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Brambles' trading update: Sales revenue growth +3% at constant FX rates[1] for the first nine months of FY25; FY25 outlook revised with Free Cash Flow upgraded by US$50 million and sales revenue growth range narrowed.

Key highlights for the first nine months of FY25 (9M25):

- 9M25 sales revenue growth of 3%[1] comprising:
  - Price realisation of 2%[1] to recover modest cost-to-serve increases as inflationary pressures, primarily driven by labour, were partially offset by ongoing asset efficiency improvements; and
  - Volume growth of 1%[1] driven by net new business growth while like-for-like volumes were flat.
- 3Q25 performance reflected ongoing price realisation and net new business growth, while like-for-like volumes declined due to adverse weather events in the US and macroeconomic uncertainty in all regions.
- FY25 outlook: Sales revenue growth narrowed to 4-5%[1] (previously 4-6%) given impact of macroeconomic uncertainty on consumer demand; Underlying Profit growth of 8-11%[1] (unchanged); and Free Cash Flow before dividends upgraded to US$900-1,000 million (previously US$850-950 million) primarily reflecting lower pooling capex given softer like-for-like volumes and better asset efficiency.

Brambles Limited generated sales revenue from continuing operations of US$4,922.1 million at actual FX rates for the first nine months of the financial year ending 30 June 2025 (FY25). This represents an increase of 3% at constant FX rates[1] and 1% at actual FX rates on the prior corresponding period.

By segment, the sales revenue performance for the first nine months of FY25 was as follows:

- **CHEP Americas[2]** sales revenue increased 4% at constant FX rates and included price realisation of 2% in line with cost-to-serve increases primarily due to input-cost inflation. Segment volumes increased 2% driven by net new business wins across the region, while like-for-like volumes were flat as growth in Canada and Latin America was offset by a decline in the US. Pallets sales revenue in the US increased 4% as price realisation of 3% and net new business wins of 2% more than offset a 1% decline in like-for-like volumes. Lower demand from existing customers reflected adverse weather conditions and increasing macroeconomic uncertainty in 3Q25 as well as an earlier US harvest season which impacted volumes in 1Q25. Collectively, these impacts more than offset the benefit of cycling inventory optimisation in the prior corresponding period.
- **CHEP EMEA** sales revenue increased 1% at constant FX rates reflecting price realisation in the Automotive and Africa, Middle East and Türkiye businesses. Volumes for the segment were flat as net new business growth in European pallets was offset by lower like-for-like volumes in Automotive, and overall volume declines in the Africa, Middle East and Türkiye pallets business due to lower demand from existing customers and some contract losses. European pallets sales revenue increased 1% driven by net new business growth of 1%, while pricing and like-for-like volumes were both flat. Price realisation in Europe was aligned with the cost-to-serve, as modest contractual price increases driven by indexation were offset by lower contributions from pricing mechanisms linked to asset efficiency. In like-for-like volumes, the benefit of cycling inventory optimisation across the region was offset by lower underlying demand, particularly in France and Germany.
- **CHEP Asia-Pacific** sales revenue increased 2% at constant FX rates as price realisation of 4% to recover cost-to-serve increases and net new business growth of 2% more than offset a 4% decline in like-for-like volumes largely due to the normalisation of the average pallets-on-hire balance from the peak in 1H24.

	Sales revenue (US$m, actual FX)		Growth vs. 9M24	
Segment	**9M25**	**9M24[3]**	**(actual FX)**	**(constant FX[1])**
CHEP Americas	2,724.3	2,678.2	2%	4%
CHEP EMEA	1,787.2	1,768.6	1%	1%
CHEP Asia-Pacific	410.6	406.8	1%	2%
Continuing operations	**4,922.1**	**4,853.6**	**1%**	**3%**

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CEO commentary

Commenting on the first nine months of performance, Brambles' CEO, Graham Chipchase, said: "Our revenue performance for the first nine months of FY25 demonstrates our commercial discipline and focus on new business wins which underpinned price realisation and volume growth in the period, respectively.

"Price realisation remained in line with the cost-to-serve, as the recovery of inflation contributed to modest contractual price increases. These increases were partially offset by lower contributions from pricing mechanisms linked to improved loss rates and cycle times across retailer and manufacturer supply chains, which are delivering benefits to our customers and improving our operational efficiency.

