



25 February 2019

The Manager - Listings
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Via electronic lodgement

Dear Sir / Madam

Brambles announces the sale of its IFCO RPC pooling business for US\$2.5 billion

Please see the attached announcement relating to the above.

Yours faithfully
Brambles Limited

Robert Gerrard
Group Company Secretary

Brambles announces the sale of its IFCO RPC pooling business for US\$2.5 billion

Sydney – 25 February 2019: Brambles today announced that it has entered into a binding agreement to sell its IFCO reusable plastic containers (RPC) business to Triton and Luxinva (a wholly-owned subsidiary of the Abu Dhabi Investment Authority) for an enterprise value of US\$2.51bn. The transaction is subject to customary regulatory approvals and is expected to be completed during the second quarter of calendar year 2019.

Brambles' Chairman Stephen Johns said: "In August 2018, we announced that we would seek to separate IFCO through either a demerger or a sale by way of a dual track process. As well as progressing the demerger option, a robust and competitive sale process generated strong interest. We are pleased today to announce the sale of IFCO which we believe delivers greater value for shareholders, including a significant return of cash proceeds to shareholders.

"The IFCO team has been an important and valued part of the Brambles business, and on behalf of the Board I'd like to thank them for their contribution over the past eight years. The interest shown in IFCO during the separation process is testimony to how highly appreciated the IFCO business is, and we wish Wolfgang Orgeldinger and his team every success in the future," Stephen said.

Brambles' CEO Graham Chipchase said: "The sale will allow Brambles to focus on our strategic priorities and to pursue continued revenue growth within our core markets, while also reviewing additional opportunities in emerging markets, through product and service innovation and use of technology through the supply chain. Our ambition remains to lead the platform pooling industry in customer service, innovation and sustainability".

In FY18, IFCO generated revenues of US\$1,098m, EBITDA of US\$248m and Underlying Profit of US\$133m¹.

Brambles expects to receive approximately US\$2.36bn of net cash proceeds from the transaction, after taxes, transaction costs, and balance sheet items, subject to customary closing adjustments.

Return of proceeds to shareholders

Brambles intends to return up to US\$1.95bn of proceeds from the transaction to shareholders, through a combination of a pro-rata return of cash of approximately US\$300m and an on-market share buy-back of up to US\$1.65bn. The balance of the proceeds will be used to repay debt to maintain leverage in line with the Board approved credit policy.

The pro rata return of cash, which will be made to all shareholders, is expected to be approximately 29 Australian cents per share, in line with (and in addition to) Brambles' annual dividend payout.

Further details of the on-market buy-back and pro-rata return of cash will be provided to shareholders upon completion of the transaction. Both components are subject to the completion of the transaction, with the pro-rata return of cash also subject to obtaining an ATO ruling and shareholder approval.

As previously announced, Brambles is evaluating its dividend policy and will update the market on the outcome of this evaluation as part of its 2019 full-year results presentation. Brambles reaffirms its commitment to maintaining a strong investment grade credit rating and its intention to maintain its current progressive dividend policy for its 2019 full-year dividend².

¹ Restated in accordance with AASB 15, per the 1H19 published Background information.

² The actual amount of the 2019 full-year dividend (and any future dividends), consistent with Brambles' current dividend policy will, however, remain subject to Brambles financial performance, cash requirements during the period and any unforeseen circumstances.

Further information

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Forward-Looking Statements: Certain statements made in this release are “forward-looking statements” – that is, statements related to future, not past, events. Words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, and similar expressions are intended to identify forward-looking statements. These forward-looking statements are not historical facts, but rather are based on Brambles’ current beliefs, assumptions, expectations, estimates and projections. Forward-looking statements are not guarantees of future performance, as they address matters that are uncertain and subject to known and unknown risks, uncertainties and other factors that are beyond the control of Brambles, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Brambles cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the views of Brambles only as of the date of this release. The forward-looking statements made in this release relate only to events as of the date on which the statements are made – Brambles will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or events occurring after the date of this release, except as may be required by law or by any appropriate regulatory authority.

Brambles Limited (ASX: BXB) Under the CHEP and IFCO brands Brambles helps move more goods to more people, in more places than any other organisation on earth. Its pallets, crates and containers form the invisible backbone of the global supply chain and the world’s biggest brands trust Brambles to help them transport their goods more efficiently, sustainably and safely. As pioneers of the sharing economy, Brambles created one of the world’s most sustainable logistics businesses through the share and reuse of its platforms under a model known as ‘pooling’. Brambles primarily serves the fast-moving consumer goods (e.g. dry food, grocery, and health and personal care), fresh produce, beverage, retail and general manufacturing industries. The Group employs approximately 11,000 people and own approximately 630 million pallets, crates and containers through a network of more than 850 service centres. Brambles operates in more than 60 countries with its largest operations in North America and Western Europe. For further information, please visit www.brambles.com

IFCO is the global-leading provider of RPC pooling solutions. IFCO’s RPCs are used primarily to transport fresh produce from producers to leading grocery retailers in Europe, North America, Latin America, Japan and China. IFCO’s solutions help retailers and producers reduce costs and increase sales by maximising efficiency, product quality, sustainability and safety throughout their supply chains.

Triton since its establishment in 1997, Triton has sponsored nine funds, focusing on businesses in the industrial, business services, consumer and health sectors. The Triton funds invest in and support the positive development of medium-sized businesses headquartered in Europe. Triton seeks to contribute to the building of better businesses for the longer term. Triton and its executives wish to be agents of positive change towards sustainable operational improvements and growth. The 37 companies currently in Triton’s portfolio have combined sales of around €13 billion and around 84,000 employees. For more information: www.triton-partners.com

Abu Dhabi Investment Authority, established in 1976, is a globally-diversified investment institution that prudently invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation. ADIA has invested in private equity since 1989 and has built a significant internal team of specialists with experience across asset products, geographies and sectors. Through its extensive relationships across the industry, the Private Equities Department invests in private equity and credit products globally. Its philosophy is to build long-term, collaborative relationships with its partners and company management teams to maximise value and support the implementation of agreed strategies.