

# IFCO Systems consolidates ownership in Japanese

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IFCO Systems, an arm of logistics firm Brambles Company, is buying two-thirds stake that it did not already own in its Japanese unit.



The deal valued IFCO Japan at \$39.7m.

Established in 1995, IFCO Japan was jointly owned by Mitsubishi Plastics, IFCO and Meiji Rubber & Chemical, before the acquisition.

The company is one of the two established reusable plastic containers (RPC) poolers in Japan. It supplies RPCs to retailers, fresh produce growers, cooperatives and wholesales.

IFCO Systems CEO Wolfgang Orgeldinger said: "Gaining full ownership of IFCO Japan is a key strategic step for IFCO in the continued expansion of our RPC business.

"The transaction offers a strong internal rate of return as it stands, with upside available as we focus on improving sales and marketing disciplines and driving stronger returns, including through potential synergies with IFCO globally.

"The acquisition - our largest investment in Japan to date - complements our ongoing assessment of opportunities in the RPCs segment and elsewhere in Asia."

IFCO Japan posted sales revenue worth \$24.7m and EBITDA 6.7m last fiscal. It has service centers in Gifu and Saitama near Nagoya and Tokyo, respectively, operating a pool of over 200 million RPCs across 34 countries.

In May, Brambles entered the Chilean RPC market with the acquisition of Renta Pack for \$63m. The business serves retailers Cencosud, Montserrat, Tottus, Unimarc and Walmart.

*Image: IFCO Japan supplies reusable crates to retailers. Photo: courtesy of Domdeen / Freedigitalphotos.net.*