

# Brambles

## Investor Information Pack

March 2009



# Contact details

**For additional information, contact:**

**Michael Roberts**

Vice President Investor Relations & Corporate Affairs

michael.roberts@brambles.com

+61 (2) 9256 5216

+61 (0) 418 263 199 (mobile)

Or visit our website [www.brambles.com](http://www.brambles.com)

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# Company profile

- Leading global provider of supply chain and information management solutions
- Group's businesses CHEP and Recall
- Operates in over 45 countries
- Over 12,000 employees
- Primary listing on the Australian Securities Exchange and a secondary listing on the London Stock Exchange
- Total assets of US\$5.6 billion as at 30 June 2008

# Two businesses

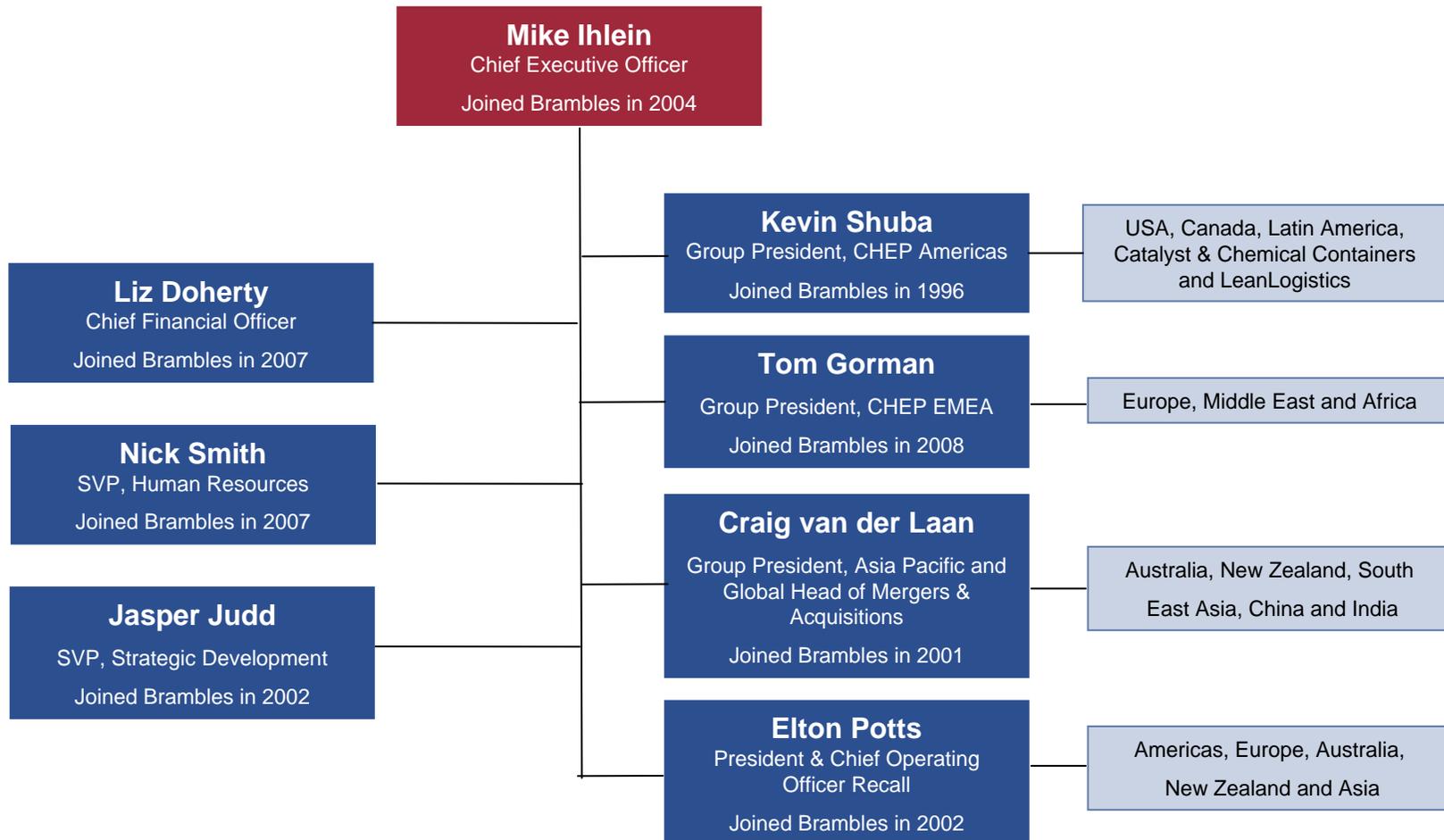


- CHEP is the leader in pallet and container pooling services
- Partners with customers to develop pooling solutions that ensure reduced product damage, offer enhanced delivery efficiencies, eliminate waste and cut supply chain costs
- Customers primarily in FMCG, produce, meat, beverages, raw materials, home improvement and automotive industries
- Handling the world's most important products. Everyday.



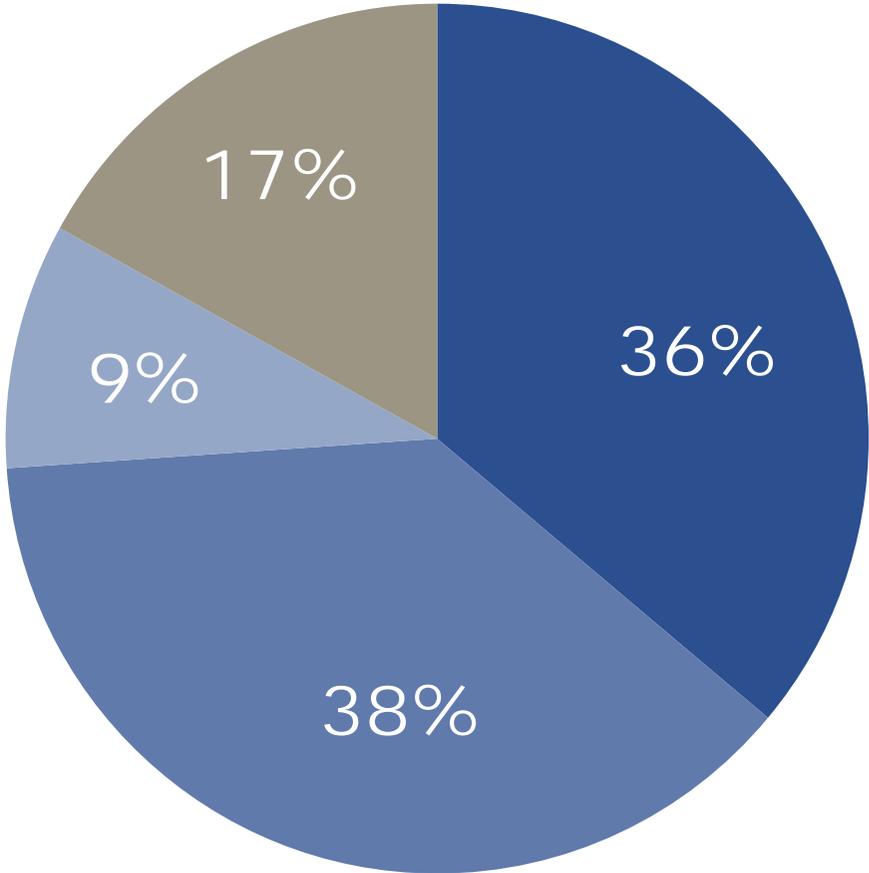
- Recall is a leader in the management of information throughout its life cycle
- One stop, end to end, information management solution
- Provides secure storage, retrieval and destruction of digital and physical information
- Focus on transaction intensive market segment such as banking and finance, insurance, legal, health care, retailing and government

