**	1,880
Disposals	**(6,675)**	–
Exchange	**(17,170)**	(2,995)
At 31 March	**122,792**	142,692

Details of the Group's principal operating subsidiaries are shown on pages 189 to 192. Non-wholly owned subsidiaries principally comprises DCC Environmental Britain Limited (75%) (which owns 100% of Wastecycle Limited, Oakwood Fuels Limited and William Tracey Limited) where put and call options exist to acquire the remaining 25%.

The Group's principal overseas holding company subsidiaries are DCC Limited, a company operating, incorporated and registered in England and Wales and DCC International Holdings B.V., a company operating, incorporated and registered in The Netherlands. The registered office of DCC Limited is at Hill House, 1 Little New Street, London EC4A 3TR, England. The registered office of DCC International Holdings B.V. is Teleport Boulevard 140, 1043 EJ Amsterdam, The Netherlands.

24. Inventories

Group	2015 £'000	Restated 2014 £'000
Raw materials	**16,149**	14,074
Work in progress	**1,974**	2,476
Finished goods	**302,532**	484,858
	320,655	501,408

25. Trade and Other Receivables

Group	2015 £'000	Restated 2014 £'000
Trade receivables	**774,546**	877,293
Provision for impairment of trade receivables (note 47)	**(15,103)**	(17,222)
Prepayments and accrued income	**58,333**	52,308
Value added tax recoverable	**8,818**	13,631
Other debtors	**20,680**	31,811
	847,274	957,821

Company	2015 £'000	2014 £'000
Amounts owed by subsidiary undertakings	**258,033**	335,662

Notes to the Financial Statements Continued

26. Trade and Other Payables

Group	2015 £'000	Restated 2014 £'000
Trade payables	**1,095,648**	1,242,750
Other creditors and accruals	**140,709**	171,856
PAYE and National Insurance	**10,328**	11,918
Value added tax	**57,846**	50,482
Government grants (note 36)	**24**	20
Interest payable	**4,469**	4,740
Amounts due in respect of property, plant and equipment	**3,112**	7,288
	1,312,136	1,489,054

Company	2015 £'000	2014 £'000
Amounts due to subsidiary undertakings	**164,448**	279,319
Other creditors and accruals	**442**	506
	164,890	279,825

27. Movement in Working Capital

Group	Inventories £'000	Trade and other receivables £'000	Trade and other payables £'000	Total £'000
Year ended 31 March 2015				
At 1 April 2014 (restated)	**501,408**	**957,821**	**(1,489,054)**	**(29,825)**
Translation adjustment	**(10,979)**	**(38,393)**	**48,317**	**(1,055)**
Arising on acquisition (note 46)	**20,878**	**49,138**	**(56,834)**	**13,182**
Disposal of subsidiaries (note 16)	**(16,192)**	**(21,439)**	**19,017**	**(18,614)**
Exceptional items, interest accruals and other	**(2,538)**	**(2,582)**	**1,067**	**(4,053)**
(Decrease)/increase in working capital (note 42)	**(169,385)**	**(90,659)**	**157,488**	**(102,556)**
Assets and liabilities classified as held for sale (note 16)	**(2,537)**	**(6,612)**	**7,863**	**(1,286)**
At 31 March 2015	**320,655**	**847,274**	**(1,312,136)**	**(144,207)**
Year ended 31 March 2014 (restated)				
At 1 April 2013	389,155	1,137,296	(1,459,179)	67,272
Translation adjustment	(1,685)	(11,336)	12,359	(662)
Arising on acquisition	6,748	22,209	(25,811)	3,146
Disposal of subsidiaries	(2,209)	(1,525)	(671)	(4,405)
Exceptional items, interest accruals and other	–	969	(9,190)	(8,221)
Increase/(decrease) in working capital (note 42)	109,399	(189,792)	(6,562)	(86,955)
At 31 March 2014	501,408	957,821	(1,489,054)	(29,825)

27. Movement in Working Capital Continued

Company	Trade and other receivables £'000	Trade and other payables £'000	Total £'000
Year ended 31 March 2015			
At 1 April 2014	**335,662**	**(316,801)**	**18,861**
Translation adjustment	**(37,777)**	**30,179**	**(7,598)**
Dividends received	**(28,405)**	**–**	**(28,405)**
(Decrease)/increase in working capital (note 42)	**(11,447)**	**107,604**	**96,157**
At 31 March 2015	**258,033**	**(179,018)**	**79,015**
Year ended 31 March 2014			
At 1 April 2013	315,632	(275,766)	39,866
Translation adjustment	(7,003)	6,573	(430)
Dividends receivable	29,476	–	29,476
Decrease in working capital (note 42)	(2,443)	(47,608)	(50,051)
At 31 March 2014	335,662	(316,801)	18,861

28. Cash and Cash Equivalents

Group	2015 £'000	Restated 2014 £'000
Cash at bank and in hand	**251,592**	312,787
Short-term bank deposits	**1,009,350**	649,352
	1,260,942	962,139

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:

	2015 £'000	Restated 2014 £'000
Cash and short-term bank deposits	**1,260,942**	962,139
Bank overdrafts	**(133,629)**	(148,578)
Cash and short-term bank deposits attributable to assets held for sale (note 16)	**2,352**	–
	1,129,665	813,561

Bank overdrafts are included within current borrowings (note 30) in the Group Balance Sheet.

Company	2015 £'000	2014 £'000
Cash at bank and in hand	**617**	2,999

Notes to the Financial Statements Continued

29. Derivative Financial Instruments

Group	2015 £'000	2014 £'000
Non-current assets		
Cross currency interest rate swaps – fair value hedges	**187,033**	48,917
Cross currency interest rate swaps – cash flow hedges	**26,561**	–
Interest rate swaps – fair value hedges	**17,018**	7,323
Currency swaps – not designated as hedges	**2,538**	–
	233,150	56,240
Current assets		
Cross currency interest rate swaps – fair value hedges	**2,610**	253
Interest rate swaps – fair value hedges	**–**	318
Foreign exchange forward contracts – cash flow hedges	**2,026**	373
Foreign exchange forward contracts – fair value hedges	**48**	2
Foreign exchange forward contracts – not designated as hedges	**39**	28
Commodity forward contracts – cash flow hedges	**672**	20
Commodity forward contracts – fair value hedges	**–**	193
Commodity forward contracts – not designated as hedges	**–**	34
	5,395	1,221
Total assets	**238,545**	57,461
Non-current liabilities		
Cross currency interest rate swaps – fair value hedges	**–**	(31,671)
Cross currency interest rate swaps – cash flow hedges	**(92)**	(9,657)
Currency swaps – not designated as hedges	**–**	(4,308)
	(92)	(45,636)
Current liabilities		
Cross currency interest rate swaps – fair value hedges	**–**	(950)
Currency swaps – not designated as hedges	**–**	(13,843)
Foreign exchange forward contracts – cash flow hedges	**(933)**	(129)
Foreign exchange forward contracts – fair value hedges	**–**	(240)
Foreign exchange forward contracts – not designated as hedges	**(208)**	(109)
Commodity forward contracts – cash flow hedges	**(6,501)**	(3,348)
Commodity forward contracts – fair value hedges	**(225)**	(8)
Commodity forward contracts – not designated as hedges	**(35)**	(72)
	(7,902)	(18,699)
Total liabilities	**(7,994)**	(64,335)
Net asset/(liability) arising on derivative financial instruments	**230,551**	(6,874)

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 2015 total US$43.0 million, Stg£95.0 million and €105.0 million. At 31 March 2015, the fixed interest rates vary from 3.0% to 6.18% and the floating rates are based on US$ 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$43.0 million/€36.5 million and are not designated as hedges under IAS 39.

29. Derivative Financial Instruments Continued

Cross currency interest rate swaps

The Group utilises cross currency interest rate swaps to swap fixed rate US$ denominated debt of US$1,239.5 million into floating rate sterling debt of Stg£357.369 million and floating rate euro debt of €474.705 million. At 31 March 2015 the fixed interest rates vary from 3.41% to 6.19%. These swaps are designated as fair value hedges under IAS 39.

The Group utilises cross currency interest rate swaps to swap fixed rate US$ denominated debt of US$317.0 million into fixed rate sterling debt of Stg£61.189 million and floating rate euro debt of €163.045 million. At 31 March 2015 the fixed US$ interest rates vary from 4.04% to 4.98%. These swaps are designated as cash flow hedges under IAS 39.

Forward foreign exchange contracts

The notional principal amounts of outstanding forward foreign exchange contracts at 31 March 2015 total £119.935 million (2014: £62.204 million). Gains and losses recognised in the cash flow hedge reserve in equity (note 39) at 31 March 2015 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 2015 total £68.024 million (2014: £41.056 million). Gains and losses recognised in the cash flow hedge reserve in equity (note 39) at 31 March 2015 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.

30. Borrowings

Group	2015 £'000	2014 £'000
Non-current		
Finance leases*	**213**	619
Unsecured Notes	**1,314,173**	725,212
	1,314,386	725,831
Current		
Bank borrowings	**133,629**	148,578
Finance leases*	**357**	501
Unsecured Notes	**15,486**	167,647
	149,472	316,726
Total borrowings	**1,463,858**	1,042,557

* Secured on specific plant and equipment

The maturity of non-current borrowings is as follows:

	2015 £'000	2014 £'000
Between 1 and 2 years	**99,759**	14,697
Between 2 and 5 years	**303,562**	152,708
Over 5 years	**911,065**	558,426
	1,314,386	725,831

Bank borrowings and finance leases

Interest on bank borrowings 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 majority of finance leases are at fixed rates.

In January 2012, the Group put in place a five year committed revolving credit facility with four relationship banks: Barclays, HSBC, JP Morgan and RBS. The Group had various other uncommitted bank facilities available at 31 March 2015.

Notes to the Financial Statements Continued

30. Borrowings Continued

Unsecured Notes

The Group's Unsecured Notes which fall due between 2015 and 2029 are comprised of fixed rate debt of US$43.0 million issued in 2004 and maturing in 2016 (the '2016 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$22.5 million issued in 2008 and maturing in 2015 (the '2015 Notes'), fixed rate debt of US$293.0 million and €20.0 million issued in 2010 and maturing in 2017, 2020 and 2022 (the '2017/20/22 Notes'), fixed rate debt of US$525 million issued in 2013 and maturing in 2020, 2023 and 2025 (the '2020/23/25 Notes') and fixed rate debt of US$516.0 million, €85.0 million and £70.0 million issued in 2014 and maturing in 2021, 2024, 2026 and 2029 (the '2021/24/26/29 Notes').

The 2015 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 2016 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 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 2017/20/22 Notes denominated in US$, $178.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating sterling rates, repricing quarterly based on sterling LIBOR and $115.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating euro rates, repricing quarterly based on EURIBOR. The 2017/20/22 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.

Of the 2020/23/25 Notes denominated in US$, $255.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating euro rates, repricing quarterly based on EURIBOR, $140.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating sterling rates, repricing quarterly based on sterling LIBOR, $85.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed euro rates and $45.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed sterling rates.

Of the 2021/24/26/29 Notes denominated in US$, $269.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating euro rates, repricing quarterly based on EURIBOR, $60.0 million has been swapped (using cross currency interest rate swaps designated as fair value hedges under IAS 39) from fixed US$ to floating sterling rates, repricing quarterly based on sterling LIBOR, $135.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed euro rates, $52.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US$ to fixed sterling rates. The 2021/24/26/29 Notes denominated in euro have been swapped (using interest rate swaps designated as fair value hedges under IAS 39) from fixed euro to floating euro rates, repricing quarterly based on EURIBOR. The 2021/24/26/29 Notes denominated in sterling have been swapped (using interest rate swaps designated as fair value hedges under IAS 39) from fixed sterling to floating sterling rates, repricing quarterly based on sterling LIBOR.

