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17 February 2020

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

Via electronic lodgement

Dear Sir / Madam

Brambles reports results for the half-year ended 31 December 2019

Attached is a release to the Exchange from Brambles Limited on its financial report for the half-year ended 31 December 2019.

The release of this announcement was authorised by a Special Committee of the Board of Brambles Limited.

Yours faithfully
Brambles Limited

Robert Gerrard
Group Company Secretary

17 February 2020
ASX & Media Release

Brambles

Brambles 1H20 result: Revenue and earnings growth in every region, strong cash flow generation and US margin improvement

- **Sales revenue growth of 7%[1]** was at the upper end of Brambles' guidance range reflecting increased price realisation and robust volume growth across the Group.
- **Underlying Profit[2]** and **operating profit up 5%[1]** (including impact of AASB 16[3]) as the strong sales revenue contribution to profit and a moderation in transport and lumber inflation offset anticipated cost increases.
- **CHEP US margin up 1pt** and in line with guidance, reflecting pricing and supply chain benefits associated with margin improvement initiatives.
- **Price realisation and asset efficiency improvements in CHEP Latin America** with initiatives on track to offset the higher cost-to-serve in the region and progressively improve margins.
- **Improvement in cash flow (excluding special dividend)** driven by increased earnings, lower capital expenditure and improved cash collections across the Group.
- **Return on Capital Invested[4] remains strong at 18.2%** despite a (1.8)pt adverse impact from AASB 16.
- **2020 interim dividend** of 9.0 US cents, paid as 13.38 AUD cents. Payout ratio of 50% in line with the prior year.
- **Capital management programme on track** with special dividend and capital return completed in October 2019. Share buy-back programme progressing with 51.4 million shares bought back at a cost of US$415 million.
- **FY20 outlook:** At constant FX and including the impact of AASB 16, Brambles expects mid-single digit sales revenue growth and Underlying Profit growth to be in line with sales revenue growth.

Results Highlights	**1H20 result**	**Change vs. 1H19**	
	(Actual FX)	**(Actual FX)**	**(Constant FX)**
Statutory basis			
Sales revenue (continuing)	US$2,397.6m	4%	7%
Operating profit (continuing)	US$435.5m	1%	5%
Profit after tax (continuing)	US$278.9m	4%	8%
Basic earnings per share (continuing)	US17.8¢	6%	10%
Discontinued operations	US$(1.0)m		
Profit after tax	US$277.9m	(13)%	(9)%
Basic earnings per share	US17.7¢	(12)%	(8)%
Interim dividend declared per share	US9.0¢		
Non-statutory basis – continuing operations			
Underlying Profit	US$435.5m	1%	5%
Cash Flow from Operations	US$321.8m	US$183.9m	
Free Cash Flow after dividends	US$(168.4)m	US$(75.1)m	
Underlying Profit after finance costs and tax	US$278.9m	4%	8%
Underlying earnings per share	US17.8¢	6%	10%
Return on Capital Invested (ROCI)	18.2%	(3.0)pts	(2.7)pts

Note: The variance between actual and constant FX growth rates reflects the strengthening of Brambles' reporting currency, the US dollar, relative to other operating currencies, particularly the Euro, the British pound and the Australian dollar.

[1] At constant FX.
[2] A non-statutory measure that represents profit from continuing operations before finance costs, tax and Significant Items.
[3] New lease accounting standard, effective for Brambles on 1 July 2019.
[4] Underlying Profit multiplied by two, divided by the six-month average of capital invested; capital invested is calculated as net assets before tax balances, cash, term deposits, borrowings and lease liabilities, but after adjustments for pension plan actuarial gains or losses and net equity adjustments for equity-settled share-based payments.

Sales revenue of US$2,397.6 million increased 7% at constant currency with growth in every region. Volume growth contributed 4% to Group growth and was driven by expansion with new and existing customers across all CHEP pallet businesses. Like-for-like volumes were solid in the Americas and Asia-Pacific regions, while there was a notable slowdown in the European pallet and automotive businesses driven by challenging economic conditions. Price growth of 3% reflected pricing initiatives to offset higher costs, particularly in the CHEP Americas segment.

Underlying Profit and **operating profit** of US$435.5 million included a US$12.4 million benefit from AASB 16. Excluding the impact of AASB 16, Underlying Profit increased 2% at constant currency as revenue contribution to profit, supply chain efficiencies and a moderation in global transport and lumber inflation more than offset anticipated direct cost increases in CHEP Americas and higher indirect costs across the Group.