# Brambles Executive Leadership Team



# 2008 Brambles Sales Revenue – by business unit

Business	Sales (US\$M)
CHEP	3,610
Recall	748
<b>TOTAL</b>	<b>4,358</b>



■ CHEP Americas      ■ CHEP EMEA  
■ CHEP Asia-Pacific      ■ Recall

\*all numbers are at actual exchange rates

# 2008 Brambles Sales Revenue – by service

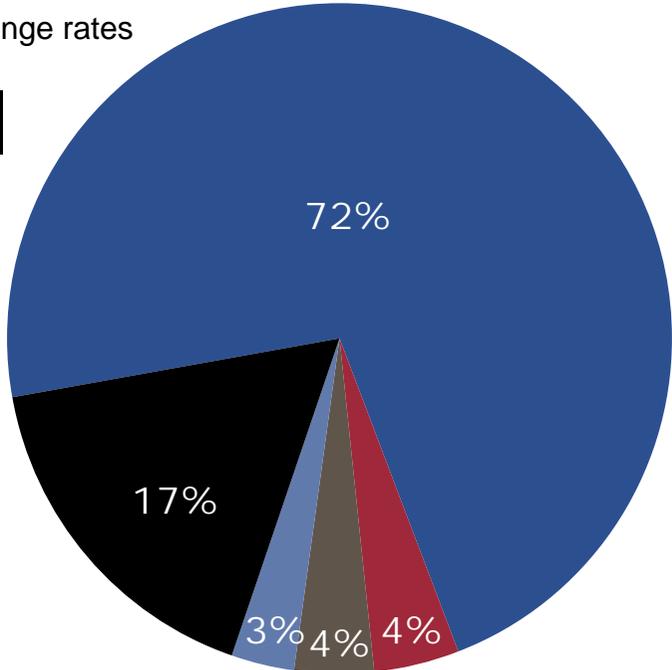
\*all numbers are at actual exchange rates

## Recall

Revenue US\$748M  
Cartons 82M

## Intermediate Bulk Containers (IBC) & Catalyst and Chemical Containers (CCC)

Revenue US\$94M  
Containers 1M



## Reusable Plastic Containers (RPC)

Revenue US\$169M  
Containers 39M



## Pallet Pooling

Revenue US\$3,157M  
Pallets 251M



## Automotive Containers

Revenue US\$190M  
Containers 11M





Company  
overview

**CHEP**

Recall

1H09 Results

Appendix

**Brambles**

# Product base – not just pallets



Pallets	Intermediate Bulk Containers	Reusable Plastic Containers	Automotive Containers
			
			
			
			

# Customer value proposition



**Consistent quality pallets and containers**

**Availability**

**Reduced product damage**

**Eliminate pallet purchases, exchange and repair**

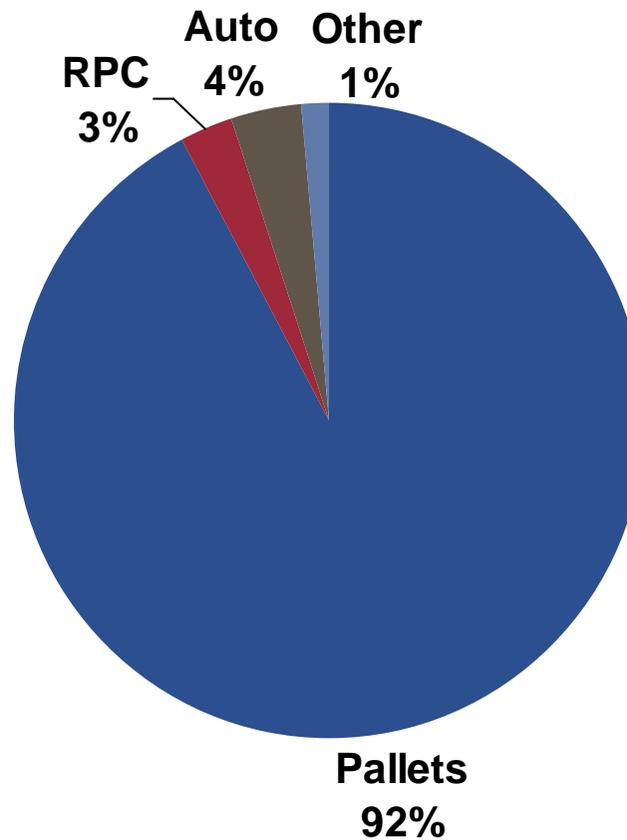
**Reduced transportation and handling**

**Competitive pricing**

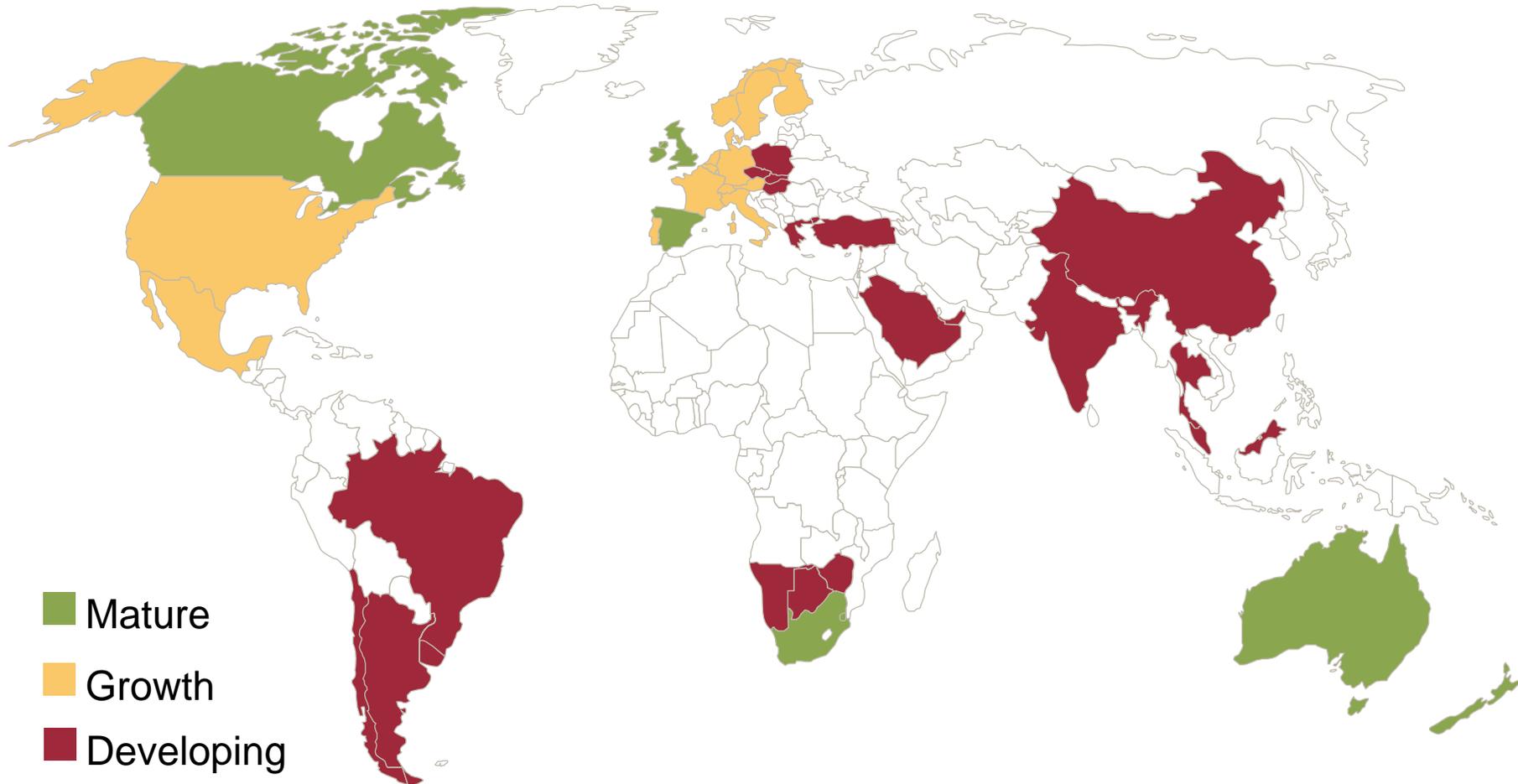
**Improved employee and customer safety**