The maturity and interest profile of the Unsecured Notes is as follows:

	2015	2014
Average maturity**	**7.1 years**	7.8 years
Average fixed interest rates**		
– US$ denominated*	**4.78%**	4.76%
– sterling denominated*	**4.91%**	4.91%
– euro denominated*	**3.49%**	3.49%
Average floating rate including swaps		
– sterling denominated	**2.10%**	1.94%
– euro denominated	**1.84%**	1.84%

* Issued and repayable at par

** 2014 comparatives include the 2021/24/26/29 Notes and exclude the portion of the 2004 Notes repaid on 22 April 2014 (US$157.0 million and £30.0 million)

31. Analysis of Net Cash/(Debt)

Reconciliation of opening to closing net cash/(debt)

The reconciliation of opening to closing net cash/(debt) for the year ended 31 March 2015 is as follows:

	Restated At 1 April 2014 £'000	Cash flow £'000	Fair value adjustment Income Statement £'000	Fair value adjustment Cash Flow Hedge Reserve £'000	Translation adjustment £'000	At 31 March 2015 £'000
Cash and short term bank deposits	**962,139**	**360,591**	**–**	**–**	**(59,436)**	**1,263,294**
Overdrafts	**(148,578)**	**13,719**	**–**	**–**	**1,230**	**(133,629)**
	813,561	**374,310**	**–**	**–**	**(58,206)**	**1,129,665**
Finance leases	**(1,120)**	**486**	**–**	**–**	**64**	**(570)**
Unsecured Notes	**(892,859)**	**(279,358)**	**(196,358)**	**–**	**38,916**	**(1,329,659)**
Derivative financial instruments (net)	**(6,874)**	**8,098**	**194,167**	**37,131**	**(1,971)**	**230,551**
Group net (debt)/cash (including cash attributable to assets classified as held for sale)	**(87,292)**	**103,536**	**(2,191)**	**37,131**	**(21,197)**	**29,987**
Group net (debt)/cash (excluding cash attributable to assets classified as held for sale)	**(89,763)**	**103,655**	**(2,191)**	**37,131**	**(21,197)**	**27,635**

The reconciliation of opening to closing net debt for the year ended 31 March 2014 (restated) is as follows:

	Restated At 1 April 2013 £'000	Cash flow £'000	Fair value adjustment Income Statement £'000	Fair value adjustment Cash Flow Hedge Reserve £'000	Translation adjustment £'000	Restated At 31 March 2014 £'000
Cash and short term bank deposits	518,228	452,544	–	–	(8,633)	962,139
Overdrafts	(87,851)	(61,005)	–	–	278	(148,578)
	430,377	391,539	–	–	(8,355)	813,561
Finance leases	(1,341)	175	–	–	46	(1,120)
Unsecured Notes	(737,583)	(282,586)	110,988	–	16,322	(892,859)
Derivative financial instruments (net)	121,898	(7,500)	(113,116)	(8,300)	144	(6,874)
Group net debt	(186,649)	101,628	(2,128)	(8,300)	8,157	(87,292)

Currency profile

The currency profile of net debt at 31 March 2015 is as follows:

	Euro £'000	Sterling £'000	US Dollar £'000	Swedish Krona £'000	Other £'000	Total £'000
Cash and cash equivalents	**414,859**	**803,136**	**9,049**	**20,128**	**16,122**	**1,263,294**
Borrowings	**(722,902)**	**(740,644)**	**–**	**(312)**	**–**	**(1,463,858)**
Derivatives	**138,285**	**95,656**	**(3,390)**	**–**	**–**	**230,551**
	(169,758)	**158,148**	**5,659**	**19,816**	**16,122**	**29,987**

The currency profile of net debt at 31 March 2014 (restated) is as follows:

	Euro £'000	Sterling £'000	US Dollar £'000	Swedish Krona £'000	Other £'000	Total £'000
Cash and cash equivalents	241,772	674,728	13,777	16,972	14,890	962,139
Borrowings	(443,930)	(598,152)	(74)	(401)	–	(1,042,557)
Derivatives	(33,200)	26,455	(129)	–	–	(6,874)
	(235,358)	103,031	13,574	16,571	14,890	(87,292)

Interest rate profile

Cash and cash equivalents at 31 March 2015 and 31 March 2014 have maturity periods up to three months (note 28).

Bank borrowings are at floating interest rates for periods less than six months while the Group's Unsecured Notes due 2015 to 2029 have been swapped to a combination of fixed rates and floating rates which reset on a quarterly or semi-annual basis (note 30). The majority of finance leases are at fixed rates.

Notes to the Financial Statements Continued

32. Deferred Income Tax

The following is an analysis of the movement in the major categories of deferred tax liabilities/(assets) recognised by the Group for the year ended 31 March 2015:

	Property plant and equipment £'000	Intangible assets £'000	Tax losses and credits £'000	Retirement benefit obligations £'000	Short term temporary differences and other differences £'000	Total £'000
At 1 April 2014 (restated)	**9,590**	**14,438**	**(3,009)**	**(2,420)**	**(2,332)**	**16,267**
Consolidated Income Statement movement	**2,433**	**(5,156)**	**(257)**	**1,725**	**1,309**	**54**
Recognised in Other Comprehensive Income	**–**	**–**	**–**	**(2,187)**	**(324)**	**(2,511)**
Arising on acquisition	**3,028**	**4,382**	**–**	**–**	**616**	**8,026**
Deferred tax on disposals (note 16)	**(218)**	**(277)**	**–**	**875**	**3**	**383**
Deferred tax attributable to asset held for sale (note 16)	**10**	**–**	**–**	**–**	**38**	**48**
Exchange differences and other	**(446)**	**(996)**	**287**	**170**	**(129)**	**(1,114)**
At 31 March 2015	**14,397**	**12,391**	**(2,979)**	**(1,837)**	**(819)**	**21,153**
Analysed as:						
Deferred tax asset	**(1,265)**	**–**	**(2,979)**	**(1,944)**	**(3,192)**	**(9,380)**
Deferred tax liability	**15,662**	**12,391**	**–**	**107**	**2,373**	**30,533**
	14,397	**12,391**	**(2,979)**	**(1,837)**	**(819)**	**21,153**

The following is an analysis of the movement in the major categories of deferred tax liabilities/(assets) recognised by the Group for the year ended 31 March 2014 (restated):

	Property plant and equipment £'000	Intangible assets £'000	Tax losses and credits £'000	Retirement benefit obligations £'000	Short term temporary differences and other differences £'000	Total £'000
At 1 April 2013 (restated)	11,411	18,294	(1,319)	(3,209)	(1,758)	23,419
Consolidated Income Statement movement	(1,736)	(5,841)	(1,815)	879	(321)	(8,834)
Recognised in Other Comprehensive Income	–	–	–	(152)	(288)	(440)
Arising on acquisition	–	2,402	–	–	106	2,508
Exchange differences and other	(85)	(417)	125	62	(71)	(386)
At 31 March 2014	9,590	14,438	(3,009)	(2,420)	(2,332)	16,267
Analysed as:						
Deferred tax asset	(989)	–	(3,009)	(2,638)	(4,615)	(11,251)
Deferred tax liability	10,579	14,438	–	218	2,283	27,518
	9,590	14,438	(3,009)	(2,420)	(2,332)	16,267

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, significant judgement is used when assessing the extent to which deferred tax assets should be recognised, with consideration given to the timing and level of future taxable income in the relevant jurisdiction. The majority of the net deferred tax asset at 31 March 2015 of £9.380 million is expected to be settled/recovered more than twelve months after the balance sheet date.

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. Deferred income tax has not been recognised for withholding and other taxes that may be payable on the unremitted earnings of certain subsidiaries as the timing of the reversal of these temporary differences is controlled by the Group and it is probable that these temporary differences will not reverse in the foreseeable future.

33. Post Employment 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 five defined benefit pension schemes in the Republic of Ireland and four in the UK. The projected unit credit method has been employed in determining the present value of the defined benefit obligation arising, the related current service cost and, where applicable, past service cost.

Full actuarial valuations were carried out between 1 April 2011 and 1 April 2014. 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 2015 for IAS 19 by a qualified actuary.

The schemes expose the Group to a number of risks, the most significant of which are as follows:

Discount rates
The calculation of the present value of the defined benefit obligation is sensitive to changes in the discount rate. The discount rate is based on the interest yield at the balance sheet date on high quality corporate bonds of a currency and term consistent with the currency and term of the post employment benefit obligation. Changes in the discount rate can lead to volatility in the Group's Balance Sheet, Income Statement and Statement of Comprehensive Income.

Asset volatility
The scheme assets are reported at fair value using bid prices where relevant. The majority of the Group's scheme assets comprise of bonds. A decrease in corporate bond yields will increase the value of the Group's bond holdings although this will be partially offset by an increase in the value of the scheme's liabilities. The Group also holds a significant proportion of equities which are expected to outperform corporate bonds in the long term while providing some volatility and risk in the short term. External consultants periodically conduct investment reviews to determine the most appropriate asset allocation, taking account of asset valuations, funding requirements, liability duration and the achievement of appropriate returns.

Inflation risk
The majority of the Group's defined benefit obligations are linked to inflation and higher inflation will lead to higher scheme liabilities although caps are in place to protect the schemes against extreme inflation.

Mortality risk
The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the defined benefit obligation.

The principal actuarial assumptions used were as follows:

	2015	2014
Republic of Ireland schemes		
Rate of increase in salaries	**n/a***	2.00% – 3.00%
Rate of increase in pensions in payment	**1.25% – 2.50%**	2.50%
Discount rate	**1.50%**	3.40%
Inflation assumption	**1.60%**	2.00%

* There is no future service accrual for the Irish schemes so salary inflation is not applicable.

	2015	2014
UK schemes		
Rate of increase in salaries	**3.10%**	3.50%
Rate of increase in pensions in payment	**1.55% – 3.10%**	1.75% – 3.50%
Discount rate	**3.35%**	4.50%
Inflation assumption	**3.10%**	3.50%

Notes to the Financial Statements Continued

33. Post Employment Benefit Obligations Continued

The post-retirement mortality assumptions employed in determining the present value of scheme liabilities under IAS 19 are set based on advice from published statistics and experience in both geographic regions and are in accordance with the underlying funding valuations. The mortality assumptions disclosed for 'current retirees' relate to assumptions based on longevity, in years, following retirement at the balance sheet date, with 'future retirees' being that relating to an employee retiring in 20 years time. The mortality assumptions are as follows:

	2015	2014
Current retirees		
Male	**24.1**	23.7
Female	**25.9**	25.3
Future retirees		
Male	**26.9**	26.6
Female	**28.9**	27.8

The Group does not operate any post-employment medical benefit schemes.