In CHEP Americas, direct cost increases reflected additional transport miles and overheads associated with the enhanced asset management programme in Latin America and higher block-pallet repairs in Canada. In the US, labour and property-related inflation and temporary inefficiencies during the rollout of the automation programme drove an increase in plant costs. Despite these cost pressures the US business delivered margin improvement of one percentage point in the first half, in line with Brambles' objective to improve margins by 2-3 points by FY22[5].

Profit after tax from continuing operations of US$278.9 million increased 8% at constant currency reflecting higher Group earnings and a reduction in net finance costs driven by the repayment of debt and increased Australian dollar deposits following the receipt of the IFCO sale proceeds.

Return on Capital Invested of 18.2% decreased 2.7 percentage points at constant currency. Excluding the impact of AASB 16, ROCI decreased 0.9 percentage points largely due to capital expenditure to support volume growth and investment in US supply chain programmes.

Cash Flow from Operations of US$321.8 million increased US$183.9 million reflecting lower Group cash capital expenditure despite volume growth and favourable working capital movements driven by strong debtor collections in the period. Capital expenditure decreased US$33.6 million driven by asset efficiency benefits, the non-recurrence of capital expenditure to support Brexit-related retailer stocking in the prior year and timing of investments in US supply chain programmes in the half.

Free Cash Flow after dividends was a deficit of US$(168.4) million including the US$183.2 million special dividend payment in October 2019, funded by the IFCO sale proceeds received in the second half of FY19.

Excluding the special dividend payment, Free Cash Flow improved US$108.1 million over the prior year as the strong improvement in Cash Flow from Operations and a US$55.8 million increase due to the adoption of AASB 16 more than offset a US$119 million adverse cash impact related to the IFCO divestment which included a US$97 million cash contribution in the prior year recognised in discontinued operations and US$22 million of 1H20 ordinary dividend payments related to prior-year IFCO earnings.

2020 interim dividend

The Board has declared an interim dividend of 9.0 US cents per share. This results in a payout ratio of 50% which is in line with the payout ratio for the 1H19 interim dividend of 14.5 Australian cents and consistent with Brambles' dividend policy to payout between 45% and 60% of Underlying Profit after finance costs and tax[6].

The 2020 interim dividend will be paid in Australian dollars and will be 13.38 Australian cents per share[7], with franking of 30%. The unfranked component of the interim dividend is conduit foreign income. Consequently, non-resident shareholders will not pay Australian dividend withholding tax on this dividend. The interim dividend is payable on 9 April 2020 to shareholders on Brambles' register at 5.00pm on Thursday, 12 March 2020. The ex-dividend date is 11 March 2020.

[5] Margin improvement from 1H18 levels, excluding the impact of AASB 15 and AASB 16 accounting changes.
[6] Subject to Brambles' cash requirements.
[7] This reflects the US cents dividend converted at an A$:US$ exchange rate of 0.6727, the average exchange rate over the five business days ending 10 February 2020.

CEO Commentary

Commenting on the 1H20 results, Brambles' CEO, Graham Chipchase, said: "Despite a range of challenges, we delivered sales and earnings growth across all our segments and materially improved Group cash flow generation in the first half."

"Our operating environment in the first-half was characterised by increasing macroeconomic uncertainty and ongoing political instability, particularly evident in major European markets. In the US, while transport and lumber inflation continued to moderate, labour and property costs continued to increase.

"In this context, our first-half sales performance reflects the resilient nature of our business as we continue to expand with new and existing customers despite price realisation to recover higher costs in most markets. Sales revenue growth of 7% was particularly strong, and above our guidance range, as the anticipated moderation in like-for-like volumes across our European pallet and automotive businesses was offset by customer contract timing benefits in the US pallet business which are not expected to repeat in the second half of the year.

"Underlying Profit growth of 5% (including the impact of AASB 16) was in line with guidance and included initial benefits from supply chain and asset management initiatives in the Americas region. As anticipated, margins in our US business started to improve with a one percentage point margin increase delivered in the half. This is in line with our stated objective to improve US margins by 2-3 percentage points through a combination of pricing, efficiency gains and cost-out initiatives.