"Overall volume growth benefitted from our enhanced sales capabilities, ongoing investment in the customer experience and changes in both whitewood pricing and quality dynamics across our major markets. During the third quarter, these factors generated ongoing net new business momentum in the US and an improving rate of new customer contract wins in Europe and Latin America, which is expected to increase the rate of net new business volume growth through the balance of the year and into FY26.

"This was tempered by challenges to like-for-like volumes during the third quarter, particularly in the Americas region, where severe winter weather events had wide-ranging impacts on broader supply chains across the US. In addition, the geopolitical environment and rapidly evolving tariff situation are weighing on consumer sentiment, with impacts on demand from existing customers emerging in most regions during the last two months of the third quarter.

"Against this backdrop, our priority remains in supporting customers through this period of uncertainty with service reliability and superior platform quality. At the same time, we continue to focus on delivering supply chain productivity savings and asset efficiency benefits to lower our cost-to-serve and increase the value we bring to their supply chains."

Commenting on FY25 outlook, Mr Chipchase said: "Current macroeconomic conditions have prompted us to narrow our outlook for FY25 sales revenue growth to the mid-to-low end of our guidance range. While we expect ongoing price realisation and improved net new business momentum through the balance of the year, like-for-like volumes will be challenged given the weakness in the third quarter and the expected continuation of macroeconomic uncertainty in the fourth quarter.

"Despite these challenges, we expect to generate strong operating leverage as demonstrated by Underlying Profit guidance being reconfirmed, driven by ongoing supply chain and asset productivity initiatives as well as overhead cost control measures. In addition, better than anticipated benefits from asset efficiency initiatives combined with the lower volume growth outlook for the year are expected to deliver pooling capital expenditure savings which underpin the US$50 million upgrade to Free Cash Flow before dividends, now expected to be between US$900 million and US$1,000 million in FY25."

FY25 outlook

Brambles' guidance for the financial year ended 30 June 2025 is now:

- Sales revenue growth of between 4-5% at constant FX rates (previously 4-6%);
- Underlying Profit growth of between 8-11% at constant FX rates (unchanged);
- Free Cash Flow before dividends of between US$900-1,000 million (previously US$850-950 million); and
- Dividend payout ratio to be consistent with the dividend payout policy of 50-70% of Underlying Profit after finance costs and tax[4] in US dollar terms and fully funded through Free Cash Flow.

These financial outcomes are dependent on a number of factors. These factors include, prevailing macroeconomic conditions, customer demand, the price of lumber and other key inputs, the efficiency of global supply chains, and movements in FX rates.

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Brambles Limited (ASX: BXB) Brambles is a global provider of logistics solutions, connecting the world's supply network through its operations, people and technology. Brambles operates across 60 countries primarily through its CHEP brand, harnessing its industry-leading expertise and the unmatched scale of its asset pool of 347 million pallets, crates and containers through a network of 750+ service centres. Through its regenerative ambition, built on decades of leadership in the circular economy, Brambles has become one of the world's most sustainable companies. Since its origin in 1875, Brambles has been at the forefront of innovation. Today, it continues to invest in the future, developing technologies, digital solutions and partnerships to unlock new value and make the world's supply network more resilient and regenerative. Brambles is listed on the Australian Securities Exchange and an ASX50 constituent. The Group employs approximately 13,000 people, with its largest operations in North America and Europe. For further information, please visit 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", 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.

[1] Constant FX growth rates are calculated by translating the results (excluding hyperinflationary economies) into US dollars at the actual monthly exchange rates applicable to the prior comparative period to show relative performance between two periods excluding the impact of foreign exchange movements. For constant currency reporting of hyperinflationary economies of Türkiye, Argentina and Zimbabwe, the 9M25 results remain at the reported period end exchange rates.

[2] Price in CHEP Americas excludes contributions from North American surcharges which are recognised as 'Other income and other revenue' in the Consolidated Statement of Comprehensive Income in Brambles Limited's financial reports.

[3] CHEP India (formerly part of CHEP EMEA) was sold in January 2025 and is now recognised in discontinued operations. 9M24 comparatives have been restated.

[4] Subject to Brambles' cash requirements.