The net pension liability recognised in the Balance Sheet is analysed as follows:

	2015		
	ROI £'000	UK £'000	Total £'000
Equities	**22,673**	**10,000**	**32,673**
Bonds	**31,848**	**13,840**	**45,688**
Property	**870**	**1,145**	**2,015**
Cash	**3,269**	**1,518**	**4,787**
Total fair value at 31 March 2015	**58,660**	**26,503**	**85,163**
Present value of scheme liabilities	**(66,056)**	**(29,337)**	**(95,393)**
Net pension liability at 31 March 2015	**(7,396)**	**(2,834)**	**(10,230)**

	2014		
	ROI £'000	UK £'000	Total £'000
Equities	30,011	8,398	38,409
Bonds	50,670	11,144	61,814
Property	725	1,027	1,752
Cash	1,002	945	1,947
Total fair value at 31 March 2014	82,408	21,514	103,922
Present value of scheme liabilities	(94,940)	(25,015)	(119,955)
Net pension liability at 31 March 2014	(12,532)	(3,501)	(16,033)

33. Post Employment Benefit Obligations Continued

The amounts recognised in the Group Income Statement in respect of defined benefit pension schemes are as follows:

	2015 £'000	2014 £'000
Current service cost	**(677)**	(870)
Past service credit	**326**	316
Administration expenses	**(43)**	(60)
Total, included in employee benefit expenses (note 9)	**(394)**	(614)
The amounts included in employee benefit expense is analysed as:		
Continuing operations	**(72)**	(224)
Discontinued operations	**(322)**	(390)
	(394)	(614)
Exceptional past service credit	**5,922**	–
Exceptional curtailment and settlement gains	**2,823**	1,435
Total, included in exceptional items	**8,745**	1,435
The net exceptional item is analysed as:		
Continuing operations (note 11)	**6,381**	1,435
Discontinued operations	**2,364**	–
	8,745	1,435
Interest cost on scheme liabilities	**(3,875)**	(4,517)
Interest income on scheme assets	**3,439**	3,844
Net interest expense, included in finance costs	**(436)**	(673)
The net interest expense is analysed as:		
Continuing operations (note 12)	**(316)**	(492)
Discontinued operations	**(120)**	(181)
	(436)	(673)

Based on the assumptions employed for the valuation of assets and liabilities at 31 March 2015, the net charge in the Group Income Statement in the year ending 31 March 2016 (excluding the exceptional item above) is expected to be broadly in line with the current year figures.

Remeasurements recognised in Other Comprehensive Income are as follows:

	2015 £'000	2014 £'000
Return on scheme assets excluding interest income	**17,895**	1,110
Experience variations	**1,300**	818
Actuarial loss from changes in demographic assumptions	**(1,282)**	–
Actuarial loss from changes in financial assumptions	**(37,215)**	(2,763)
Total, included in Other Comprehensive Income	**(19,302)**	(835)

Cumulatively since transition to IFRS on 1 April 2004, £58.206 million has been recognised as a charge in the Group Statement of Comprehensive Income.

Notes to the Financial Statements Continued

33. Post Employment Benefit Obligations Continued

The movement in the fair value of plan assets is as follows:

	2015 £'000	2014 £'000
At 1 April	**103,922**	98,846
Interest income on scheme assets	**3,439**	3,844
Remeasurements:		
– return on scheme assets excluding interest income	**17,895**	1,110
Contributions by employers	**7,189**	3,741
Contributions by members	**184**	268
Administration expenses	**(43)**	(60)
Benefits paid	**(2,295)**	(2,105)
Disposal of subsidiaries	**(36,249)**	–
Exchange	**(8,879)**	(1,722)
At 31 March	**85,163**	103,922

The actual return on plan assets was a gain of £21.334 million (2014: gain of £4.954 million).

The movement in the present value of defined benefit obligations is as follows:

	2015 £'000	2014 £'000
At 1 April	**119,955**	118,198
Current service cost	**677**	870
Past service credit	**(326)**	(316)
Interest cost	**3,875**	4,517
Remeasurements:		
– experience variations	**(1,300)**	(818)
– actuarial loss from changes in demographic assumptions	**1,282**	–
– actuarial loss from changes in financial assumptions	**37,215**	2,763
Contributions by members	**184**	268
Benefits paid	**(2,295)**	(2,105)
Exceptional past service credit and curtailment gains	**(8,745)**	(1,435)
Disposal of subsidiaries	**(45,031)**	–
Exchange	**(10,098)**	(1,987)
At 31 March	**95,393**	119,955

The weighted average duration of the defined benefit obligation at 31 March 2015 was 23.0 years (2014: 21.6 years).

Employer contributions for the forthcoming financial year are estimated at £4.0 million. The difference between the actual employer contributions paid in the current year of £7.2 million and the expectation of £5.0 million included in the 2014 Annual Report was primarily due to the timing of contributions in certain of the Group's pension schemes which could not have been anticipated at the time of preparation of the 2014 financial statements.

Sensitivity analysis for principal assumptions used to measure scheme liabilities

There are inherent uncertainties surrounding the financial assumptions adopted in calculating the actuarial valuation of the Group's defined benefit pension schemes. The following table analyses, for the Group's Irish and UK pension schemes, the estimated impact on plan liabilities resulting from changes to key actuarial assumptions, whilst holding all other assumptions constant.

Assumption	Change in assumption	Impact on Irish plan liabilities	Impact on UK plan liabilities
Discount rate	Increase/decrease by 0.25%	Decrease/increase by 5.7%	Decrease/increase by 5.8%
Price inflation	Increase/decrease by 0.25%	Increase/decrease by 3.0%	Increase/decrease by 5.3%
Mortality	Increase/decrease by one year	Increase/decrease by 3.7%	Increase/decrease by 3.0%

33. Post Employment Benefit Obligations Continued

Split of scheme assets

	UK		Republic of Ireland		Total	
	2015 £'000	2014 £'000	**2015 £'000**	2014 £'000	**2015 £'000**	2014 £'000
Investments quoted in active markets:						
Equity instruments:						
– developed markets	**9,499**	7,524	**21,200**	28,874	**30,699**	36,398
– emerging markets	**501**	874	**1,473**	1,137	**1,974**	2,011
Debt instruments:						
– non government debt instruments	**5,709**	7,142	**17,281**	15,447	**22,990**	22,589
– government debt instruments	**8,131**	4,019	**14,567**	35,206	**22,698**	39,225
Cash and cash equivalents	**1,518**	928	**3,269**	1,019	**4,787**	1,947
Unquoted investments:						
Property	**1,145**	1,027	**870**	725	**2,015**	1,752
	26,503	21,514	**58,660**	82,408	**85,163**	103,922

34. Contingent Acquisition Consideration

Group

The Group's contingent acquisition consideration of £43.384 million (2014: £53.323 million) as stated on the Balance Sheet consists of £33.167 million of sterling floating rate financial liabilities (2014: £46.997 million), £3.704 million of euro floating rate financial liabilities (2014: £5.374 million) and £6.513 million of swedish krona floating rate financial liabilities (2014: £0.952 million) payable as follows:

	2015 £'000	2014 £'000
Within one year	**3,235**	16,374
Between one and two years	**8,394**	2,972
Between two and five years	**31,755**	33,977
	43,384	53,323
Analysed as:		
Non-current liabilities	**40,149**	36,949
Current liabilities	**3,235**	16,374
	43,384	53,323

The movement in the Group's contingent acquisition consideration is as follows:

	2015 £'000	2014 £'000
At 1 April	**53,323**	75,959
Arising on acquisition	**8,489**	4,257
Disposal of subsidiaries (note 16)	**(79)**	–
Adjustments to contingent consideration (adjustment to goodwill)	**–**	(208)
Adjustments to contingent consideration (recognised in the Income Statement)	**(1,056)**	(16,165)
Paid during the year	**(16,326)**	(10,196)
Exchange and other	**(967)**	(324)
At 31 March	**43,384**	53,323

Notes to the Financial Statements Continued

35. Provisions for Liabilities and Charges

The reconciliation of the movement in provisions for liabilities and charges for the year ended 31 March 2015 is as follows:

Group	Rationalisation, restructuring and redundancy £'000	Environmental and remediation £'000	Insurance and other £'000	Total £'000
At 1 April 2014 (restated)	**13,265**	**9,609**	**8,068**	**30,942**
Provided during the year	**(460)**	**(391)**	**3,118**	**2,267**
Utilised during the year	**(503)**	**(904)**	**(2,071)**	**(3,478)**
Arising on acquisition (note 46)	**–**	**10,829**	**–**	**10,829**
Provisions for liabilities and charges attributable to assets classified as held for sale (note 16)	**–**	**–**	**(250)**	**(250)**
Exchange and other	**(1,653)**	**(1,147)**	**(398)**	**(3,198)**
At 31 March 2015	**10,649**	**17,996**	**8,467**	**37,112**
Analysed as:				
Non–current liabilities	**4,979**	**17,821**	**6,216**	**29,016**
Current liabilities	**5,670**	**175**	**2,251**	**8,096**
	10,649	**17,996**	**8,467**	**37,112**

The reconciliation of the movement in provisions for liabilities and charges for the year ended 31 March 2014 (restated) is as follows:

Group	Rationalisation, restructuring and redundancy £'000	Environmental and remediation £'000	Insurance and other £'000	Total £'000
At 1 April 2013 (restated)	13,589	8,801	6,717	29,107
Provided during the year	16,675	(750)	2,967	18,892
Utilised during the year	(16,606)	(288)	(1,357)	(18,251)
Arising on acquisition	–	1,930	–	1,930
Exchange and other	(393)	(84)	(259)	(736)
At 31 March 2014	13,265	9,609	8,068	30,942
Analysed as:				
Non-current liabilities	7,177	9,352	7,628	24,157
Current liabilities	6,088	257	440	6,785
	13,265	9,609	8,068	30,942

Rationalisation, restructuring and redundancy

This provision relates to various rationalisation and restructuring programs across the Group. The Group expects that the majority of this provision will be utilised within one year.

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. 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 but the exact timing of settlement of these provisions is not certain.

Insurance and other

The Group operates a level of self-insurance for motor liability and public and products liability. Under these arrangements the Group retains certain insurance exposure up to pre-determined self-insurance thresholds. This provision reflects an estimation of claims that are classified as incurred but not reported and also the outstanding loss reserve. A significant element of the provision is subject to external assessments. The utilisation of the provision is dependent on the timing of settlement of the outstanding claims. Historically, the average time for settlement of outstanding claims ranges from 3-5 years from the date of the claim.

36. Government Grants

Group	2015 £'000	2014 £'000
At 1 April	**1,343**	1,631
Amortisation in year	**(358)**	(383)
Arising on acquisition (note 46)	**281**	–
Received in year	**52**	100
Exchange and other adjustments	**(22)**	(5)
At 31 March	**1,296**	1,343
Disclosed as due within one year (note 26)	**(24)**	(20)
	1,272	1,323

Government grants relate to capital grants received and are amortised to the Income Statement over the estimated useful lives of the related capital assets.

37. Share Capital

Group and Company	2015 £'000	2014 £'000
Authorised		
152,368,568 ordinary shares of €0.25 each	**25,365**	25,365
Issued		
88,229,404 ordinary shares (including 4,211,270 ordinary shares held as treasury shares) of €0.25 each, fully paid (2014: 88,229,404 ordinary shares (including 4,367,440 ordinary shares held as treasury shares) of €0.25 each, fully paid)	**14,688**	14,688

As at 31 March 2015, the total authorised number of ordinary shares is 152,368,568 shares (2014: 152,368,568 shares) with a par value of €0.25 per share (2014: €0.25 per share).

During the year the Company re-issued 156,170 treasury shares for a consideration (net of expenses) of £1.699 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 and awards granted under the Company's share option and award schemes and the terms attaching thereto are provided in note 10 to the financial statements and in the Remuneration Report on pages 82 to 100.

Restriction on transfer of shares
The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share, or any renunciation of any allotment made in respect of a share, which is not fully paid, or any transfer of a share to a minor or a person of unsound mind.

The Directors may also refuse to register any transfer (whether or not it is in respect of a fully paid share) unless (i) it is lodged at the Company's Registered Office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer save where the transferor is a Stock Exchange Nominee (ii) it is in respect of only one class of shares and (iii) it is in favour of not more than four transferees.