"It was also particularly pleasing to see the effectiveness of pricing and asset management initiatives in Latin America which delivered meaningful cash flow and asset efficiency benefits within the first year of implementation. We remain confident the actions we are taking in the region are on track to deliver further margin and cash flow benefits over the medium term."

FY20 expectations

At constant FX and including the impact of AASB 16, Brambles expects:

- Mid-single digit sales revenue growth;
- Underlying Profit growth in line with sales revenue growth;
- Effective Tax Rate of approximately 30%; and
- Net interest expense of ~US$85-$90 million.

Further Information

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Brambles Limited (ASX: BXB) Under the CHEP brand 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 more than 10,000 people and own approximately 330 million pallets, crates and containers through a network of more than 750 service centres. Brambles operates in approximately 60 countries with its largest operations in North America and Western Europe. For further information, please visit www.brambles.com

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Summary of Key Metrics

US$m			Change	
(Continuing operations)	**1H20***	**1H19**	**Actual FX**	**Constant FX**
CHEP Americas	1,239.6	1,140.8	9%	9%
CHEP EMEA	935.5	931.4	-	4%
CHEP Asia-Pacific	222.5	228.9	(3)%	2%
Sales revenue	**2,397.6**	**2,301.1**	**4%**	**7%**
CHEP Americas	184.3	168.2	10%	10%
CHEP EMEA	222.4	227.3	(2)%	2%
CHEP Asia-Pacific	58.7	57.2	3%	8%
Corporate	(29.9)	(23.2)		
Underlying Profit[8] & operating profit	**435.5**	**429.5**	**1%**	**5%**
Net finance costs	(37.5)	(43.8)	14%	12%
Tax expense	(119.1)	(117.3)	(2)%	(4)%
Profit after tax from continuing operations	**278.9**	**268.4**	**4%**	**8%**
(Loss)/profit from discontinued operations	(1.0)	51.4		
Profit after tax	**277.9**	**319.8**	**(13)%**	**(9)%**
Average Capital Invested	4,784.5	4,049.8	18%	21%
Return on Capital Invested	**18.2%**	**21.2%**	**(3.0)pts**	**(2.7)pts**
Weighted average number of shares (m)	1,569.7	1,593.3	(1)%	(1)%
Basic EPS (US cents)	**17.7**	**20.1**	**(12)%**	**(8)%**
Basic EPS from continuing operations (US cents)	**17.8**	**16.8**	**6%**	**10%**

*Including the impact of AASB 16: Leases.
Note on FX: The variance between actual and constant FX performance reflects the strengthening of Brambles' reporting currency, the US dollar, relative to other operating currencies, particularly the Euro, British pound and Australian dollar.

Sales revenue from continuing operations of US$2,397.6 million increased 7% at constant currency, reflecting growth across all segments and comprising volume growth of 4% and price realisation of 3%.

Volume growth primarily reflected the ongoing expansion with new and existing customers across the CHEP pallet operations. Like-for-like volume growth was solid in the Americas and Asia-Pacific segments while there was a notable slowdown in European volumes in line with broader economic conditions.

Price realisation largely reflected pricing actions in the Americas segment to offset the higher cost-to-serve in the region.

Operating profit and **Underlying Profit** of US$435.5 million, increased 5% at constant currency and included a US$12.4 million benefit relating to 'AASB 16: Leases'.

Excluding this benefit, Underlying Profit increased 2% at constant currency as the profit contribution from sales more than offset operating cost increases and higher asset charges across the Group.

At a Group level:

- Net plant costs increased US$25 million driven by labour and property inflation in North America, additional handling and inspection costs in Europe and US plant inefficiencies largely related to the rollout of the automation programme;
- Net transport costs increased US$7 million as higher collection costs associated with the enhanced asset management programme in Latin America were partly offset by lower third-party freight rates in the US;
- Depreciation expense increased US$14 million in line with the increase in the pallet pool to support growth, investments in US supply chain programmes and prior-year investments in the automotive business;
- IPEP[9] expense increased US$25 million reflecting higher unit pallet costs and volume growth across the Group as well as the phasing of Latin America asset charges which were weighted to the second half of FY19; and
- Other costs increased US$13 million reflecting investment in resources across the Group to support supply chain efficiency programmes and to deliver improved commercial outcomes.

Profit after tax from continuing operations of US$278.9 million increased 8% at constant currency reflecting the increase in operating profit and lower net finance costs.