**Environmental sustainability**

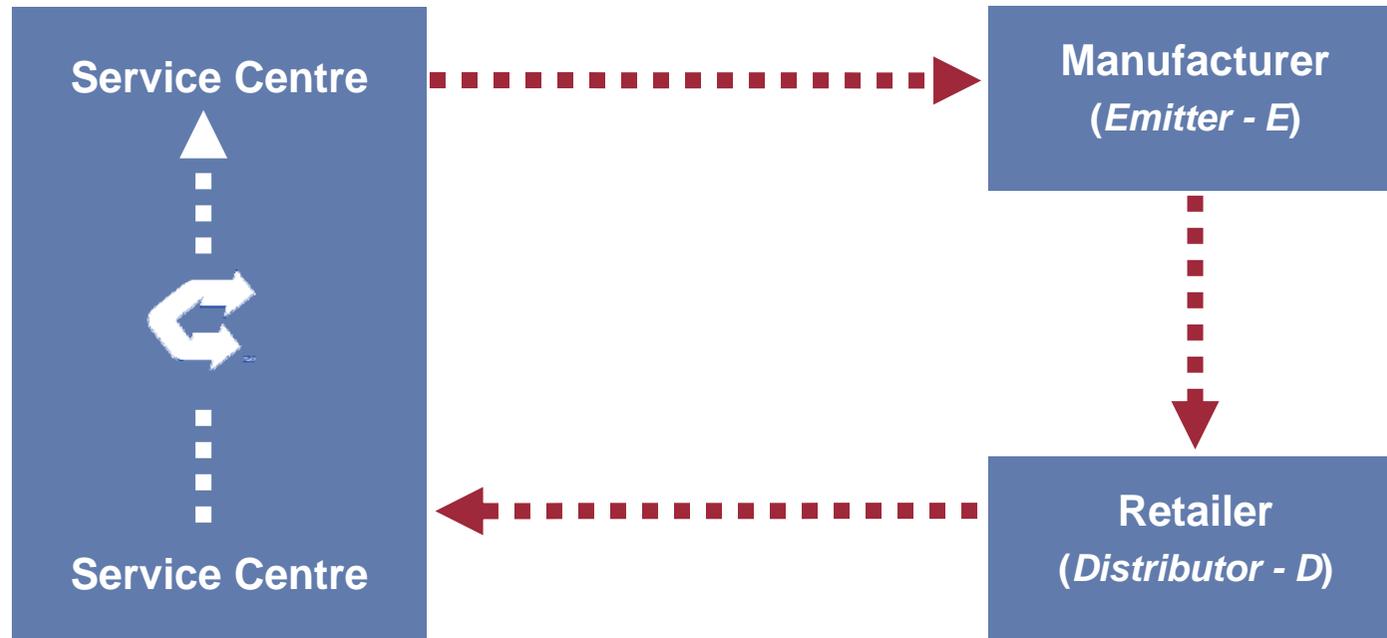
## Pooling Equipment Book Value @ 30 June 2008 = US\$3.1BN



# Growth opportunities

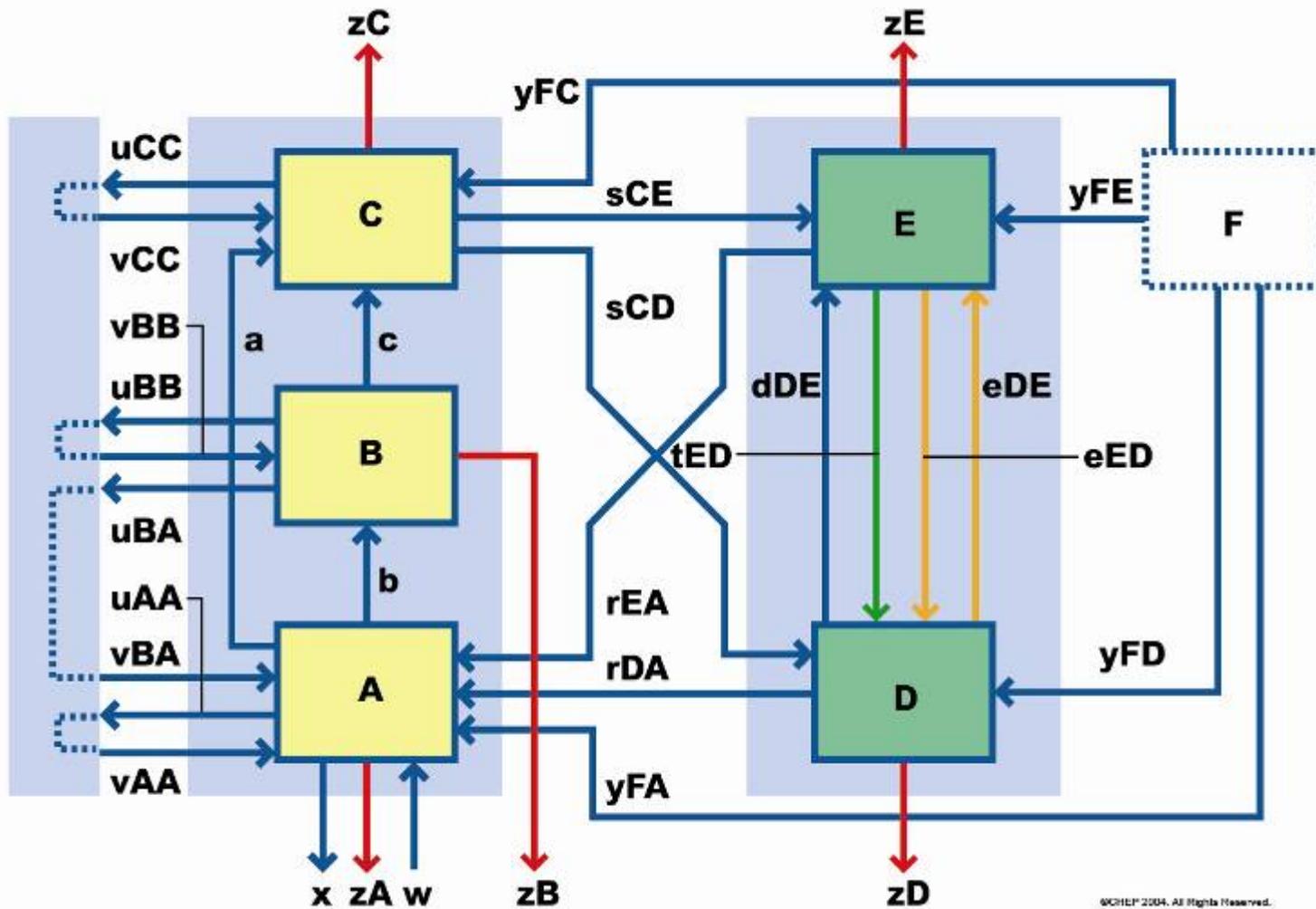


# How pallet pooling works



Service Centre	Manufacturer / Emitter	Retailer / Distributor	Service Centre
1. CHEP issues ready-for-use pallets to manufacturers and growers for use and movement through the supply chain.	2. Upon receipt of CHEP equipment, manufacturers and growers load their products and ship them through the supply chain using a CHEP pallet.	3. At the end of the supply chain, the receiving retailer or distributor off-loads the goods and returns the CHEP pallets empty to the nearest CHEP service centre or TPM location or CHEP arranges collections.	4. CHEP inspects and repairs all returned pallets, if necessary, to ensure they meet our quality standards. These pallets are then made ready-for-use and the cycle starts again.