Restriction of voting rights
If at any time the Directors determine that a 'Specified Event' as defined in the Articles of Association of DCC plc has occurred in relation to any share or shares, the Directors may serve a notice to such effect on the holder or holders thereof. Upon the expiry of 14 days from the service of any such notice, for so long as such notice shall remain in force, no holder or holders of the share or shares specified in such notice shall be entitled to attend, speak or vote either personally, by representative or by proxy at any general meeting of the Company or at any separate general meeting of the holders of the class of shares concerned or to exercise any other right conferred by membership in relation to any such meeting. The Directors shall, where the specified shares represent not less than 0.25 per cent of the class of shares concerned, be entitled: to withhold payment of any dividend or other amount payable (including shares issuable in lieu of dividends) in respect of the specified shares; and/or to refuse to register any transfer of the specified shares or any renunciation of any allotment of new shares or debentures made in respect thereof unless such transfer or renunciation is shown to the satisfaction of the Directors to be an arm's length transfer or a renunciation to another beneficial owner unconnected with the holder or any person appearing to have an interest in the specified shares.

Notes to the Financial Statements Continued

38. Share Premium

Group and Company	2015 £'000	2014 £'000
At 31 March	**83,032**	83,032

Share premium of £83.032 million relates to the share premium arising on the issue of shares.

39. Other Reserves

Group	Share based payment reserve[1] £'000	Cash flow hedge reserve[2] £'000	Foreign currency translation reserve[3] £'000	Other reserves[4] £'000	Total £'000
At 1 April 2013	9,445	(677)	57,017	932	66,717
Currency translation:					
– arising in the year	–	–	(7,519)	–	(7,519)
– recycled to the Income Statement on disposal	–	–	324	–	324
Cash flow hedges					
– fair value loss in year – private placement debt	–	(8,300)	–	–	(8,300)
– fair value loss in year – other	–	(3,828)	–	–	(3,828)
– tax on fair value net losses	–	536	–	–	536
– transfers to sales	–	(676)	–	–	(676)
– transfers to cost of sales	–	2,546	–	–	2,546
– transfers to operating expenses	–	6,803	–	–	6,803
– tax on transfers	–	(248)	–	–	(248)
Share based payment	1,185	–	–	–	1,185
At 31 March 2014	**10,630**	**(3,844)**	**49,822**	**932**	**57,540**
Currency translation:					
– arising in the year	**–**	**–**	**(14,418)**	**–**	**(14,418)**
– recycled to the Income Statement on disposal	**–**	**–**	**(2,721)**	**–**	**(2,721)**
Cash flow hedges					
– fair value gain in year – private placement debt	**–**	**37,131**	**–**	**–**	**37,131**
– fair value loss in year – other	**–**	**(15,901)**	**–**	**–**	**(15,901)**
– tax on fair value net gains	**–**	**(2,633)**	**–**	**–**	**(2,633)**
– transfers to sales	**–**	**4,893**	**–**	**–**	**4,893**
– transfers to cost of sales	**–**	**7,889**	**–**	**–**	**7,889**
– transfers to operating expenses	**–**	**(40,954)**	**–**	**–**	**(40,954)**
– tax on transfers	**–**	**2,957**	**–**	**–**	**2,957**
Share based payment	**2,126**	**–**	**–**	**–**	**2,126**
At 31 March 2015	**12,756**	**(10,462)**	**32,683**	**932**	**35,909**

39. Other Reserves Continued

Company	Foreign currency translation reserve[5] £'000	Other reserves[6] £'000	Total £'000
At 1 April 2013	63,061	229	63,290
Currency translation	(3,489)	–	(3,489)
At 31 March 2014	**59,572**	**229**	**59,801**
Currency translation	**(24,962)**	**–**	**(24,962)**
At 31 March 2015	**34,610**	**229**	**34,839**

1 The share based payment 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 Group's 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-sterling 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 foreign currency translation reserve represents all foreign exchange differences from 1 April 2004 arising from the translation of the net assets of the Company's euro denominated operations into sterling (the presentation currency), including the translation of the profits and losses of the Company from the average rate for the year to the closing rate at the balance sheet date.
6 The Company's other reserves is a capital conversion reserve fund.

40. Retained Earnings

Group	2015 £'000	2014 £'000
At 1 April	**786,158**	725,514
Net income recognised in Income Statement	**144,427**	121,234
Net income recognised in Other Comprehensive Income		
– remeasurements of defined benefit pension obligations	**(19,302)**	(835)
– deferred tax on remeasurements	**2,187**	152
Re-issue of treasury shares (net of expenses)	**1,699**	1,981
Dividends	**(66,050)**	(61,888)
At 31 March	**849,119**	786,158

Company	2015 £'000	2014 £'000
At 1 April	**7,031**	26,044
Total comprehensive income for the financial year	**127,185**	40,894
Re-issue of treasury shares (net of expenses)	**1,699**	1,981
Dividends	**(66,050)**	(61,888)
At 31 March	**69,865**	7,031

The cost to the Group and the Company of €56.984 million to acquire the 4,211,270 shares held in Treasury has been deducted from the Group and Company Retained Earnings. These shares were acquired at prices ranging from €10.80 to €17.90 each (average: €13.53) between 27 November 2003 and 19 June 2006 and are primarily held to satisfy exercises under the Group's share options and awards schemes.

41. Non-Controlling Interests

Group	2015 £'000	2014 £'000
At 1 April	**4,837**	2,391
Share of (loss)/profit for the financial year	**(3)**	2,709
Dividends to non-controlling interests	**–**	(207)
Exchange	**(589)**	(56)
At 31 March	**4,245**	4,837

Notes to the Financial Statements Continued

42. Cash Generated from Operations

Group	2015 £'000	Restated 2014 £'000
Profit for the financial year	**144,424**	123,943
Add back non-operating expenses/(income)		
– tax (note 15)	**18,881**	27,082
– share of equity accounted investments' profit	**(489)**	(997)
– net operating exceptionals	**8,725**	13,283
– net finance costs	**31,313**	23,539
Operating profit before exceptionals	**202,854**	186,850
– share-based payments expense (note 10)	**2,126**	1,185
– depreciation (note 20)	**59,710**	55,402
– amortisation of intangible assets (note 21)	**25,345**	20,416
– profit on disposal of property, plant and equipment	**(3,256)**	(1,783)
– amortisation of government grants (note 36)	**(358)**	(383)
– other (primarily pension payments)	**(11,159)**	(1,779)
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):		
– inventories (note 27)	**169,385**	(109,399)
– trade and other receivables (note 27)	**90,659**	189,792
– trade and other payables (note 27)	**(157,488)**	6,562
Cash generated from operations before exceptionals	**377,818**	346,863

Company	2015 £'000	2014 £'000
Profit for the financial year	**127,185**	40,894
Add back non-operating income		
– net operating exceptionals	**(31,100)**	–
– net finance income	**(7,160)**	(10,093)
– dividend income	**(87,312)**	(29,490)
Operating profit	**1,613**	1,311
Changes in working capital:		
– trade and other receivables (note 27)	**11,447**	2,443
– trade and other payables (note 27)	**(107,604)**	47,608
Cash generated from operations	**(94,544)**	51,362

43. Contingencies

Guarantees

The Company and certain subsidiaries have given guarantees of £1,830.325 million (2014: £1,603.209 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 Energy Limited, DCC Finance Limited, DCC Facilities Limited, DCC Finance & Treasury Limited, DCC Healthcare Limited, DCC Management Services Limited, DCC Nominees Limited, DCC Technology Limited, DCC Technology (Holdings) Limited, DCC Treasury Ireland 2013 Limited, DCC Treasury Solutions Limited, Emo Oil Limited, Energy Procurement Limited, Energy Procurement Ireland 2013 Limited, Exertis Ireland Limited, Fannin Limited, Flogas Ireland Limited, Great Gas Petroleum (Ireland) Limited, Heleconia Limited, SerCom (Holdings) Limited and Shannon Environmental Holdings Limited. As a result, these companies will be exempted from the filing provisions of Section 7, Companies (Amendment) Act, 1986.

44. Capital Expenditure Commitments

Group	2015 £'000	2014 £'000
Capital expenditure on property, plant and equipment that has been contracted for but has not been provided for in the financial statements	**9,613**	4,704
Capital expenditure on property, plant and equipment that has been authorised by the Directors but has not yet been contracted for	**132,821**	73,835
	142,434	78,539

45. Commitments under Operating and Finance Leases
Group
Operating leases
Future minimum rentals payable under non-cancellable operating leases at 31 March are as follows:

	2015 £'000	2014 £'000
Within one year	**23,073**	23,147
After one year but not more than five years	**60,129**	43,111
More than five years	**80,929**	62,247
	164,131	128,505

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 2015, £28.504 million (2014: £27.672 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:

	2015		2014	
	Minimum payments £'000	Present value of payments £'000	Minimum payments £'000	Present value of payments £'000
Within one year	**359**	**357**	503	501
After one year but not more than five years	**216**	**213**	630	619
	575	**570**	1,133	1,120
Less: amounts allocated to future finance costs	**(5)**	**–**	(13)	–
Present value of minimum lease payments	**570**	**570**	1,120	1,120

46. Business Combinations
A key strategy of the Group is to create and sustain market leadership positions through bolt-on acquisitions in markets it currently operates in together with extending the Group's footprint into new geographic markets. In line with this strategy, the principal acquisitions completed by the Group during the year, together with percentages acquired were as follows:
- the acquisition of 100% of Qstar Försäljning AB, a Swedish unmanned petrol station company, along with its related fuel distribution and Fuel Card businesses ('Qstar'), completed in May 2014;
- the acquisition in May 2014 of 100% of Williams Medical Holdings ('Williams'), a UK based business which supplies medical and pharmaceutical products and related services to general practitioners in Britain;
- the acquisition in September 2014 of 100% of CapTech Distribution AB, Sweden's largest independent technology distribution business; and
- the acquisition in November 2014 of 100% of Beacon Pharmaceuticals Limited, a niche pharma business which markets and sells its own licensed and third party pharma products primarily to the hospital sector in the UK.

Notes to the Financial Statements Continued

46. Business Combinations Continued

The carrying amounts of the assets and liabilities acquired (excluding net cash/debt 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:

	2015 £'000 Williams	2015 £'000 Qstar	2015 £'000 Others	2015 £'000 Total
Assets				
Non-current assets				
Property, plant and equipment (note 20)	2,598	26,152	1,518	30,268
Intangible assets – other intangible assets (note 21)	11,827	6,983	5,103	23,913
Deferred income tax assets	2	–	–	2
Total non-current assets	14,427	33,135	6,621	54,183
Current assets				
Inventories (note 27)	2,536	5,603	12,739	20,878
Trade and other receivables (note 27)	6,816	27,815	14,507	49,138
Total current assets	9,352	33,418	27,246	70,016
Liabilities				
Non-current liabilities				
Deferred income tax liabilities	(2,365)	(4,879)	(784)	(8,028)
Provisions for liabilities and charges	–	(10,829)	–	(10,829)
Government grants	(281)	–	–	(281)
Total non-current liabilities	(2,646)	(15,708)	(784)	(19,138)
Current liabilities				
Trade and other payables (note 27)	(8,686)	(35,520)	(12,628)	(56,834)
Current income tax asset/(liability)	183	–	(413)	(230)
Total current liabilities	(8,503)	(35,520)	(13,041)	(57,064)
Identifiable net assets acquired	12,630	15,325	20,042	47,997
Intangible assets – goodwill (note 21)	31,819	23,370	12,526	67,715
Total consideration (enterprise value)	44,449	38,695	32,568	115,712
Satisfied by:				
Cash	47,926	36,402	17,410	101,738
Debt acquired	–	–	9,246	9,246
Cash and cash equivalents acquired	(3,477)	–	(284)	(3,761)
Net cash outflow	44,449	36,402	26,372	107,223
Contingent acquisition consideration	–	2,293	6,196	8,489
Total consideration	44,449	38,695	32,568	115,712

46. Business Combinations Continued

The acquisitions of Williams and Qstar have been deemed to be substantial transactions 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 period 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:

Williams	Book value £'000	Fair value adjustments £'000	Fair value £'000
Non-current assets (excluding goodwill)	2,600	11,827	14,427
Current assets	9,352	–	9,352
Non-current liabilities	(281)	(2,365)	(2,646)
Current liabilities	(8,503)	–	(8,503)
Identifiable net assets acquired	3,168	9,462	12,630
Goodwill arising on acquisition	41,281	(9,462)	31,819
Total consideration (enterprise value)	44,449	–	44,449

Qstar	Book value £'000	Fair value adjustments £'000	Fair value £'000
Non-current assets (excluding goodwill)	26,152	6,983	33,135
Current assets	33,418	–	33,418
Non-current liabilities	(14,172)	(1,536)	(15,708)
Current liabilities	(35,520)	–	(35,520)
Identifiable net assets acquired	9,878	5,447	15,325
Goodwill arising on acquisition	28,817	(5,447)	23,370
Total consideration (enterprise value)	38,695	–	38,695

Others	Book value £'000	Fair value adjustments £'000	Fair value £'000
Non-current assets (excluding goodwill)	1,518	5,103	6,621
Current assets	27,246	–	27,246
Non-current liabilities	(303)	(481)	(784)
Current liabilities	(13,041)	–	(13,041)
Identifiable net assets acquired	15,420	4,622	20,042
Goodwill arising on acquisition	17,148	(4,622)	12,526
Total consideration (enterprise value)	32,568	–	32,568

Total	Book value £'000	Fair value adjustments £'000	Fair value £'000
Non-current assets (excluding goodwill)	30,270	23,913	54,183
Current assets	70,016	–	70,016
Non-current liabilities	(14,756)	(4,382)	(19,138)
Current liabilities	(57,064)	–	(57,064)
Identifiable net assets acquired	28,466	19,531	47,997
Goodwill arising on acquisition	87,246	(19,531)	67,715
Total consideration (enterprise value)	115,712	–	115,712

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 2016 Annual Report as stipulated by IFRS 3.

Notes to the Financial Statements Continued

46. Business Combinations Continued

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.

£3.647 million of the goodwill recognised in respect of acquisitions completed during the financial year is expected to be deductible for tax purposes.

Acquisition related costs included in other operating expenses in the Group Income Statement (inclusive of acquisition costs related to discontinued operations) amounted to £3.463 million (2014: £5.638 million).

No contingent liabilities were recognised on the acquisitions completed during the financial year or the prior financial years.

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to £49.276 million. The fair value of these receivables is £49.138 million (all of which is expected to be recoverable) and is inclusive of an aggregate allowance for impairment of £0.138 million.

The fair value of contingent consideration recognised at the date of acquisition is calculated by discounting the expected future payment to present value at the acquisition date. In general, for contingent consideration to become payable, pre-defined profit thresholds must be exceeded. On an undiscounted basis, the future payments for which the Group may be liable for acquisitions in the current year range from £2.7 million to £18.0 million.

There were no adjustments processed during the year to the fair value of business combinations completed during the year ended 31 March 2014 where those fair values were not readily determinable as at 31 March 2014.

The post-acquisition impact of business combinations completed during the year on Group profit for the financial year was as follows:

	2015 £'000
Revenue	**397,257**
Cost of sales	**(343,176)**
Gross profit	**54,081**
Operating costs	**(38,741)**
Operating profit	**15,340**
Finance costs (net)	**8**
Profit before tax	**15,348**
Income tax expense	**(2,684)**
Profit for the financial year	**12,664**

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:

	2015 £'000
Revenue	**10,658,071**
Profit for the financial year	**145,324**

47. 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.

Return on capital employed ('ROCE') is a key performance indicator for the Group. Further analysis of ROCE is included in the Financial Review on pages 54 to 61.

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 Group includes borrowings in its measure of capital. The Group's borrowings are subject to covenants. Further details on this are outlined in the Liquidity Risk Management section of this note.

The policy for net cash/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 cash/debt and contingent acquisition consideration, may be summarised as follows:

Group	2015 £'000	Restated 2014 £'000
Capital and reserves attributable to the owners of the Parent	**982,748**	941,418
Net (cash)/debt (note 31)	**(29,987)**	87,292
Contingent acquisition consideration (note 34)	**43,384**	53,323
At 31 March	**996,145**	1,082,033

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 December 2014. These policies and guidelines primarily cover credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. The Group does not trade in financial instruments nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange and commodity price exposures within approved policies and guidelines.

There are no significant concentrations of risk and there has been no significant change during the financial year, or since the end of the year, to the types of financial risks faced by the Group or the Group's approach to the management of those risks.

(i) Credit risk management

Credit risk arises from credit exposure to trade receivables, cash and cash equivalents including deposits with banks and financial institutions and derivative 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 2015 of £1,263.294 million, 50.5% (£637.749 million) was with financial institutions with a minimum rating in the P-1 (short-term) category of Moody's and 94.9% (£1,198.382 million) was with financial institutions with a minimum rating in the P-2 (short-term) category of Moody's. In the normal course of business, the Group operates notional cash pooling systems, where a legal right of set-off applies. As at 31 March 2015 derivative transactions were with counterparties with ratings ranging from A+ to BB (long-term) with Standard and Poors or Aa2 to Ba2 (long-term) with Moody's.

Management does not expect any significant counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each asset.

Notes to the Financial Statements Continued

47. Financial Risk and Capital Management Continued

Included in the Group's trade and other receivables as at 31 March 2015 are balances of £57.769 million (2014: £87.420 million) which are past due at the reporting date but not impaired. The aged analysis of these balances is as follows:

Group	2015 £'000	2014 £'000
Less than 1 month overdue	**42,986**	61,188
1 – 3 months overdue	**10,447**	18,301
3 – 6 months overdue	**2,899**	6,272
Over 6 months overdue	**1,437**	1,659
	57,769	87,420

Trade and other receivables which are not past due nor impaired at the reporting date are expected to be fully recoverable.

The movement in the provision for impairment of trade receivables during the year is as follows:

Group	2015 £'000	Restated 2014 £'000
At 1 April	**17,222**	20,706
Provision for impairment recognised in the year	**4,635**	4,904
Subsequent recovery of amounts previously provided for	**(1,523)**	(388)
Amounts written off during the year	**(3,929)**	(8,105)
Arising on acquisition	**45**	298
Exchange	**(1,069)**	(193)
Disposal of subsidiaries	**(248)**	–
Provision for impairment of trade receivables attributable to assets held for sale	**(30)**	–
At 31 March	**15,103**	17,222

The vast majority of the provision for impairment relates to trade and other receivables balances which are over 6 months overdue.

Company

There were no past due or impaired trade receivables in the Company at 31 March 2015 (31 March 2014: 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 debt covenants is monitored continually 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 2015 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. Further analysis of the Group's debt covenants is included in the Financial Review on pages 54 to 61.

47. Financial Risk and Capital Management Continued

The tables below show the projected contractual undiscounted total cash outflows (principal and interest) arising from the Group's trade and other payables, gross debt and derivative financial instruments. The tables also include the gross cash inflows projected to arise from derivative financial instruments. These projections are based on the interest and foreign exchange rates applying at the end of the relevant financial year.

Group As at 31 March 2015	**Less than 1 year £'000**	**Between 1 and 2 years £'000**	**Between 2 and 5 years £'000**	**Over 5 years £'000**	**Total £'000**
Financial liabilities – cash outflows					
Trade and other payables	**(1,312,136)**	**–**	**–**	**–**	**(1,312,136)**
Interest bearing loans and borrowings	**(149,196)**	**(95,150)**	**(267,058)**	**(875,415)**	**(1,386,819)**
Interest payments on interest bearing loans and borrowings	**(61,480)**	**(56,590)**	**(146,062)**	**(138,989)**	**(403,121)**
Contingent acquisition consideration	**(3,235)**	**(8,394)**	**(31,755)**	**–**	**(43,384)**
Cross currency swaps – gross cash outflows	**(34,439)**	**(91,054)**	**(257,247)**	**(697,976)**	**(1,080,716)**
Other derivative financial instruments	**(5,117)**	**–**	**–**	**–**	**(5,117)**
	(1,565,603)	**(251,188)**	**(702,122)**	**(1,712,380)**	**(4,231,293)**
Derivative financial instruments – cash inflows					
Interest rate swaps – net cash inflows	**4,080**	**4,061**	**7,449**	**8,418**	**24,008**
Cross currency swaps – gross cash inflows	**66,573**	**129,713**	**372,261**	**864,604**	**1,433,151**
	70,653	**133,774**	**379,710**	**873,022**	**1,457,159**

Group As at 31 March 2014 (restated)	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	(1,489,054)	–	–	–	(1,489,054)
Interest bearing loans and borrowings	(315,617)	(14,058)	(139,619)	(995,485)	(1,464,779)
Interest payments on interest bearing loans and borrowings	(55,568)	(53,504)	(143,567)	(168,192)	(420,831)
Contingent acquisition consideration	(16,374)	(2,972)	(33,977)	–	(53,323)
Cross currency swaps – gross cash outflows	(177,859)	(39,289)	(173,238)	(976,035)	(1,366,421)
Other derivative financial instruments	(3,256)	–	–	–	(3,256)
	(2,057,728)	(109,823)	(490,401)	(2,139,712)	(4,797,664)
Derivative financial instruments – cash inflows					
Interest rate swaps – net cash inflows	6,189	5,909	13,550	13,224	38,872
Cross currency swaps – gross cash inflows	182,672	59,390	222,545	999,103	1,463,710
	188,861	65,299	236,095	1,012,327	1,502,582

The Group has sufficient cash resources and liquid assets to enable it to meet its current borrowing obligations and trade and other payables. The Group has a well balanced profile of debt maturities over the coming years which will be serviced through a combination of cash and cash equivalents, cash flows, committed bank facilities and the raising of additional long term debt.

Notes to the Financial Statements Continued

47. Financial Risk and Capital Management Continued

Company **As at 31 March 2015**	**Less than 1 year £'000**	**Between 1 and 2 years £'000**	**Between 2 and 5 years £'000**	**Over 5 years £'000**	**Total £'000**
Financial liabilities – cash outflows					
Trade and other payables	**164,890**	**–**	**14,128**	**–**	**179,018**

Company As at 31 March 2014	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	279,825	–	36,976	–	316,801

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 presentation currency is sterling. 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 the euro 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 Group does not hedge 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 non-sterling, primarily euro denominated, operations which are cash generative and cash generated from these operations is reinvested in development activities rather than being repatriated into sterling. 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 the relevant currency, although this hedge is offset by the strong ongoing cash flow generated from the Group's non-sterling operations, leaving DCC with a net investment in non-sterling assets. The 12.2% strengthening in the value of sterling against the euro during the year ended 31 March 2015, was the main element of the translation loss of £15.0 million arising on the translation of DCC's non-sterling denominated net asset position at 31 March 2015 as set out in the Group Statement of Comprehensive Income.

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 currencies other than the local currency and there is not a natural hedge with other activities within the Group, DCC generally hedges between 50% and 90% of those transactions for the subsequent two months. The Group also hedges a proportion of anticipated transactions in certain subsidiaries for periods ranging up to fifteen months with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes.

Sensitivity to currency movements

Group

A change in the value of other currencies by 10% against sterling would have a £0.7 million (2014: £0.7 million) impact on the Group's profit before tax, would change the Group's equity by £9.4 million and change the Group's net cash/debt by £11.7 million (2014: £5.2 million and £21.9 million respectively). These amounts include an insignificant amount of transactional currency exposure.