[8] A non-statutory measure that represents profit from continuing operations before finance costs, tax and Significant Items. In the absence of Significant Items in 1H20, Underlying Profit was in line with operating profit.
[9] Irrecoverable Pooling Equipment Provision.

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Net finance costs of US$37.5 million decreased US$6.3 million despite the recognition of US$14.0 million in lease interest payments due to AASB 16. The overall reduction in net finance costs reflect interest income from Australian-dollar deposits and cost savings driven by debt repayments which were funded by proceeds from the sale of the IFCO RPC business in May 2019.

The effective tax rate for 1H20 on Underlying Profit was 29.9% compared to 30.4% for 1H19 reflecting a change in the mix of global earnings.

Loss from discontinued operations of US$1.0 million decreased from a profit of US$51.4 million in the prior year, which included the recognition of IFCO operating results.

Return on Capital Invested was 18.2%, down 2.7 percentage points at constant currency, largely due to the impact of AASB 16. Excluding the impact of AASB 16, ROCI decreased 0.9 percentage points reflecting the Underlying Profit performance and an increase in Average Capital Invested driven by capital investment to support volume growth and US supply chain efficiency programmes.

Cash Flow Reconciliation

US$m	1H20	1H19	Change
Underlying Profit	435.5	429.5	6.0
Depreciation and amortisation	304.1	237.4	66.7
IPEP expense	73.3	50.6	22.7
Underlying EBITDA[10]	**812.9**	**717.5**	**95.4**
Capital expenditure (cash basis)	(520.8)	(554.4)	33.6
Proceeds from sale of PP&E	50.0	43.3	6.7
Working capital movement	6.5	(56.0)	62.5
Other	(26.8)	(12.5)	(14.3)
Cash Flow from Operations	**321.8**	**137.9**	**183.9**
Significant Items	(2.1)	(1.1)	(1.0)
Discontinued operations	(1.1)	95.3	(96.4)
Financing & tax costs	(146.5)	(159.0)	12.5
Free Cash Flow[11]	**172.1**	**73.1**	**99.0**
Dividends paid – ordinary	(157.3)	(166.4)	9.1
Dividends paid – special	(183.2)	-	(183.2)
Free Cash Flow after dividends	**(168.4)**	**(93.3)**	**(75.1)**

Cash Flow from Operations of US$321.8 million, increased US$183.9 million and included a US$69.0 million benefit from AASB 16. Excluding this benefit, Cash Flow from Operations increased US$114.9 million reflecting a US$33.6 million reduction in cash capital expenditure despite volume growth and favourable working capital movements driven by improved debtor collections.

On an accruals basis, capital expenditure decreased US$26.2 million at constant currency. This included an US$11 million reduction in pooling capex as asset efficiency benefits in Latin America and non-recurrence of capex to support Brexit-related retailer stocking more than offset investments to support volume growth. Non-pooling capex decreased US$15 million due to the timing of investments in US supply chain programmes.

Free Cash Flow after dividends was a deficit of US$168.4 million reflecting the US$183.2 million special dividend payment in October 2019 funded by IFCO sale proceeds.

Excluding the special dividend payment, Free Cash Flow after dividends improved US$108.1 million over the prior year. This improvement reflected strong Cash Flow from Operations and a US$55.8 million increase relating to AASB 16 which more than offset a US$119 million adverse cash impact related to the IFCO divestment which included a US$97 million cash contribution in the prior year recognised in discontinued operations and US$22 million of 1H20 ordinary dividend payments related to prior-year IFCO earnings.

Net Debt & Key Ratios

US$m	Dec 2019	Jun 2019	Change
Current debt	167.5	556.8	(389.3)
Non-current debt	2,345.8	1,643.4	702.4
Gross debt	**2,513.3**	**2,200.2**	**313.1**
Less cash & deposits	(978.5)	(2,102.5)	1,124.0
Net debt	**1,534.8**	**97.7**	**1,437.1**
Key ratios	**1H20[12]**	**1H19[13]**	
Net debt to EBITDA	0.94x	1.51x	
EBITDA interest cover	21.7x	17.9x	

Net debt as at 31 December 2019, was US$1,534.8 million which includes US$717.5 million of lease liabilities brought to account under AASB 16. Excluding lease liabilities, net debt increased by US$719.6 million primarily reflecting US$673.6 million of capital management transactions undertaken in 1H20.

