

Press Release

IFCO Announces Strong Growth in FY 2018: Achieves Revenues of More Than USD 1 Billion for the First Time

Global growth of 8 per cent, profit increase and planned separation from Brambles group positions market leader for a dynamic future as an independent company

Pullach, Germany – 4th September 2018: IFCO, the leading global provider of Reusable Packaging Solutions for fresh foods, announced its financial results for the 2018 financial year, highlighting strong growth of 8% and achieving revenues of more than USD 1 billion for the first time. In addition, Brambles also announced the separation of IFCO via a demerger or sale. Brambles has owned IFCO since 2011 and has made substantial investments, growing the business to the scale, market share and competitive position it holds today. IFCO is now well positioned for its future as an independent company with a singular focus.

IFCO FY18 financial results: highlights

IFCO achieved global sales growth of 8% at constant currency in its 2018 financial year, taking its revenues for the first time to US\$ 1,101.1 million.

- Like-for-like volume growth in Europe of 9% compared to FY2017
- Volume growth in rest of world (principally Asia and South America) of 12%
- Growth of 2% in North America

IFCO is experiencing ongoing volume momentum, with all regions contributing to the growth of the company. This is driven by organic growth with current customers; the development and implementation of specialized products for new verticals (meat, bread, fish, eggs); the takeover of proprietary retail pools; and the ongoing geographic expansion in China, Latin America and Eastern Europe. Europe remains IFCO's largest market with revenues of US\$790 million and a growth rate at constant currency of 9% compared to the prior year. IFCO North America achieved revenues of US\$289 million and a 2% constant currency growth rate, while the rest of the world (IFCO Latin America and IFCO Asia) achieved revenues of US\$83 million and grew by 12% at constant currency.

"I am very pleased with this financial year's revenue growth" commented Wolfgang Orgeldinger, CEO of IFCO. "This is due to a combination of buoyant demand and sales across all regions and efficiency improvements implemented during the course of FY 2018. This growth demonstrates the value our



services and products delivered to our customers as well as the commitment and customer focus of our employees.”

IFCO background

IFCO was founded in 1992 as the first company in the world to develop the reusable plastic crate (RPC) pooling system to transport fresh fruit and vegetables. It became part of the global supply chain solutions company Brambles in March 2011. Since that time, it has grown to be the clear global market leader for RPC solutions for fresh products. IFCO has 32 subsidiaries around the world, which serves more than 300 retailers and over 13,500 producers in over 50 countries. The company has a logistics network with more than 75 service centers and owns and operates a global pool of over 280 million RPCs for a total of over 1.5 billion shipments of fresh fruits and vegetables, meat, poultry, seafood, eggs, bread, and other items from suppliers to grocery retailers every year.

Separation from Brambles

Brambles announced on August 24 that it intends to pursue a separation via a demerger or sale. The separation of IFCO will result in two standalone, world-class businesses, CHEP and IFCO. The management of both entities believes that IFCO, as an independent company, will continue to be a market leading, high-growth RPC pooling business with a strong growth profile and attractive investment proposition.

Although both CHEP and IFCO operate pooling models, they are distinct businesses with different customer bases, financial profiles and value propositions. There are no meaningful synergies between CHEP and IFCO.

From both the financial and market share perspectives, IFCO is a strong business and a global leader in RPCs with a large addressable market and clear opportunities to capitalize on growth in the sector. Since its acquisition by Brambles, IFCO has made substantial investments and has grown the business to the scale, market share and competitive position it holds today. It is well positioned for its future as an independent company, which will provide IFCO with increased flexibility to maintain singular focus as well as to pursue and fund value accretive growth opportunities that will be optimally funded under separate ownership. Brambles ex-IFCO, will continue to be strongly positioned to lead the platform pooling industry in customer service, innovation and sustainability. Subject to shareholder and regulatory approvals, the transaction is planned for completion during the 2019 calendar year.

“This is an exciting step for our business, and we believe it will enhance our ability to strengthen ties with existing customers while driving growth by dynamically expanding our customer base,” said Wolfgang Orgeldinger, CEO of IFCO. “As a separate business, we will be able to focus exclusively on our own strategic agenda and respond more flexibly to opportunities and challenges within the markets that we serve. I personally am very excited by this development as I am confident we are well

positioned for growth as an independent company – and our momentum has already been demonstrated with our financial results this past year.”

Further information on the separation will be communicated in due course.

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Additional information

IFCO is the leading global provider of reusable packaging solutions for fresh foods, serving customers in 50+ countries. IFCO operates a pool of over 280 million Reusable Plastic Containers (RPCs) globally, which are used for over 1.5 billion shipments of fresh fruits and vegetables, meat, poultry, seafood, eggs, bread, and other items from suppliers to grocery retailers every year. IFCO RPCs ensure a better fresh food supply chain by protecting freshness and quality and lowering costs, food waste and environmental impact compared to single-use packaging. More: www.ifco.com.