Company

The Company does not have any material assets or liabilities denominated in any currency other than euro at 31 March 2015 or at 31 March 2014 which would give rise to a significant transactional currency exposure. However, as the presentation currency for the Company is sterling, it is exposed to fluctuations in the sterling/euro exchange rate. A change in the value of euro by 10% against sterling would have an £11.6 million (2014: £1.1 million) impact on the Company's profit before tax, would change the Company's equity by £20.2 million and change the Company's net cash by £0.1 million (2014: £13.6 million and £0.3 million respectively).

Interest rate risk management

On a net cash/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 a combination of fixed and 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.

47. Financial Risk and Capital Management Continued

Sensitivity of interest charges to interest rate movements

Group

Based on the composition of net cash/debt at 31 March 2015 a one percentage point (100 basis points) change in average floating interest rates would have a £3.9 million (2014: £4.1 million) impact on the Group's profit before tax.

Further information on Group borrowings and the management of related interest rate risk is set out in notes 29 and 30.

Company

The Company holds negligible levels of cash and consequently the interest earned on cash at bank does not give rise to any significant market risk. Finance income principally comprises guarantee fees charged at fixed rates on intergroup loans. Finance costs comprise interest on intergroup loans payable at variable market rates.

Commodity price risk management

The Group is exposed to commodity cost price risk in its oil distribution and LPG businesses. Market dynamics are such that these commodity cost price movements are immediately reflected in oil commodity sales prices and, within a short period, in LPG commodity sales prices and in the resale prices of recycled oil products. Fixed price oil supply contracts are occasionally provided to certain customers for periods of less than one year. To manage this exposure, the Group enters into matching forward commodity contracts which are designated as hedges under IAS 39. The Group hedges a proportion of its anticipated LPG commodity exposure, with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes. In addition, to cover certain customer segments for 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 Chief Executive and the Chief Financial Officer and are reviewed by the Board.

Sensitivity to commodity price movements

Group

Due to pricing dynamics in the oil distribution market and the recycled oil product market, an increase or decrease of 10% in the commodity cost price of oil would have a nil impact on the Group's profit before tax (2014: nil) and a nil impact on the Group's equity (2014: 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 dependent on seasonal variations, competitive pressures and the underlying absolute cost of the commodity at the time and, as such, is difficult to quantify but would not be material.

Company

The Company has no exposure to commodity price risk.

Fair values of financial assets and financial liabilities

The fair values of borrowings (none of which are listed) and derivative financial instruments are measured by discounting cash flows at prevailing interest and exchange rates. The fair values of expected future payments under contingent consideration arrangements are determined by applying a risk-adjusted discount rate to the future payments which are based on forecasted operating profits of the acquired entity over the relevant period. The carrying value of non-interest bearing financial assets and financial liabilities and cash and cash equivalents approximates their fair values, largely due to their short-term maturities. The following is a comparison by category of book values and fair values of the Group's and Company's financial assets and financial liabilities:

	2015		2014 (restated)	
Group	**Book value £'000**	**Fair value £'000**	Book value £'000	Fair value £'000
Financial assets				
Derivative financial instruments	**238,545**	**238,545**	57,461	57,461
Trade and other receivables	**847,274**	**847,274**	957,821	957,821
Cash and cash equivalents	**1,260,942**	**1,260,942**	962,139	962,139
	2,346,761	**2,346,761**	1,977,421	1,977,421
Financial liabilities				
Borrowings	**1,463,858**	**1,439,781**	1,042,557	1,068,642
Derivative financial instruments	**7,994**	**7,994**	64,335	64,335
Contingent acquisition consideration	**43,384**	**43,384**	53,323	53,323
Trade and other payables	**1,312,136**	**1,312,136**	1,489,054	1,489,054
	2,827,372	**2,803,295**	2,649,269	2,675,354

Notes to the Financial Statements Continued

47. Financial Risk and Capital Management Continued

Company	2015 Book value £'000	2015 Fair value £'000	2014 Book value £'000	2014 Fair value £'000
Financial assets				
Trade and other receivables	**258,033**	**258,033**	335,662	335,662
Cash and cash equivalents	**617**	**617**	2,999	2,999
	258,650	**258,650**	338,661	338,661
Financial liabilities				
Trade and other payables	**179,018**	**179,018**	316,801	316,801
	179,018	**179,018**	316,801	316,801

Group

The Group has adopted the following fair value measurement hierarchy in relation to its financial assets and financial liabilities that are carried in the Balance Sheet at fair value as at the year end:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs, other than quoted prices included within level 1, that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Group Fair value measurement as at 31 March 2015	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets				
Derivative financial instruments (note 29)	**–**	**238,545**	**–**	**238,545**
	–	**238,545**	**–**	**238,545**
Financial liabilities				
Contingent acquisition consideration	**–**	**–**	**43,384**	**43,384**
Derivative financial instruments (note 29)	**–**	**7,994**	**–**	**7,994**
	–	**7,994**	**43,384**	**51,378**

Group Fair value measurement as at 31 March 2014	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets				
Derivative financial instruments	–	57,461	–	57,461
	–	57,461	–	57,461
Financial liabilities				
Contingent acquisition consideration	–	–	53,323	53,323
Derivative financial instruments	–	64,335	–	64,335
	–	64,335	53,323	117,658

Level 2 fair value measurement:

The specific valuation techniques used to value financial instruments that are carried at fair value using level 2 valuation techniques are:

- The fair value of interest rate, currency and cross currency interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date with the resulting value discounted back to present value.
- The fair value of forward commodity contracts is determined using quoted forward commodity prices at the balance sheet date with the resulting value discounted back to present value.

47. Financial Risk and Capital Management Continued

Level 3 fair value measurement:

The specific valuation techniques used to value contingent consideration that is carried at fair value using level 3 valuation techniques are:

- The expected future payments are determined by forecasting the acquiree's relevant basis for the contingent consideration (i.e. valuations based on EBITDA or EBIT multiples) as appropriate to the specific contractual earn out arrangement.
- The present value of the estimated future expected payments are discounted using a risk-adjusted discount rate where the time value of money is material.

The estimated fair value of contingent consideration would increase/(decrease) if EBITDA/EBIT growth was higher/(lower) or if the risk-adjusted discount rate was lower/(higher).

Company

As at 31 March 2015 and 31 March 2014 the Company had no financial assets or financial liabilities which were carried at fair value.

Offsetting financial assets and financial liabilities

(i) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements or similar agreements:

Group As at 31 March 2015	**Gross amounts of recognised financial assets £'000**	**Gross amounts of recognised financial liabilities set off in the Balance Sheet £'000**	**Net amounts of financial assets presented in the Balance Sheet £'000**	**Related amounts not set off in the Balance Sheet: Financial liabilities £'000**	**Related amounts not set off in the Balance Sheet: Cash collateral received £'000**	**Net amount £'000**
Derivative financial instruments	**235,760**	**–**	**235,760**	**(92)**	**–**	**235,668**
Cash and cash equivalents	**199,362**	**–**	**199,362**	**(85,227)**	**–**	**114,135**
	435,122	**–**	**435,122**	**(85,319)**	**–**	**349,803**

Group As at 31 March 2014	Gross amounts of recognised financial assets £'000	Gross amounts of recognised financial liabilities set off in the Balance Sheet £'000	Net amounts of financial assets presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet: Financial liabilities £'000	Related amounts not set off in the Balance Sheet: Cash collateral received £'000	Net amount £'000
Derivative financial instruments	56,811	–	56,811	(16,885)	–	39,926
Cash and cash equivalents	226,255	–	226,255	(133,575)	–	92,680
	283,066	–	283,066	(150,460)	–	132,606

(ii) Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements or similar agreements:

Group As at 31 March 2015	**Gross amounts of recognised financial liabilities £'000**	**Gross amounts of recognised financial assets set off in the Balance Sheet £'000**	**Net amounts of financial liabilities presented in the Balance Sheet £'000**	**Related amounts not set off in the Balance Sheet: Financial assets £'000**	**Related amounts not set off in the Balance Sheet: Cash collateral provided £'000**	**Net amount £'000**
Derivative financial instruments	**92**	**–**	**92**	**(92)**	**–**	**–**
Bank borrowings	**85,227**	**–**	**85,227**	**(85,227)**	**–**	**–**
	85,319	**–**	**85,319**	**(85,319)**	**–**	**–**

Group As at 31 March 2014	Gross amounts of recognised financial liabilities £'000	Gross amounts of recognised financial assets set off in the Balance Sheet £'000	Net amounts of financial liabilities presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet: Financial assets £'000	Related amounts not set off in the Balance Sheet: Cash collateral provided £'000	Net amount £'000
Derivative financial instruments	60,429	–	60,429	(16,885)	–	43,544
Bank borrowings	133,575	–	133,575	(133,575)	–	–
	194,004	–	194,004	(150,460)	–	43,544

Notes to the Financial Statements Continued

47. Financial Risk and Capital Management Continued

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis however each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party. Per the terms of each agreement, an event of default includes failure by a party to make payment when due, failure by a party to perform any obligation required by the agreement (other than payment) if such a failure is not remedied within periods of 15 to 30 days after notice of such failure is given to the party or bankruptcy.

48. 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 123 to 132. A listing of the principal subsidiaries, joint ventures and associates is provided in the Group Directory on pages 189 to 192 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 are eliminated in the preparation of the consolidated financial statements.

Compensation of key management personnel

For the purposes of the disclosure requirements under IAS 24, the term 'key management personnel' (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Company) comprises the Board of Directors which manages the business and affairs of the Company. Key management remuneration amounted to:

	2015 £'000	2014 £'000
Short-term benefits	**2,224**	2,721
Post-employment benefits	**720**	609
Share-based payment (calculated in accordance with the principles disclosed in note 10)	**791**	404
At 31 March	**3,735**	3,734

Company

Subsidiaries, joint ventures and associates

The Company's Income Statement includes dividends of £87.312 million from its subsidiaries DCC Management Services Limited (£41.817 million), DCC Food & Beverage Limited (£28.531 million), Technopharm Limited (£11.046 million) and DCC Business Expansion Fund Limited (£5.918 million). Details of loan balances to/from subsidiaries are provided in the Company Balance Sheet on page 120, in note 25 'Trade and Other Receivables' and in note 26 'Trade and Other Payables'.

49. Events after the Balance Sheet Date

Butagaz S.A.S.

On 18 May 2015 DCC Energy made a binding offer to acquire 100% of Butagaz S.A.S. ('Butagaz'), a French LPG business. DCC has entered into a binding commitment which obligates DCC to enter into an acquisition agreement following completion of Shell's consultation process with its French Works Councils as required under French law. During the period of consultation with its Works Councils, Shell has granted DCC exclusivity in respect of the acquisition of Butagaz. The acquisition will require EU competition and French Ministry of Economy clearance. The transaction would be expected to complete in the final calendar quarter of 2015, after the Works Councils' consultations have taken place and the relevant clearances have been received.

49. Events after the Balance Sheet Date Continued

The consideration for the share capital of Butagaz would ultimately be determined on the basis of a completion balance sheet. Based on Butagaz's audited balance sheet at 31 December 2014, the consideration, after adjusting for net debt like items, would be €404 million (£294 million), payable in cash at completion. Based on the 31 December 2014 balance sheet, the estimated carrying amounts of the assets and liabilities of Butagaz, determined in accordance with IFRS, before completion of the combination are as follows:

Butagaz	Book value £'000
Non-current assets (excluding goodwill)	306,087
Current assets	186,633
Non-current liabilities	(237,018)
Current liabilities	(115,581)
Identifiable net assets acquired	140,121
Goodwill arising on acquisition	153,709
Total consideration (enterprise value)	293,830

An initial assignment of fair values to identifiable net assets acquired has not been performed given that Butagaz has not yet been acquired.