# Sophisticated supply chain flows – network optimisation



# ABC glossary



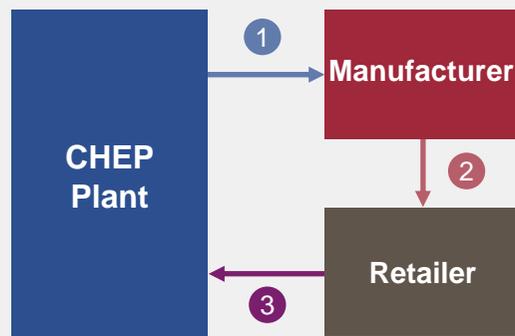
- A = stock awaiting inspection
- B = stock awaiting repairing
- C = stock repaired
- D = distributor e.g. retailer
- E = emitter e.g. manufacturer
- F = factory – pallet manufacturer
- r = all 'returned' flows
- s = all 'sent' flows
- t = pallet transfers
- u = all flows going out from one plant to another plant
- v = all flows coming into a plant from another plant
- w = equipment found and returned
- x = equipment scrapped at plants
- y = new equipment from supplier
- z = equipment lost and officially written off

# Pallet pooling model physical flows



## One Way Trip

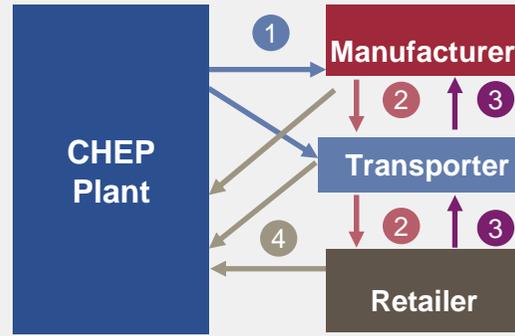
(e.g. USA)



- 1 Pallet issued and delivered by CHEP to manufacturer
- 2 Goods shipped on pallet
- 3 Pallets returned from retailer to the plant for inspection and repair if necessary

## Exchange

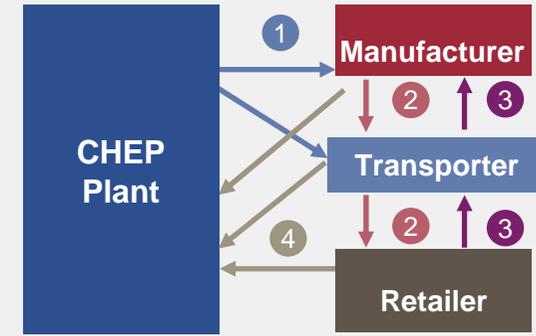
(e.g. UK)



- 1 Pallet issued by CHEP to manufacturer or intermediary
- 2 Goods shipped on pallet
- 3 Pallet under load exchanged for an empty pallet at point of delivery
- 4 Surplus or damaged pallets returned to the plant for inspection and repair if necessary

## Transfer Hire

(e.g. Australia)



- 1 Pallet issued by CHEP to manufacturer or intermediary
- 2 Goods shipped on pallet
- 3 Pallet transferred between accounts of manufacturers, retailers & transporters as goods are delivered and empty pallets are transferred for re-use
- 4 Surplus or damaged pallets returned to the plant for inspection and repair if necessary

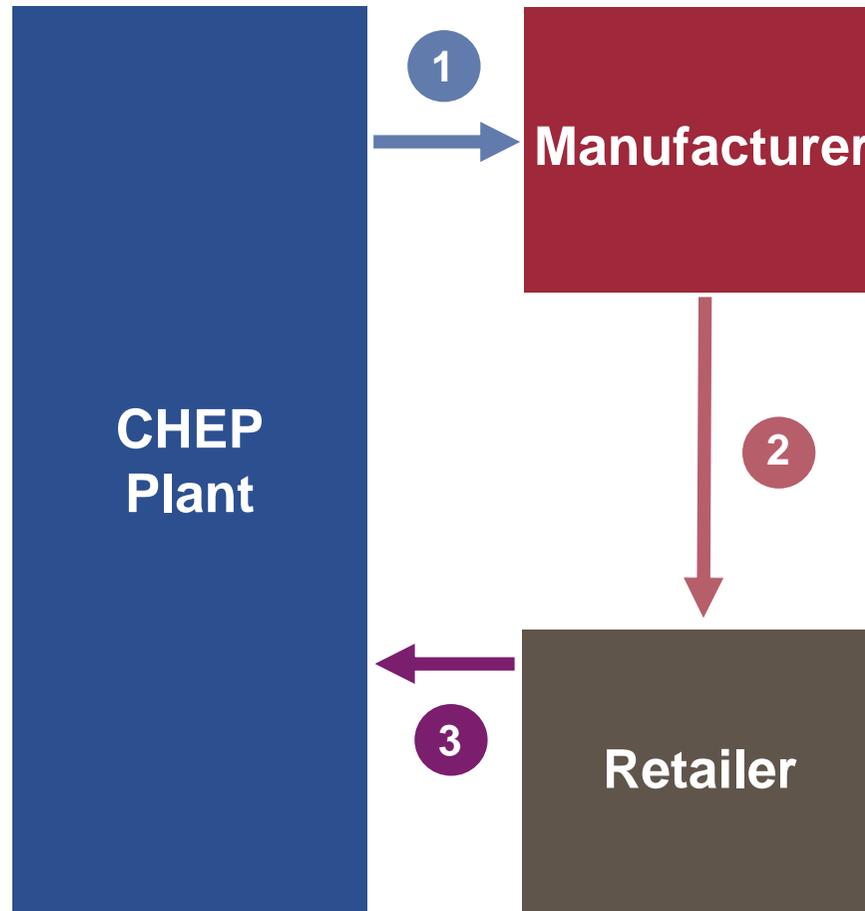
# Pallet pricing architecture



		One Way	Exchange	Transfer Hire
<b>ISSUE FEE</b>	Fee for issue of a quality assured pallet from a CHEP service centre	✓	✓	✓
<b>DAILY HIRE FEE</b>	Fee for each day that a customer uses or remains responsible for a pallet	✓	✓	✓
<b>TRANSFER FEE</b>	Fee for use as pallet transfers into a retail channel	✓	✓	✗
<b>MOVEMENT FEE</b>	Fee levied per movement under load prior to return to CHEP	✗	✓	✗
<b>TRANSPORT FEE</b>	Pallet delivery and/or collection fees	✓	✓	✓
<b>ADMINISTRATIVE FEE</b>	Fees for lost equipment and/or late declaration	✓	✓	✓

\* Note: The above illustrates the principal pricing structure across CHEP. It does not explain all fees.

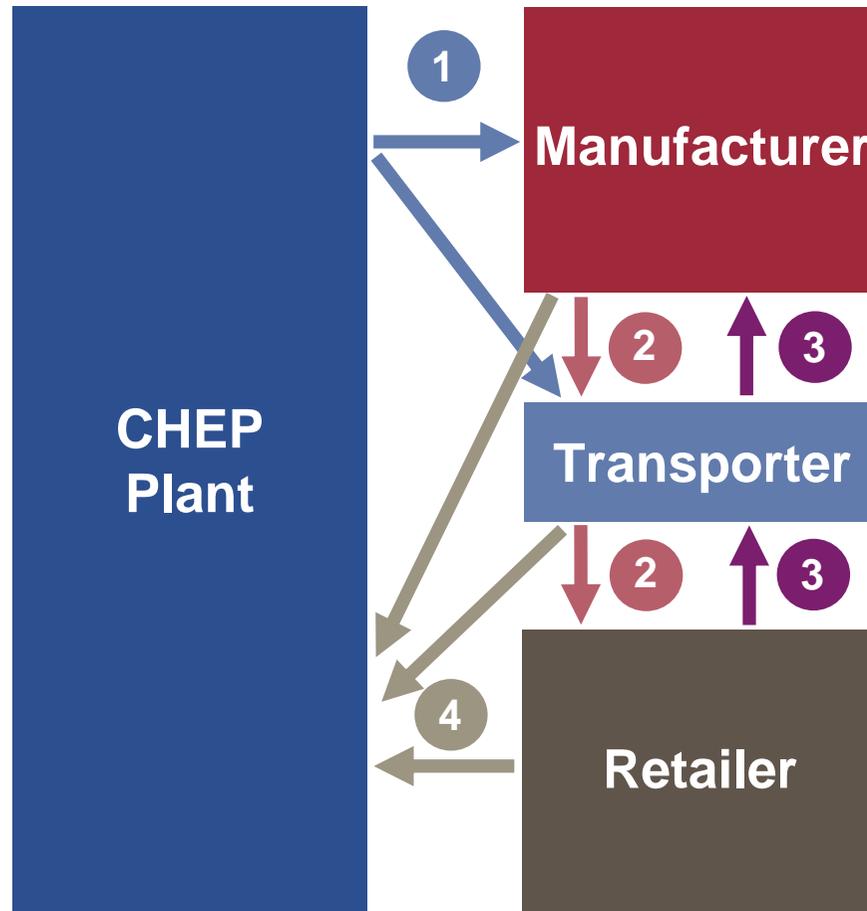
# One Way Trip (e.g. USA)