During the period, cash held on deposit from the IFCO sale was used to fund the capital management programme and early repayment of the US$500 million 5.35% 144A bond.

Under Brambles' revised measurement of net debt and EBITDA[12] for AASB 16 and IPEP expense, net debt to EBITDA was 0.94 times at 31 December 2019, which is well within Brambles' revised financial policy to target a net debt to EBITDA ratio of less than 2.0 times. The revised policy is equivalent to our pre-AASB 16 target of net debt to EBITDA of less than 1.75 times.

The increase in EBITDA interest cover reflects interest expense savings from the repayment of borrowings and income received on deposits arising from the IFCO sale proceeds received in June 2019.

[10] Earnings before interest, tax, IPEP, depreciation and amortisation: calculated as Underlying Profit after adding back depreciation, amortisation and IPEP.
[11] Cash Flow generated after net capital expenditure, finance costs and tax, but excluding the net cost of acquisitions and proceeds from business disposals.
[12] Brambles has redefined EBITDA as Underlying Profit adding back depreciation, amortisation and IPEP expense.
[13] 1H19 comparative metrics are as reported at the 1H19 results in February 2019.

Segment Analysis

CHEP Americas

US$m			Change	
	1H20	1H19	Actual FX	Constant FX
Sales revenue	**1,239.6**	**1,140.8**	**9%**	**9%**
Underlying Profit	**184.3**	**168.2**	**10%**	**10%**
Average Capital Invested	2,358.5	1,905.8	24%	25%
Return on Capital Invested	**15.6%**	**17.7%**	**(2.1)pts**	**(2.1)pts**

Sales revenue

Pallets sales revenue of US$1,209.3 million increased 9% at constant currency, driven by strong price realisation and solid volume growth across the region.

US pallets revenue of US$899.5 million increased 8% and comprised:

- Pricing growth of 4% reflecting actions to recover a higher cost-to-serve. Effective price, which includes transport and lumber surcharges that are recognised as an offset to costs, increased 3% reflecting decreases in both transport and lumber rates in 1H20;
- Like-for-like volume growth of 1% largely driven by existing customers in the beverage and grocery sectors; and
- Net new business growth of 3% largely due to the rollover impact of major contract wins in the second half of FY19.

Canada pallets sales revenue of US$143.8 million increased 7% at constant currency, reflecting pricing growth and volume increases associated with current and prior year contracts wins.

Latin America pallets sales revenue of US$166.0 million increased 19% at constant currency, reflecting higher pricing in line with cost increases in the region and moderate volume growth.

Containers sales revenue of US$30.3 million increased 6% at constant currency, reflecting solid volume growth in the North American IBC and automotive businesses.

Profit

Underlying Profit of US$184.3 million increased 10% at constant currency and included a US$7.0 million benefit relating to AASB 16. Excluding this benefit, Underlying Profit increased 6% at constant currency as US margin improvement offset anticipated cost increases in the Canadian and Latin American pallet businesses.

Strong sales contribution to profit of US$63 million more than offset higher costs, including:

- Net plant cost increases of US$18 million reflecting inflation in US labour and property rates, plant inefficiencies associated with the rollout of the US automation programme, lower lumber surcharges in line with a reduction in US lumber rates and higher block-pallet related repair costs in Canada. These increases were partly offset by US lumber procurement savings;
- Net transport cost increases of US$4 million as additional collection costs associated with the enhanced asset management programme in Latin America were partly offset by a reduction in US third-party freight costs;
- Depreciation expense increases of US$5 million due to pallet pool growth and investments in US supply chain programmes; and
- Other cost increases of US$26 million driven by IPEP expense which increased US$16 million year-on-year due to higher unit pallet costs in North America and the timing of prior-year asset charges in Latin America recognised in the 2H19 to account for the higher cost-to-serve in the region. The balance reflects higher costs driven by investments in resources to support network efficiencies and improved commercial outcomes.

Return on Capital

Return on Capital Invested of 15.6% decreased 2.1 percentage points at constant currency due to the 2.0 percentage point adverse impact of AASB 16. Excluding the impact of AASB 16, Return on Capital Invested was broadly in line with prior year.