Computers Unlimited

In May 2015, DCC Technology acquired Computers Unlimited ('CU') for an initial enterprise value of £24.0 million. CU is a consumer technology distributor operating primarily in the UK but also with operations in France and Spain. The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis given the timing of closure of the transaction. 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 were as follows:

	Book value £'000	Fair value adjustments £'000	Fair value £'000
Non-current assets (excluding goodwill)	869	2,153	3,022
Current assets	29,628	–	29,628
Non-current liabilities	–	(431)	(431)
Current liabilities	(14,481)	–	(14,481)
Identifiable net assets acquired	16,016	1,722	17,738
Goodwill arising on acquisition	7,984	(1,722)	6,262
Total consideration (enterprise value)	24,000	–	24,000

Bottle Green Limited

On 28 April 2015 the Group completed the sale of Bottle Green Limited which was classified as an asset held for sale at 31 March 2015. The net proceeds after costs of disposal equated to the carrying value as disclosed in note 16.

50. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 18 May 2015.

Supplementary Information

Supplementary Information

Group Directory – Principal Subsidiaries[1] and Joint Ventures

DCC Energy

Company name & address	Principal activity	Contact details
DCC Energy Limited DCC House, Leopardstown Road, Foxrock, Dublin 18 Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: energy@dcc.ie www.dcc.ie
Oil		
Certas Energy UK Limited 302 Bridgewater Place, Birchwood Park, Warrington WA3 6XG, England	Procurement, sales, marketing and distribution of petroleum and lubricant products	Tel: +44 1925 858 500 Fax: +44 1925 858 501 Email: info@certasenergy.co.uk www.certasenergy.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
DCC Energy Limited Airport Road West, Sydenham, Belfast BT3 9ED, Northern Ireland	Procurement, sales, marketing and distribution of petroleum products	Tel: +44 28 9045 6789 Fax: +44 28 9045 7371 Email: enquiries@emooil.com www.emooil.com
DCC Energi Danmark A/S Naerum Hovedgade 8, 2850 Naerum, Denmark	Procurement, sales, marketing and distribution of petroleum products and natural gas	Tel: +45 7010 2010 Fax: +45 4558 0190 Email: info@dccenergi.dk www.dccenergi.dk
Energie Direct Mineralölhandelsgesmbh Alte Poststraße 400, A-8055 Graz, Austria	Procurement, sales, marketing and distribution of petroleum products	Tel: +43 316 210 Fax: +43 316 210 2110 Email: info@energiedirect.at www.energiedirect.at
Swea Energi AB Storgatan 35, 434 32 Kungsbacka, Sweden	Procurement, sales, marketing and distribution of petroleum products	Tel: +46 300 687000 Fax: +46 300 687050 Email: info@sweaenergi.se www.sweaenergi.se
Qstar Försäljning AB Spårgatan 5, Box 633, 601 14 Norrköping, Sweden	Procurement, sales and marketing of petroleum products	Tel: +46 11 280 000 Fax: +46 11 280 029 Email: info@qstar.se www.qstar.se
Fuel Card Services Limited Alexandra House, Lawnswood Business Park, Redvers Close, Leeds LS16 6QY, England	Sale and administration of petroleum products through the use of fuel cards	Tel: +44 113 384 6264 Fax: +44 844 870 9827 Email: info@fuelcardservices.com www.fuelcardservices.com
LPG		
Flogas Britain Limited 81 Rayns Way, Syston, Leicester LE7 1PF, England	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +44 116 2649 000 Fax: +44 116 2649 001 Email: enquiries@flogas.co.uk www.flogas.co.uk
Flogas Ireland Limited Knockbrack House, Matthews Lane, Donore Road, Drogheda, Co. Louth, Ireland	Procurement, sales, marketing and distribution of liquefied petroleum gas and natural gas	Tel: +353 41 9831 041 Fax: +353 41 9834 652 Email: info@flogas.ie www.flogas.ie

1 A full list of subsidiaries and associates will be annexed to the Annual Return of the Company to be filed with the Irish Registrar of Companies.

Group Directory – Principal Subsidiaries and Joint Ventures Continued

DCC Energy

Company name & address	Principal activity	Contact details
Benegas BV Zuiderzeestraatweg 1, 3882NC, Putten, The Netherlands	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +31 3417 23300 Fax: +31 3413 60216 Email: info@benegas.com www.benegas.nl
Flogas Sverige AB Brännkyrkagatan 63, 11822 Stockholm, Sweden	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +46 08 6750080 Email: info@flogas.se www.flogas.se
Flogas Norge AS Nydalsveien 153, 3 etg, 0484 Oslo, Norway	Procurement, sales, marketing and distribution of liquefied petroleum gas	Tel: +47 90248000 Email: info@flogas.no www.flogas.no

DCC Technology

Company name & address	Principal activity	Contact details
DCC Technology Limited DCC House, Leopardstown Road, Foxrock, Dublin 18 Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: technology@dcc.ie www.dcc.ie
Exertis (UK) Ltd Shorten Brook Way, Altham Business Park, Altham, Accrington, Lancashire BB5 5YJ, England	Sales, marketing and distribution of technology products	Tel: +44 1282 776 776 Fax: +44 1282 770 001 Email: enquiries@exertis.co.uk www.exertis.co.uk
Exertis Ireland Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Sales, marketing and distribution of technology products	Tel: +353 1 4087 171 Fax: +353 1 4193 111 Email: ireland.info@exertis.com www.exertis.ie
Exertis Supply Chain Services Limited M50 Business Park, Ballymount Road Upper, Dublin 12, Ireland	Provision of supply chain management and outsourced procurement services	Tel: +353 1 4056 500 Fax: +353 1 4056 555 Email: info@exertissupplychain.com www.exertissupplychain.com
Exertis Banque Magnetique SAS Paris Nord 2, Parc des Reflets, 99 Avenue de la Pyramide, 95700, Roissy en France, France	Sales, marketing and distribution of technology peripherals and accessories	Tel: +33 1 49 90 93 93 Fax: +33 1 49 90 94 94 Email: info@exertisbm.fr www.exertisbanquemagnetique.fr
Exertis Comtrade SAS 300 rue du Président Salvador Allende, 92700 Colombes, France	Sales, marketing and distribution of technology peripherals and accessories	Tel: +33 1 56 47 04 70 Fax: +33 1 56 470 471 Email: info@exertiscomtrade.fr www.exertiscomtrade.fr
Exertis CapTech AB Ekonomivagen 11 436 33 Askim Sweden	Sales, marketing and distribution of technology products	Tel: +46 31 450400 Fax: +46 31 450401 Email: info@exertis.se www.exertis.se

DCC Healthcare

Company name & address	Principal activity	Contact details
DCC Healthcare Limited DCC House, Leopardstown Road, Foxrock, Dublin 18 Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: healthcare@dcc.ie www.dcc.ie

DCC Vital

Company name & address	Principal activity	Contact details
DCC Vital Limited Fannin House, South County Business Park, Leopardstown, Dublin 18, Ireland	Holding company for the operations of the DCC Vital group of companies	Tel: +353 1 2907 000 Fax: +353 1 2954 777 Email: info@dccvital.com www.dccvital.com
Fannin Limited Fannin House, South County Business Park, Leopardstown, Dublin 18, Ireland	Sales, marketing, distribution and other services to healthcare providers and medical and pharma brand owners/ manufacturers	Tel: +353 1 2907 000 Fax: +353 1 2954 777 Email: info@fannin.eu www.fannin.eu
Fannin (UK) Limited 42-46 Booth Drive, Park Farm South, Wellingborough, Northamptonshire, NN8 6GT, England	Sales, marketing, distribution and other services to healthcare providers and medical and pharma brand owners/ manufacturers	Tel: +44 1530 514 566 Fax: +44 1635 550 050 Email: serviceuk@fannin.eu www.fannin.eu
Kent Pharmaceuticals Limited Joshna House, Crowbridge Road, Orbital Park, Ashford, Kent TN24 0GR, England	Sales marketing and distribution of a broad range of pharmaceuticals to hospital and community pharmacies in Britain	Tel: +44 845 437 5565 Fax: +44 845 437 5567 Email: info@kentpharm.co.uk www.kentpharm.co.uk
Athlone Laboratories Limited Ballymurray, Co. Roscommon, Ireland	Manufacture and supply of oral beta – lactam antibiotics for the British, Irish and international markets	Tel: +353 9066 61109 Fax: +353 9066 61921 www.athlone-laboratories.com
Williams Medical Services Ltd Craiglas House The Maerdy Industrial Estate Rhymney, Gwent, NP22 5PY, Wales	Sales marketing and distribution of a broad range of medical supplies and services to UK healthcare market, primarily GPs and primary care organisations	Tel: +44 (0) 1685 844739 Fax: +44 (0) 1685 844725 Email: sales@wms.co.uk www.wms.co.uk
Squadron Medical Limited Greaves Close, Markham Vale, Chesterfield, Derbyshire, S44 5FB, England	Provision of value-added distribution services to healthcare providers and brand owners/manufacturers	Tel: +44 1246 822 822 Fax: +44 1246 820 410 Email: enquiries@squadronmedical.co.uk www.squadronmedical.co.uk
The TPS Healthcare Group Limited 27-35 Napier Place, Wardpark, North Cumbernauld, Glasgow G68 0LL, Scotland	Provision of value-added distribution services to healthcare providers and brand owners/manufacturers	Tel: +44 1236 739 668 Fax: +44 1236 738 376 Email: corporate@tpshealthcare.com www.tpshealthcare.com

Health & Beauty Solutions

Company name & address	Principal activity	Contact details
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 1928 580 694 Email: enquiries@dcchealthandbeauty.com www.dcchealthandbeauty.com
Thompson & Capper Limited 9-12 Hardwick Road, Astmoor Industrial Estate, Runcorn, Cheshire WA7 1PH, England	Development, contract manufacture and packing of tablet and hard gel capsule nutraceuticals	Tel: +44 1928 573 734 Fax: +44 1928 580 694 Email: enquiries@thompsonandcapper.com www.thompsonandcapper.com

Group Directory – Principal Subsidiaries and Joint Ventures Continued

DCC Healthcare

Company name & address	Principal activity	Contact details
EuroCaps Limited Crown Business Park, Dukestown, 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@eurocaps.co.uk www.eurocaps.co.uk
Laleham Healthcare Limited Sycamore Park, Mill Lane, Alton, Hampshire GU34 2PR, England	Development, contract manufacture and packing of liquids and creams for the beauty and consumer healthcare sectors	Tel: +44 1420 566 500 Fax: +44 1420 566 566 Email: info@laleham.com www.laleham.com
Vitamex Manufacturing AB Box 715, SE-601 16 Norrköping, Sweden	Development, contract manufacture and packing of tablet and hard gel capsule nutraceuticals	Tel: +46 11 23 00 00 Fax: +46 11 18 79 45 Email: info@vitamex.se www.vitamex.se

DCC Environmental

Company name & address	Principal activity	Contact details
DCC Environmental Limited DCC House, Leopardstown Road, Foxrock, Dublin 18 Ireland	Holding and divisional management company	Tel: +353 1 2799 400 Fax: +353 1 2831 017 Email: environmental@dcc.ie www.dcc.ie
William Tracey Limited 49 Burnbrae Road, Linwood Industrial Estate, Linwood, Renfrewshire, PA3 3BD, Scotland	Recycling and waste management	Tel: +44 1505 321 000 Fax: +44 1505 335 555 Email: info@wmtracey.co.uk www.williamtraceygroup.com
Wastecycle Limited Enviro Building, Private Road No. 4, Colwick Industrial Estate, Nottingham NG4 2JT, England	Recycling and waste management	Tel: +44 115 9403 111 Fax: +44 115 940 4141 Email: enquiries@wastecycle.co.uk www.wastecycle.co.uk
Oakwood Fuels Limited Brailwood Road, Bilsthorpe, Newark Nottinghamshire, NG22 8UA, England	Specialist waste treatment/management services	Tel: +44 1623 871 964 Fax: +44 1623 871 905 Email: mail@oakwoodgroup.uk.com www.oakwoodfuels.co.uk
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.com