- Issue fees are the prime source of revenue
- Issue volume is a proxy for revenue
- Customer taking the issue pays

## Main revenue stream

**Issue Fee** – for issue of a pallet from a CHEP service centre

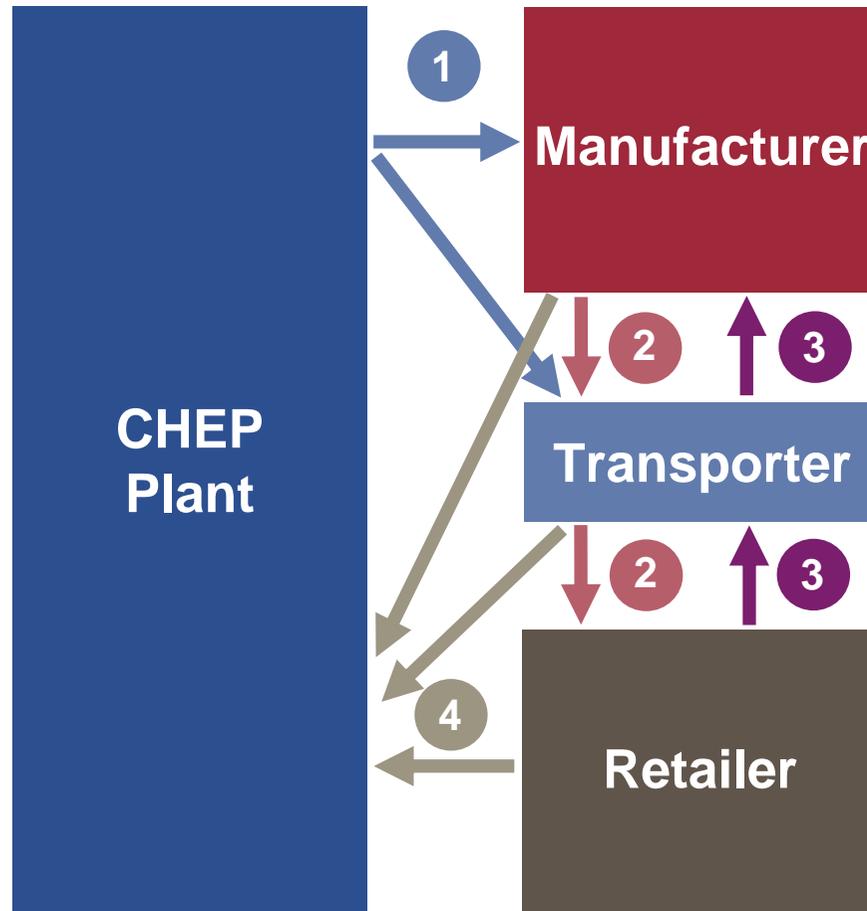


- Movement fees are the prime sources of revenue
- Number of movements and average volume of pallets in the field are proxies for revenue
- Primarily manufacturers and transporters pay
- “Managed Recovery” variation

## Main revenue stream

**Movement Fee** – levied per movement under load

# Transfer Hire (e.g. Australia)

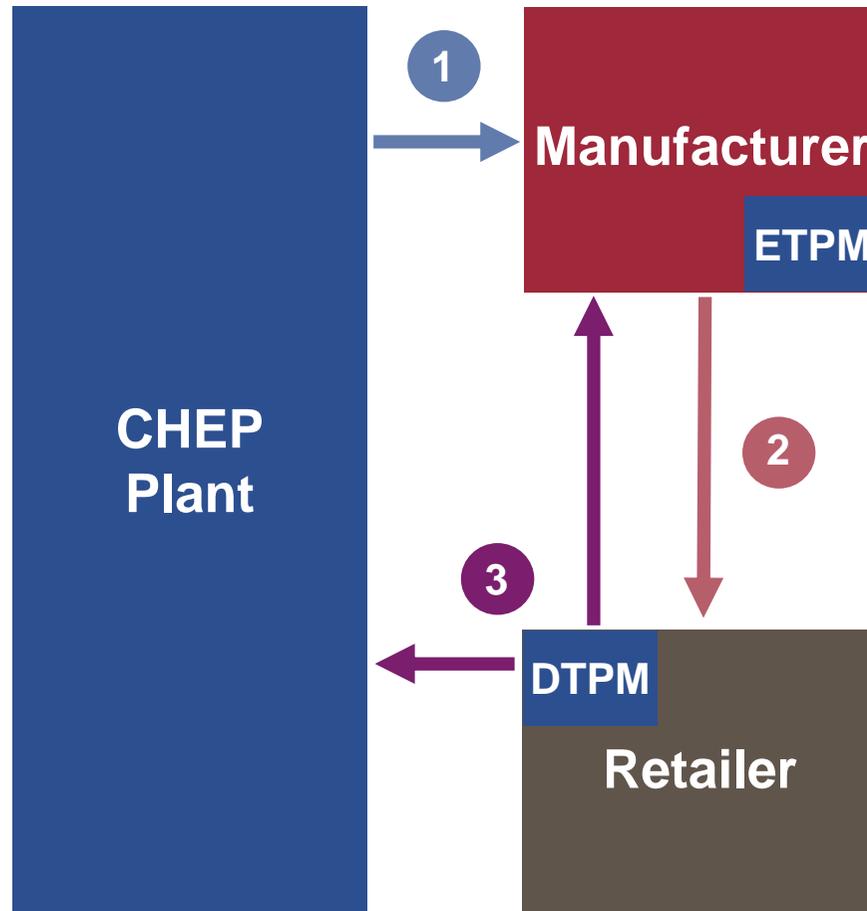


- Daily fees are the prime source of revenue
- Average volume of pallets in the field is a proxy for revenue
- All market participants pay