CHEP EMEA

US$m			Change	
	1H20	1H19	Actual FX	Constant FX
Sales revenue	**935.5**	**931.4**	**-**	**4%**
Underlying Profit	**222.4**	**227.3**	**(2)%**	**2%**
Average Capital Invested	1,913.0	1,736.9	10%	14%
Return on Capital Invested	**23.3%**	**26.2%**	**(2.9)pts**	**(3.0)pts**

Sales revenue

Pallets sales revenue of US$792.9 million increased 5% at constant currency primarily driven by solid net new business growth and price realisation across the region.

Europe pallets sales revenue of US$689.8 million increased 4% at constant currency and comprised:

- Net new business growth of 3% driven by prior-year contract wins, primarily in Southern Europe and Central & Eastern Europe;
- Price increases of 1% largely reflecting contractual price indexation; and
- Like-for-like volumes were in line with the prior year reflecting broader macro-economic challenges in the region.

India, Middle East, Turkey and Africa (IMETA) pallets sales revenue was US$103.1 million, up 7% at constant currency reflecting strong price growth and net new business wins in the region.

RPC and Containers businesses contributed US$142.6 million, up 3% at constant currency as favourable product mix in the European automotive business offset lower volumes in the European Pallecon business and challenging operating conditions in the Automotive sector.

Profit

Underlying Profit of US$222.4 million increased 2% at constant currency and included US$2.8 million of benefits relating to AASB 16.

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Excluding the AASB 16 benefits, Underlying Profit was in line with the prior year as the sales volume, price and mix contribution to profit of US$28 million was offset by:

- Net transport cost increases of US$2 million reflecting higher costs in the European automotive business;
- Net plant cost increases of US$9 million due to higher inspection and handling costs in Europe and higher labour and raw material costs across the region;
- Depreciation expenses increased US$8 million driven by pallet pool growth and automotive asset purchases in FY19; and
- Other cost increases of US$8 million primarily due to a higher cost-to-serve across the region and additional resources to support the delivery of growth and strategic initiatives.

Return on Capital
Return on Capital Invested of 23.3% decreased 3.0 percentage points at constant currency due to the impact of AASB 16. Excluding the impact of AASB 16, Return on Capital Invested decreased 1.7 percentage points driven by lower Underlying Profit margins and a higher Average Capital Invested balance due to capital expenditure to support volume growth and prior-year investments in the EMEA automotive business and to support Brexit-related retailer stocking.

CHEP Asia-Pacific

US$m			Change	
	1H20	1H19	Actual FX	Constant FX
Sales revenue	**222.5**	**228.9**	**(3)%**	**2%**
Underlying Profit	**58.7**	**57.2**	**3%**	**8%**
Average Capital Invested	500.3	423.1	18%	23%
Return on Capital Invested	**23.5%**	**27.0%**	**(3.5)pts**	**(3.3)pts**

Sales revenue
Pallets sales revenue was US$171.6 million, up 4% at constant currency reflecting solid like-for-like volume growth and moderate price increases in Australia.

RPC and Containers sales revenue of US$50.9 million declined 5% at constant currency reflecting the rollover impact of a prior-year contract loss in the Australian RPC business.

Profit
Underlying Profit of US$58.7 million increased 8% at constant currency and included US$2.6 million benefit from AASB 16. Excluding this benefit, Underlying Profit increased 3% at constant currency reflecting a strong sales contribution to profit and plant efficiencies in Australia.

Return on Capital
Return on Capital Invested was 23.5%, down 3.3 percentage points at constant currency due to the impact of AASB 16. Excluding the impact of AASB 16, Return on Capital Invested improved 0.1 percentage point reflecting modest margin improvement and disciplined capital allocation in region.

