

A\$ millions	Year ended 30 June 2003	Year ended 30 June 2002	Change %
Sales	331	442	(25)
Comparable operating profit ¹	11	28	(61)

¹ Comparable operating profit is defined on page 81.

Regional Businesses

The Regional Businesses performed steadily, with the exception of Interlake where performance was hampered by unfavourable market conditions in the United States.

Eurotainer

Eurotainer, which manages an international fleet of specialised tank containers for transporting liquids, powders and gases, had a good year overall despite a tough operating environment. Rental rates and volume continue to be weak, due in large part to the difficult German economy.

This business has been a joint venture with CCR since January 2001. The joint venture continues to provide synergies and overhead cost savings.

TCR

TCR, a provider of ground support equipment used in aircraft handling, is a joint venture between Brambles and Fraport, a global airport management group.

As this business is impacted by the robustness of the aviation industry, the challenging circumstances faced by airline operators created a difficult environment for TCR. Despite this, TCR successfully expanded its operations including an acquisition of a small company operating at

London's Heathrow airport, allowing TCR to fulfil increasing demands from customers for global ground support equipment requirements.

In response to feedback that customers were not obtaining optimum value from the ownership of ground support equipment, TCR increasingly provides customers with tailor-made rental offerings that supply readily available, sophisticated and reliable ground support equipment. Ground handlers can access this equipment on a short or long-term basis, depending on their requirements to service a particular aircraft. These tailored services provide customers with greater flexibility and allow them to focus on core competencies, and are a capital-efficient and cost-effective response to recent financial difficulties faced by the airline industry. Contracts were awarded by customers based at London's Heathrow, Gatwick and Stansted airports, Paris' Charles de Gaulle and Orly airports, and Schiphol airport in the Netherlands.

Interlake

Interlake, which designs, fabricates and installs static and dynamic storage racks in the Americas, continues to be impacted by the slowing US economy. This was exacerbated by the collapse of the e-business 'bubble', which resulted in the closure of related warehousing facilities and, also, excess capacity of warehouse racking in the market.

To reduce costs, Interlake's manufacturing base was restructured during the year. The Lodi facility in California was closed and manufacturing capabilities consolidated in lower-cost sites.

The sales team was re-aligned to better reflect the needs of customers, shifting its focus from product-oriented knowledge to customer-oriented solutions. The sales force is now structured in line with customer sectors and an intensive training program has begun to bolster 'solution selling' skills. ○

Stansted Airport, United Kingdom



Singapore