## Main revenue stream

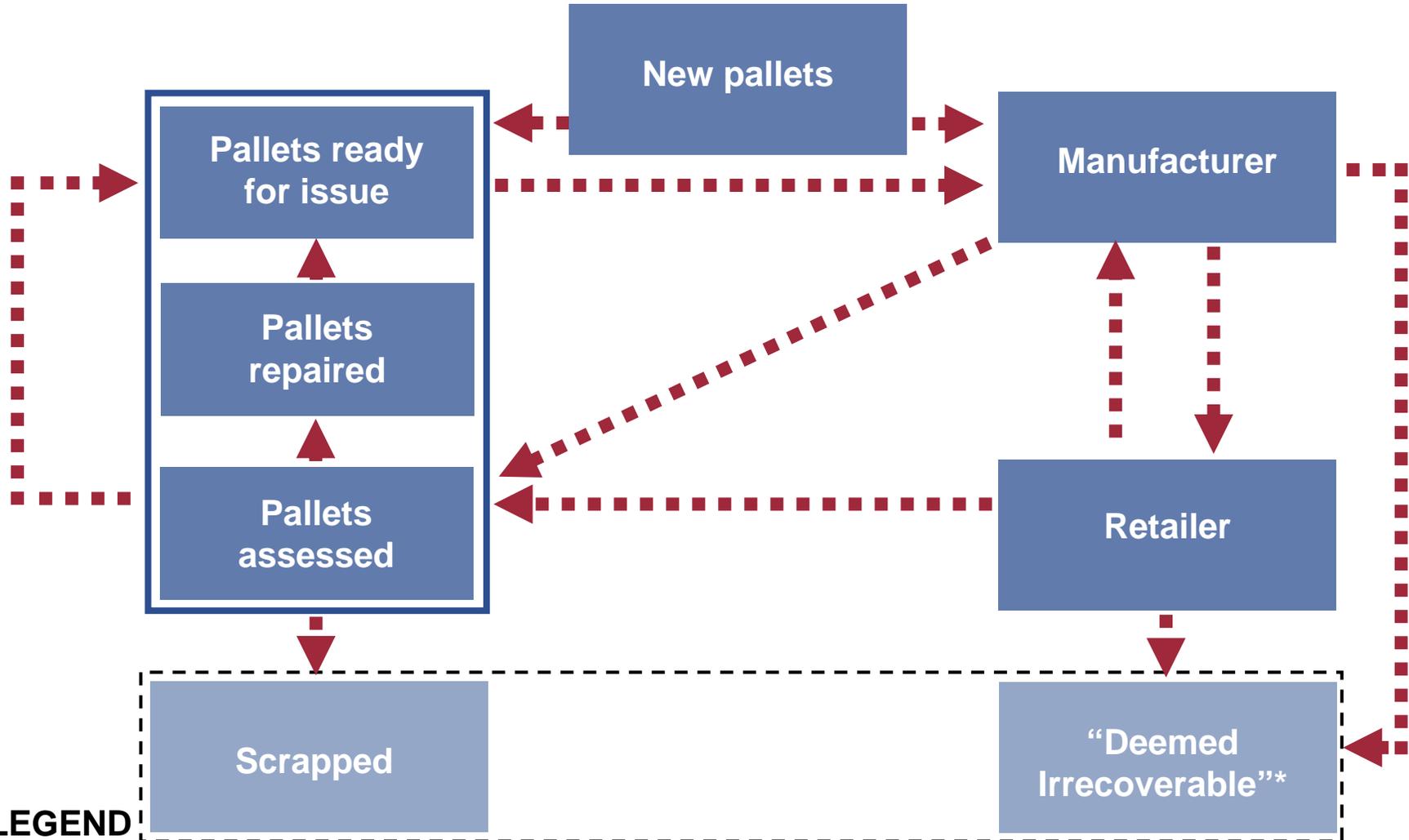
**Daily Fee** – for each day a pallet is used by a customer

# Total Pallet Management (TPM)



- Optimising transport activity and equipment moves within the network
- Possibility to reduce empty hauls between specific Manufacturer and Retailer
- Improved communication and coordination between Customer and CHEP
- Promotes on time delivery and supply
- Reduction in daily inventory carried
- Minimises administration associated with pallets

# Pallet life cycle: accounting perspective



**LEGEND**

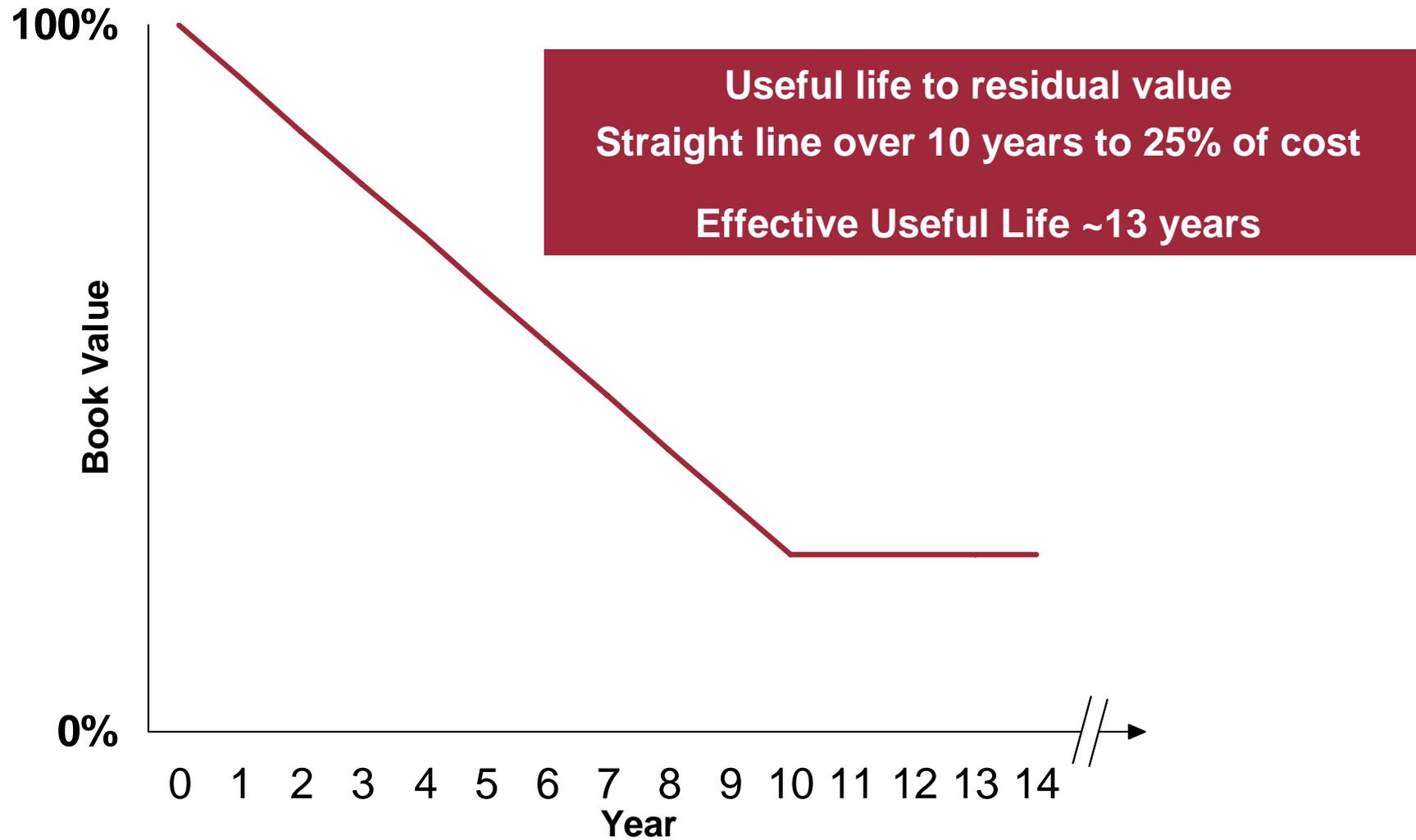
■ ■ ■ pallet flows

\*Deemed irrecoverable from an accounting perspective at a specific point in time



- Sales growth
- Asset turns
- Transport costs
- Plant costs
- Asset management costs
  - recovery
  - depreciation
  - IPEP expense

# Pallet (wood) depreciation policy



# Asset Management - accounting for deemed irrecoverable pallets



- Pallets that cannot be accounted for at a particular location at a specific point in time are deemed 'irrecoverable' from an accounting perspective
- Two types of irrecoverable pallets

## Compensatable

- Via individual contract (varies by customer and region)
- On receipt of compensation the Net Book Value (NBV) and pallet numbers are written off
- Partially offsets gross replacement capex (varies across time, region and customer)

## Uncompensatable

- Built into cost and pricing structure
- NBV of potential unaccounted for pallets is provided through the Irrecoverable Pooling Equipment Provision (IPEP)
- Pallet numbers are written off on audit completion

**In both cases irrecoverable pallets have to be replaced.**

**'Unaccounted for' pallets represents ~9-10% pa of the pallet pool.**

# Irrecoverable Pooling Equipment Provision (IPEP)



- Irrecoverable Pooling Equipment Provision Expense
  - Reflects the cost to CHEP in the period of known and estimated uncompensatable irrecoverable pallets at a particular point in time
  - Includes pallets that are unaccounted for due to:
    - A distributor that does not have a contractual agreement with CHEP
    - The result or anticipated result of an audit where it is known unaccounted for pallets will not be compensated
  - Uncompensatable pallets are written off against the provision
- IPEP is determined with reference to historical statistical data, audit outcomes, KPIs and management estimates which all require judgement

# Cost structure and key profit drivers



## Management Accounts

for the year ended 30 June 2008

	US\$ / %
Sales revenue	100
Transport costs	(19)
Plant operations	(25)
Depreciation	(11)
Net gains on disposals of PPE	1
IPEP expense	(3)
Other operating expenses	(16)
<b>Underlying profit</b>	<b>27</b>

Note: numbers are indicative only.