Joint Venture

Company name & address	Principal activity	Contact details
KSG* McKee Avenue, Finglas, Dublin 11, Ireland	Restaurant and hospitality service provider	Tel: +353 1 814 0600 Fax: +353 1 814 0601 Email: info@ksg.ie www.ksg.ie

*50% owned joint venture

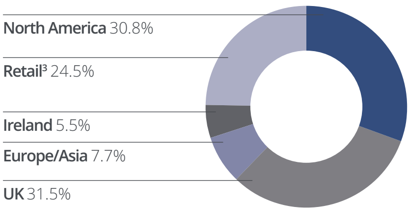
Shareholder Information

Share Price Data

	2015 £	2014 £
Share price at 18 May	43.90	31.05
Market capitalisation at 18 May	3,688m	2,604m
Share price at 31 March	40.23	32.60
Market capitalisation at 31 March	3,380m	2,734m
Share price movement during the year		
– High	41.96	32.89
– Low	30.33	22.45

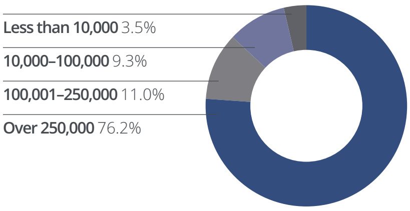
Shareholdings as at 31 March 2015

By location



Geographic division[1]	Number of shares[2]	% of shares
UK	26,479,877	31.5
North America	25,870,719	30.8
Europe/Asia	6,502,765	7.7
Ireland	4,591,465	5.5
Retail[3]	20,573,308	24.5
Total	84,018,134	100.0

By size of holding



Range of shares held	Number of accounts	% of accounts	Number of shares[2]	% of shares
Over 250,000	65	2.14	64,067,516	76.2
100,001 – 250,000	58	1.91	9,247,693	11.0
10,000 – 100,000	230	7.59	7,780,591	9.3
Less than 10,000	2,679	88.36	2,922,334	3.5
Total	3,032	100.0	84,018,134	100.0

Notes:
1 This represents the best estimate of the number of shares controlled by fund managers resident in the relevant geographic regions
2 Excludes 4,211,270 shares held as Treasury Shares
3 Retail includes private shareholders, management and broker holdings

Share Listing

DCC's shares have a Premium Listing on the Official List of the United Kingdom Listing Authority ('UKLA Official List') and are traded solely on the London Stock Exchange in sterling.

Dividends

DCC normally pays dividends twice yearly, in July and in November. An interim dividend of 28.73 pence per share was paid on 28 November 2014.

Subject to shareholders' approval at the Annual General Meeting, a final dividend of 55.81 pence per share will be paid in respect of ordinary shares on 23 July 2015, to shareholders on the register of members at the close of business on 29 May 2015.

Dividends are declared in sterling and shareholders have the option to elect to receive dividends in either sterling or euro.

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.

Shareholder Information Continued

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.

Where shares are held in CREST, dividends are automatically paid in sterling unless a currency election is made. CREST members should use the facility in CREST to make currency elections. Such elections must be made in respect of entire holdings as partial elections are not permissible.

Financial Calendar

Final results announced for 2015	19 May 2015
Ex-dividend date for the final dividend	28 May 2015
Record date for the final dividend	29 May 2015
Interim Management Statement	17 July 2015
Annual General Meeting	17 July 2015
Proposed payment date for final dividend	23 July 2015
Interim results to be announced	10 November 2015
Proposed payment date for the interim dividend	December 2015
Interim Management Statement	February 2016

Annual General Meeting, Electronic Proxy Voting and CREST Voting
The 2015 Annual General Meeting will be held at The InterContinental Hotel, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland on Friday 17 July 2015 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 2015 Annual General Meeting via the internet. Shareholders who wish to submit their proxy in this manner may do so by accessing the Company's Registrar's website at www.eproxyappointment.com and following the instructions which are set out on the Form of Proxy or in the email broadcast that you would have received if you have elected to receive communications via electronic means.

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.

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 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.

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.

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 1 447 5571
www.investorcentre.com/ie/contactus

Investor Relations
For investor enquiries please contact Kevin Lucey, Head of Group Finance, DCC plc, DCC House, Leopardstown Road, Foxrock, Dublin 18, Ireland.

Tel: + 353 1 2799 400
Fax: + 353 1 2831 017
email: investorrelations@dcc.ie

Corporate Information

Registered and Head Office
DCC House
Leopardstown Road
Foxrock
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Ireland

Auditors
PricewaterhouseCoopers
Chartered Accountants
& Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

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

Bankers
Allied Irish Banks
Bank of Ireland
Bank of America Merrill Lynch
Barclays
BNP Paribas
Danske Bank
Deutsche Bank
HSBC
ING Bank
J.P. Morgan
KBC Bank
Lloyds Banking Group
Nordea
Rabobank
Royal Bank of Scotland Group

Solicitors
William Fry
2 Grand Canal Square
Dublin 2
Ireland

Stockbrokers
Davy
49 Dawson Street
Dublin 2
Ireland

Jefferies Hoare Govett
Vintners Place
68 Upper Thames Street
London
EC4V 3BJ
England

J.P. Morgan Cazenove
25 Bank Street
Canary Wharf
London
E14 5JP
England

Non-GAAP Information

The Group reports certain financial measures that are not required under International Financial Reporting Standards ('IFRS') which represent the generally accepted accounting principles ('GAAP') under which the Group reports. The Group believes that the presentation of these non-GAAP measures provides useful supplemental information which, when viewed in conjunction with our IFRS financial information, provides investors with a more meaningful understanding of the underlying financial and operating performance of the Group and its divisions.

These non-GAAP financial measures are primarily used for the following purposes:
– to evaluate the historical and planned underlying results of our operations;
– to set director and management remuneration; and
– to discuss and explain the Group's performance with the investment analyst community.

None of the non-GAAP measures should be considered as an alternative to financial measures derived in accordance with GAAP. The non-GAAP measures can have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP.

The principal non-GAAP measures used by the Group are as follows:

Operating profit before net exceptionals and amortisation of intangible assets ('EBIT')
This comprises operating profit as reported in the Group Income Statement before net operating exceptional items and amortisation of intangible assets.

EBITDA
EBITDA represents earnings before net interest, tax, depreciation, amortisation of intangible assets, share of equity accounted investments' profit after tax and net exceptional items.

Net interest
The Group defines net interest as the net total of finance costs and finance income before interest related exceptional items as presented in the Group Income Statement.

Adjusted earnings per share
The Group defines adjusted earnings per share as basic earnings per share adjusted for the impact of net exceptional items and amortisation of intangible assets.

Net capital expenditure
Net capital expenditure comprises purchases of property, plant and equipment, proceeds from the disposal of property, plant and equipment and government grants received in relation to property, plant and equipment.

Free cash flow
Free cash flow is defined by the Group as cash generated from operations before exceptional items as reported in the Group Cash Flow Statement after net capital expenditure, interest paid, income tax paid and interest received.

Cash conversion ratio
The cash conversion ratio expresses free cash flow before interest paid, income tax paid and interest received as a percentage of EBIT.

Net cash/debt
Net cash/debt represents the net total of current and non-current borrowings, current and non-current derivative financial instruments and cash and cash equivalents as presented in the Group Balance Sheet.

Return on capital employed ('ROCE')
ROCE represents operating profit before net operating exceptional items and amortisation of intangible assets expressed as a percentage of the average total capital employed. Total capital employed represents total equity adjusted for net cash/debt, goodwill and intangibles previously written off, contingent consideration and equity accounted investments.

Committed acquisition expenditure
The Group defines committed acquisition expenditure as the total of the acquisition of subsidiaries as presented in the Group Cash Flow Statement and future contingent consideration amounts for acquisitions committed to during the year.

Net working capital
Net working capital represents the net total of inventories, trade and other receivables (excluding interest receivable), and trade and other payables (excluding interest payable, amounts due in respect of property, plant and equipment and current government grants).

Net working capital days
Working capital days is defined by the Group as the number of day's sales represented by the closing net working capital.

5 Year Review

Group Income Statement Year ended 31 March	Restated 2011 £'m	Restated 2012 £'m	Restated 2013 £'m	Restated 2014 £'m	2015 £'m
Revenue	7,384.7	9,266.5	10,552.4	11,210.8	10,749.4
Operating profit before exceptional items and amortisation of intangible assets	194.8	159.5	185.5	207.3	228.2
Exceptional items	(11.0)	(19.4)	(23.4)	(13.3)	(8.7)
Amortisation of intangible assets	(9.3)	(9.9)	(14.4)	(20.4)	(25.4)
Operating profit	174.5	130.2	147.7	173.6	194.1
Finance costs (net)	(13.8)	(14.9)	(15.4)	(23.5)	(31.3)
Share of equity accounted investments	0.7	–	0.5	0.9	0.5
Profit before tax	161.4	115.3	132.8	151.0	163.3
Income tax expense	(37.1)	(25.8)	(26.2)	(27.1)	(18.9)
Non-controlling interests	(0.6)	(0.6)	(0.3)	(2.7)	–
Profit attributable to owners of the Parent	123.7	88.9	106.3	121.2	144.4
Earnings per share					
– basic (pence)	148.69p	106.62p	127.17p	144.70p	171.97p
– basic adjusted (pence)	173.12p	141.99p	171.20p	191.20p	209.19p
Dividend per share (pence)	63.22p	67.64p	69.86p	76.85p	84.54p
Dividend cover (times)	2.7	2.1	2.5	2.5	2.5
Interest cover (times)*	15.7	10.3	13.2	9.7	7.8

* excludes exceptional items

Group Balance Sheet As at 31 March	2011 £'m	2012 £'m	2013 £'m	2014 £'m	2015 £'m
Non-current and current assets					
Property, plant and equipment	345.0	371.8	436.8	464.9	464.7
Intangible assets	560.5	653.3	747.8	742.5	759.2
Equity accounted investments	7.7	6.5	5.8	6.1	5.0
Cash/derivatives	695.2	639.8	655.9	1,019.5	1,499.4
Other assets	1,140.2	1,481.4	1,536.0	1,470.6	1,189.5
Total assets	2,748.6	3,152.8	3,382.3	3,703.6	3,917.8
Equity	823.5	845.6	892.3	946.3	987.0
Non-current and current liabilities					
Borrowings/derivatives	736.5	782.0	842.6	1,106.8	1,471.8
Retirement benefit obligations	17.1	12.3	19.4	16.0	10.2
Other liabilities	1,171.5	1,512.9	1,628.0	1,634.5	1,448.8
Total liabilities	1,925.1	2,307.2	2,490.0	2,757.3	2,930.8
Total equity and liabilities	2,748.6	3,152.8	3,382.3	3,703.6	3,917.8
Net (debt)/cash included above	(41.3)	(108.3)	(186.6)	(87.3)	30.0

Group Cash Flow Year ended 31 March	2011 £'m	2012 £'m	2013 £'m	2014 £'m	2015 £'m
Operating cash flow	228.8	239.8	264.5	346.9	377.8
Capital expenditure	70.6	60.1	61.6	78.6	79.4
Acquisitions	66.7	146.0	168.1	50.1	123.5

Other Information	2011	2012	2013	2014	2015
Return on total capital employed (%)	19.9%	14.2%	15.6%	16.3%	18.9%
Working capital (days)	4.9	2.5	2.2	(0.6)	(4.9)

The Group financial summary for 2011 to 2014 has been restated for the impact of IFRS 11 *Joint Arrangements*.

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Notes

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