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Background Information

US$m	1H20	1H19	2H19	FY19
Sales revenue				
CHEP Americas	1,239.6	1,140.8	1,147.0	2,287.8
CHEP EMEA	935.5	931.4	917.7	1,849.1
CHEP Asia-Pacific	222.5	228.9	229.5	458.4
Continuing operations	2,397.6	2,301.1	2,294.2	4,595.3
EBITDA[10]				
CHEP Americas	388.1	322.3	300.3	622.6
CHEP EMEA	363.4	335.4	342.5	677.9
CHEP Asia-Pacific	89.1	81.8	85.2	167.0
Corporate	(27.7)	(22.0)	(30.4)	(52.4)
Continuing operations	812.9	717.5	697.6	1,415.1
Depreciation of property, plant and equipment and Irrecoverable Pooling Equipment Provision (IPEP)				
CHEP Americas	198.2	148.6	164.2	312.8
CHEP EMEA	139.4	106.5	126.6	233.1
CHEP Asia-Pacific	30.1	24.3	23.8	48.1
Corporate	1.0	0.4	0.5	0.9
Continuing operations	368.7	279.8	315.1	594.9
Amortisation of intangibles				
CHEP Americas	5.6	5.5	5.9	11.4
CHEP EMEA	1.6	1.6	1.4	3.0
CHEP Asia-Pacific	0.3	0.3	0.3	0.6
Corporate	1.2	0.8	0.7	1.5
Continuing operations	8.7	8.2	8.3	16.5
Underlying Profit				
CHEP Americas	184.3	168.2	130.2	298.4
CHEP EMEA	222.4	227.3	214.5	441.8
CHEP Asia-Pacific	58.7	57.2	61.1	118.3
Corporate	(29.9)	(23.2)	(31.6)	(54.8)
Continuing operations	435.5	429.5	374.2	803.7
Operating profit				
CHEP Americas	184.3	168.2	93.1	261.3
CHEP EMEA	222.4	227.3	203.8	431.1
CHEP Asia-Pacific	58.7	57.2	61.1	118.3
Corporate	(29.9)	(23.2)	(46.6)	(69.8)
Continuing operations	435.5	429.5	311.4	740.9
Capital expenditure on property plant and equipment (accruals basis)				
CHEP Americas	262.8	264.6	286.5	551.1
CHEP EMEA	210.4	250.4	193.1	443.5
CHEP Asia-Pacific	37.4	32.8	32.3	65.1
Corporate	-	0.6	0.1	0.7
Continuing operations	510.6	548.4	512.0	1,060.4

Brambles

Background Information (continued)

US$m	1H20	1H19	2H19	FY19
Cash Flow from Operations				
CHEP Americas	104.7	70.0	100.4	170.4
CHEP EMEA	196.9	65.8	162.2	228.0
CHEP Asia-Pacific	58.0	35.9	65.2	101.1
Corporate	(37.8)	(33.8)	(33.9)	(67.7)
Continuing operations	321.8	137.9	293.9	431.8
Average Capital Invested				
CHEP Americas	2,358.5	1,905.8	1,979.4	1,942.6
CHEP EMEA	1,913.0	1,736.9	1,815.9	1,776.4
CHEP Asia-Pacific	500.3	423.1	425.9	424.5
Corporate	12.7	(16.0)	(9.8)	(12.9)
Continuing operations	4,784.5	4,049.8	4,211.4	4,130.6
Return on Capital Invested				
CHEP Americas	15.6%	17.7%	13.2%	15.4%
CHEP EMEA	23.3%	26.2%	23.6%	24.9%
CHEP Asia-Pacific	23.5%	27.0%	28.7%	27.9%
Continuing operations	18.2%	21.2%	17.8%	19.5%
Pooling capital expenditure to sales ratio				
CHEP Americas	19.0%	19.6%	20.8%	20.2%
CHEP EMEA	21.3%	25.7%	19.8%	22.8%
CHEP Asia-Pacific	15.5%	12.6%	11.1%	11.8%
Continuing operations	19.6%	21.4%	19.4%	20.4%
Number of pallets, RPCs and containers – net, after IPEP (millions of units)				
CHEP - Americas				
- Pallets	142	140		140
- Other	1	1		1
Total CHEP Americas	143	141		141
CHEP - EMEA				
- Pallets	137	134		134
- Other	23	22		23
Total CHEP EMEA	160	156		157
CHEP Asia-Pacific				
- Pallets	25	25		25
- Other	7	7		6
Total CHEP Asia-Pacific	32	32		31
Total	335	329		329
Number of pooling equipment purchases (millions of units)				
CHEP - Americas				
- Pallets	12	11	16	27
- Other	-	-	-	-
Total CHEP Americas	12	11	16	27
CHEP - EMEA				
- Pallets	14	15	10	25
- Other	2	2	2	4
Total CHEP EMEA	16	17	12	29
CHEP Asia-Pacific				
- Pallets	1	1	1	2
- Other	-	1	-	1
Total CHEP Asia-Pacific	1	2	1	3
Total	29	30	29	59