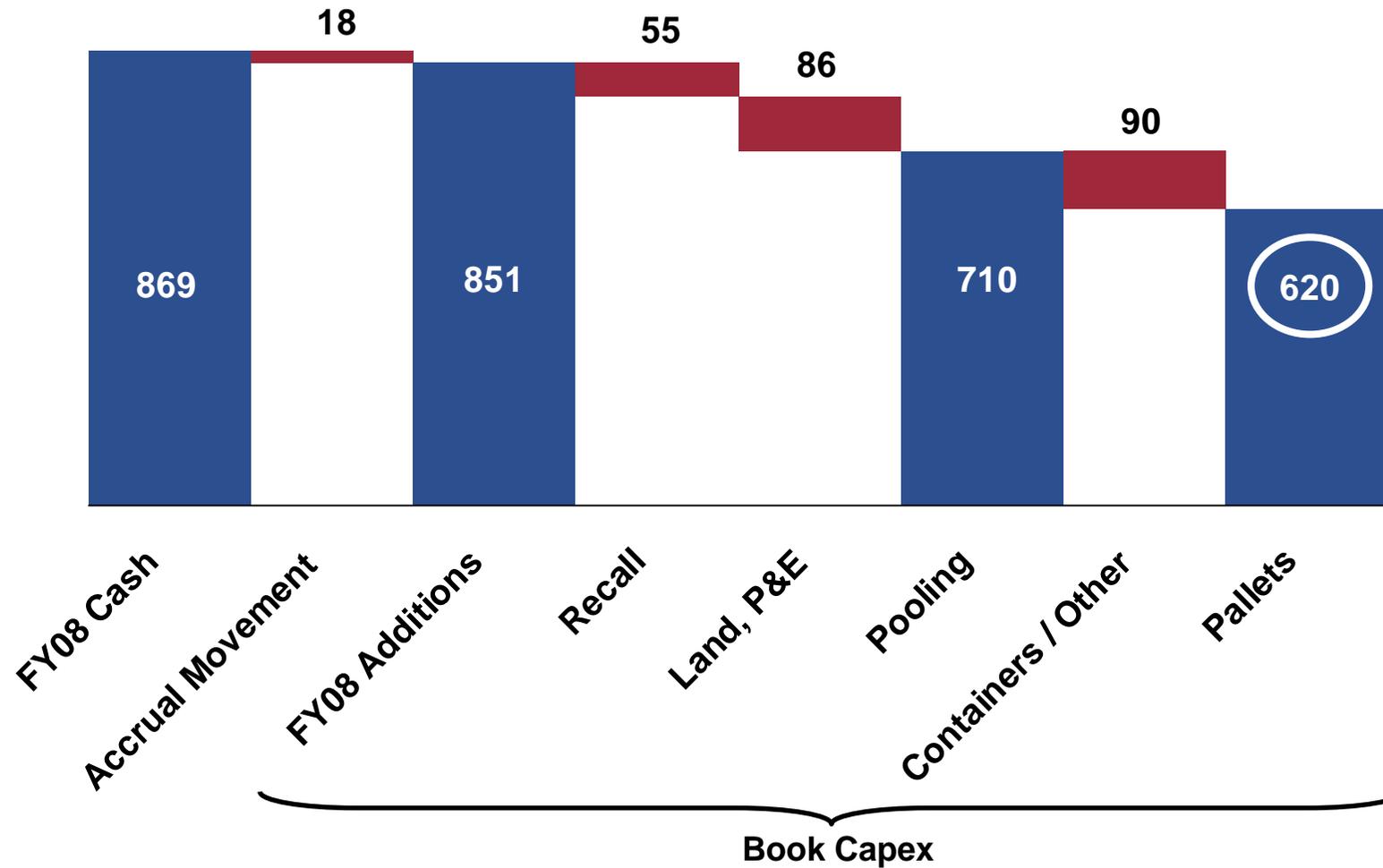
# Impact on financial statements



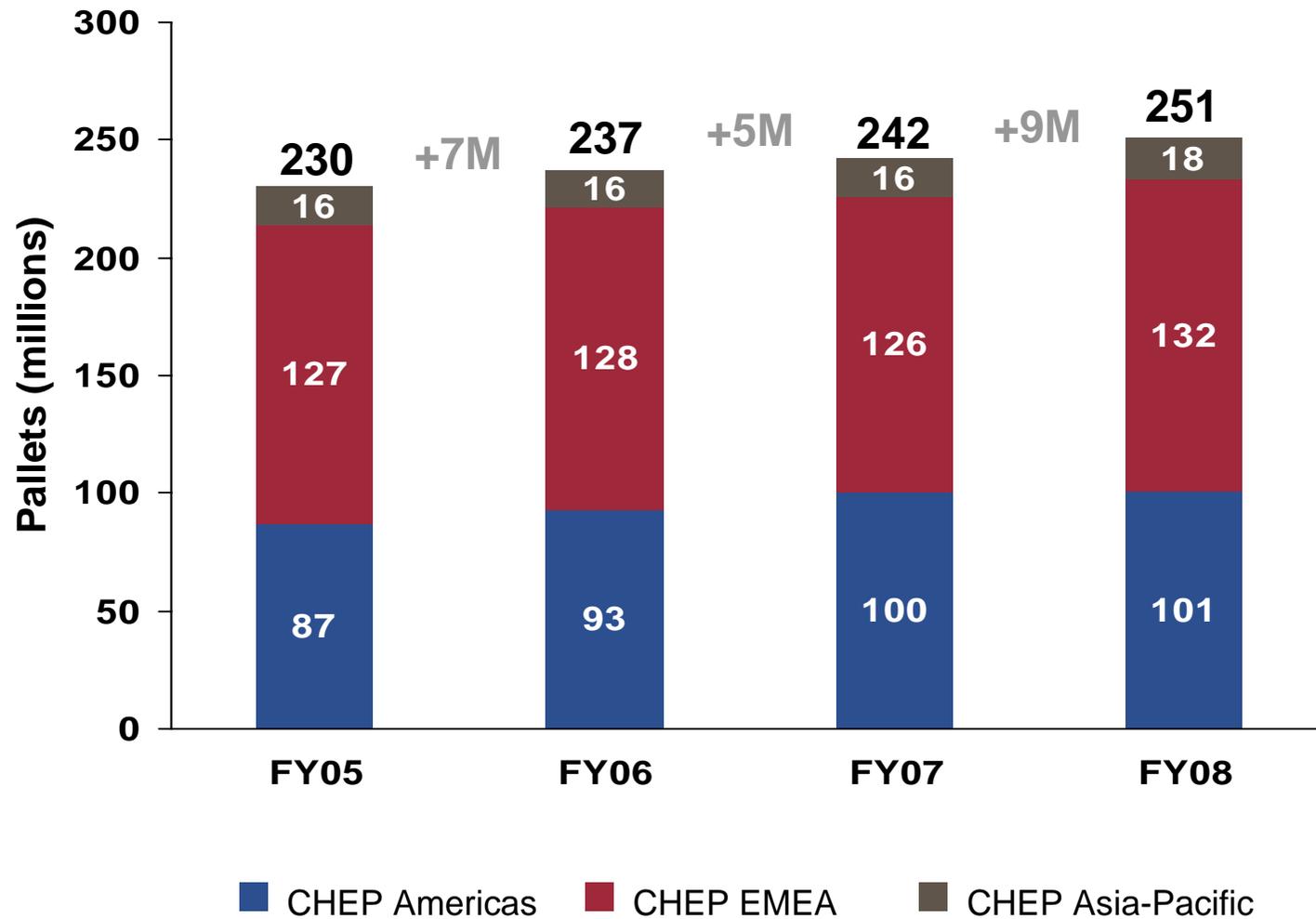
	Income Statement	Balance Sheet	Cash Flow statement
<b>Asset purchase</b>	-	Property, Plant and Equipment / Trade payables	Purchases of Property, Plant & Equipment
<b>Fees</b>	Sales revenue	Trade receivables	Receipts from customers
<b>Direct costs – Plant costs, transport costs</b>	Operating expenses. No direct link between management account definition and note 5 (b)	Trade payables	Payments to suppliers and employees
<b>Fuel Surcharge</b>	Other operating income	Trade receivables	Offset to payments to suppliers
<b>White wood sales</b>	Other operating income	Trade receivables	Offset to payments to suppliers
<b>Direct cost - Depreciation</b>	Operating expenses - Depreciation	Property, Plant and Equipment	-
<b>Compensatables</b>	Net gains on disposal of property plant and equipment	Property, Plant and Equipment	Proceeds of property, plant and equipment
<b>Assets scrapped</b>	Net gains on disposal of property plant and equipment	Property, Plant and Equipment	Proceeds of property, plant and equipment
<b>Uncompensatables</b>	Operating expenses – IPEP expense	Property, Plant and Equipment	-

