

23 October 2018

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

Via electronic lodgement

Dear Sir / Madam

BRAMBLES FY19 FIRST QUARTER TRADING UPDATE

Please see the attached announcement relating to the above.

Yours faithfully
Brambles Limited

Robert Gerrard
Group Company Secretary

Brambles' first-quarter trading update: Constant-currency¹ sales revenue growth of 6%²

Sydney – 23 October 2018: Brambles Limited today reported sales revenue from continuing operations of US\$1,420.6 million for the first three months of the financial year ending 30 June 2019 (FY19), representing an increase of 3% on the prior corresponding period at actual FX rates and 6% at constant FX. The difference between actual and constant FX growth reflects the strengthening of the US dollar relative to all other operating currencies. Group sales revenue growth of 6% is in line with Brambles' stated objective of delivering annual mid-single digit revenue growth and reflects revenue momentum across all segments:

- **CHEP Americas** sales revenue growth of 5% was driven by volume growth and price realisation in the US, Canadian and Latin American pallet businesses;
- **CHEP EMEA** sales revenue growth of 8% reflects strong volume growth in most markets and increased pricing in response to inflationary cost increases over the last 12 months;
- **CHEP Asia-Pacific** sales revenue increased 1% as higher demand for pallets in Australia & New Zealand more than offset a 2 percentage point impact in the quarter due to the cycling of the final month of a large Australian RPC contract; and
- **IFCO** sales revenue growth of 5% was driven by strong volume growth across Europe, South America and Asia with volume declines in North America partially offset by price increases in the region.

Brambles' CEO Graham Chipchase said: "Constant currency revenue growth was 6% in the first quarter, reflecting ongoing customer demand for our share and reuse logistics solutions. The business is, however, challenged by ongoing cost inflation across our major markets, including the US and Europe. Despite escalating costs, effective pricing which includes surcharges offset approximately two-thirds of the inflationary cost increases experienced during the quarter. In addition to pricing actions, we continue to look to our own operations for further opportunities to reduce costs.

"Given the exceptional cost pressures facing our business and the combination of higher compensations and lower costs in 1H18, Underlying Profit in 1H19 is expected to be broadly in line with the prior corresponding period, on a constant-currency basis. We expect constant-currency Underlying Profit growth to improve in 2H19 reflecting increased pricing growth, a higher cost base in the prior comparative period and the delivery of cost efficiencies across the Group. Our global automation and procurement programmes remain on track and are expected to deliver margin benefits over the medium term despite the current cost environment."

Segment	Sales revenue ² (US\$m, actual FX)		Growth vs. 1Q18	
	1Q19	1Q18 (restated)	(actual FX)	(constant FX)
CHEP – Americas	569.3	552.6	3%	5%
CHEP – Europe, Middle East & Africa	459.5	439.0	5%	8%
CHEP – Asia-Pacific	110.4	118.5	(7)%	1%
CHEP total	1,139.2	1,110.1	3%	6%
IFCO	281.4	274.2	3%	5%
Continuing operations	1,420.6	1,388.3	3%	6%

Note on impact of IFRS 15: Sales revenue in the table above has been reported under IFRS 15, the new revenue accounting standard applicable from 1 July 2018. Comparative numbers and growth rates have been restated under IFRS 15 with the impact on 1Q19 growth being less than 0.1% at the Group level. The impact of IFRS 15 and the deferral of revenue will result in higher sales revenue in the first half and lower revenue in the second half as a result of seasonality in the business. Refer to slide 24 of the FY18 Results Presentation for guidance on the full-year impact of IFRS 15.

¹ Current period results translated into US dollars at the actual monthly exchange rates applicable in the prior comparable period.

² Sales revenue growth from continuing operations reported in accordance with IFRS 15, the new revenue accounting standard applicable from 1 July 2018.

For further information, please contact:**Investors & Media**

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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 us 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 12,000 people and own approximately 610 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

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", "will", "should", 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. Past performance cannot be relied on as a guide to future performance.