# Capital Expenditure – cash to book – FY08

## US\$M actual exchange rates



# Growth in pallet numbers



# Reconciling pallet numbers for capex



## Pallet Growth

- FY07: 242M pallets
- FY08: 251M pallets
- Growth: 9M pallets or 3.7% of the pool
- Pallet volume growth just under 4%

## Capex Analysis

		Number of Pallets
FY08 Capex at approximately US\$18 per pallet	US \$620M	34 M
Growth Capex	US \$(162)M	(9)M
Replacement Capex (~10% of pool)	US \$(450)M	(25)M
Difference due to rounding etc.	<u>US \$8 M</u>	

- Pallets are ~83% of the net carrying amount of plant and equipment

## Capex and Depreciation Underlying Ratio

Pallet Capex

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Pallet Depreciation + IPEP + NBV of Compensatable Pallets

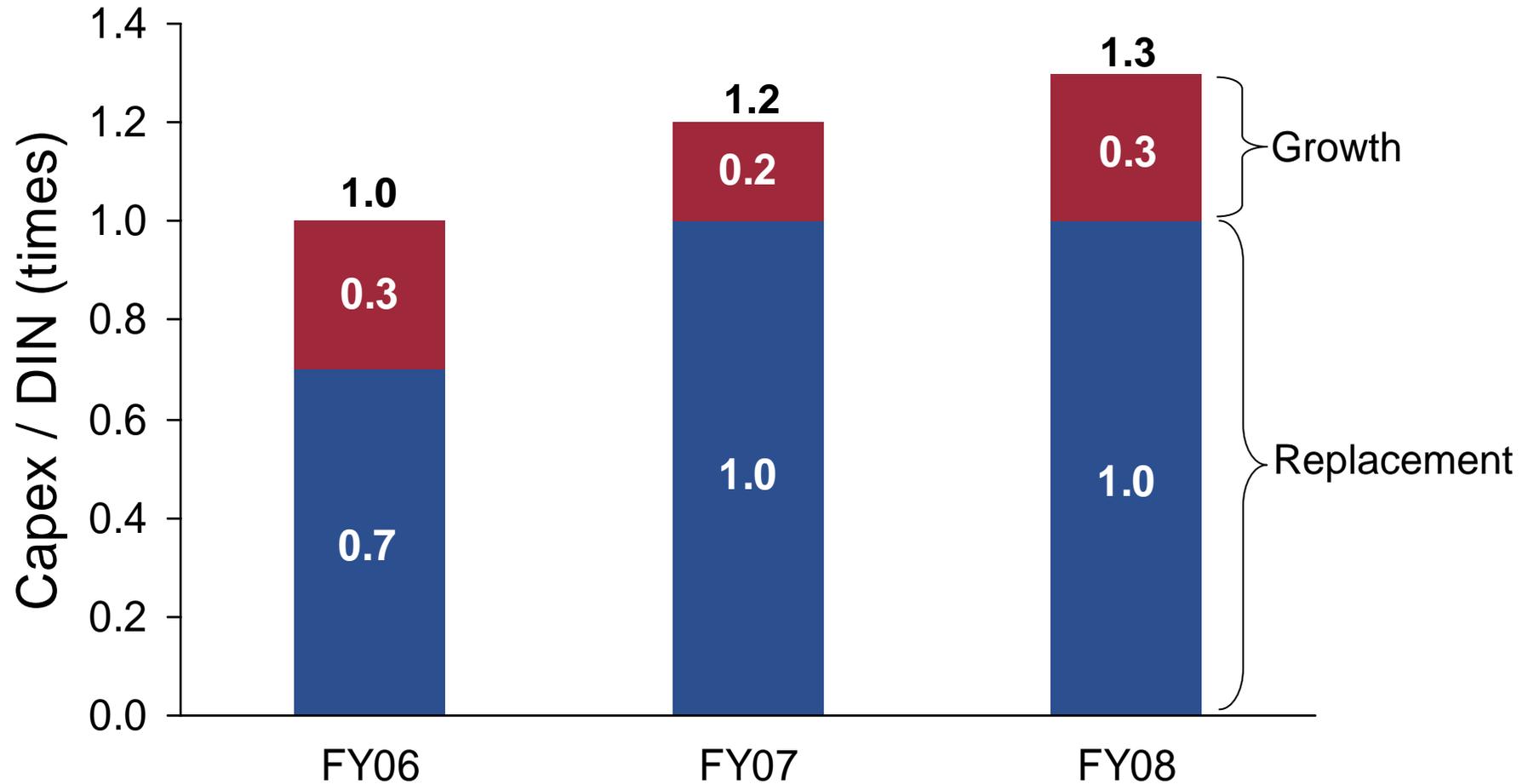
### Example:

US\$620M

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US\$301M + US\$91M + (US\$80M × 83%)

# Book capex / (Depreciation + IPEP + NBV) for pallets



- Internally used to measure asset management in the one way trip pooling model
- $(\text{Pallet Returns} + \text{Recoveries}) / \text{Total Issues}$
- A lower control ratio drives higher replacement capex (assuming that the pool is stable)
- Limitations to use
  - does not take into account growth
  - represents asset control between two selected points in time

## Example

**In a stable environment, a control ratio of 97% equates to 'unaccounted for' pallets of 3%. In a pool with 3 asset turns per annum this calculates to 9% of the pallets in the pool per annum being 'unaccounted for' (ie 3% x 3 turns)**

- In addition to monitoring plant operations using KPIs, CHEP regularly conducts physical audits to validate pallet quantities at customer locations
- Adjustments to pallet holdings are made once audits are reconciled and finalised. This can take some months

*CHEP maintains ownership of all its pallets and other pooling equipment even when such assets may physically be in the hands of manufacturers, retailers, pallet recyclers or others.*

*Notwithstanding the accounting treatment and perspective, which requires certain provisions to be made for pooling equipment deemed irrecoverable, CHEP at no time forfeits its ownership rights with respect to any CHEP pallets or other pooling equipment.*

# recall™

Your Information. Securely Managed.



Company  
overview

CHEP

Recall

1H09 Results

Appendix

**Brambles**

- Global leader in document and information management
- Operations at nearly 300 facilities in over 20 countries
- Approximately 4,500 employees working for nearly 80,000 customers
- Effectively manages customers' information throughout its lifecycle
- Headquarters in Atlanta, Georgia (USA)



*Document carton*



## Document Management Solutions (DMS)

- Secure indexing, storage, image capture and retrieval of physical and digital documents



## Secure Destruction Services (SDS)

- Confidential destruction of sensitive documents, other media and items of high intrinsic value



## Data Protection Services (DPS)

- Secure off-site storage, rotation, protection and recovery of multi-media data

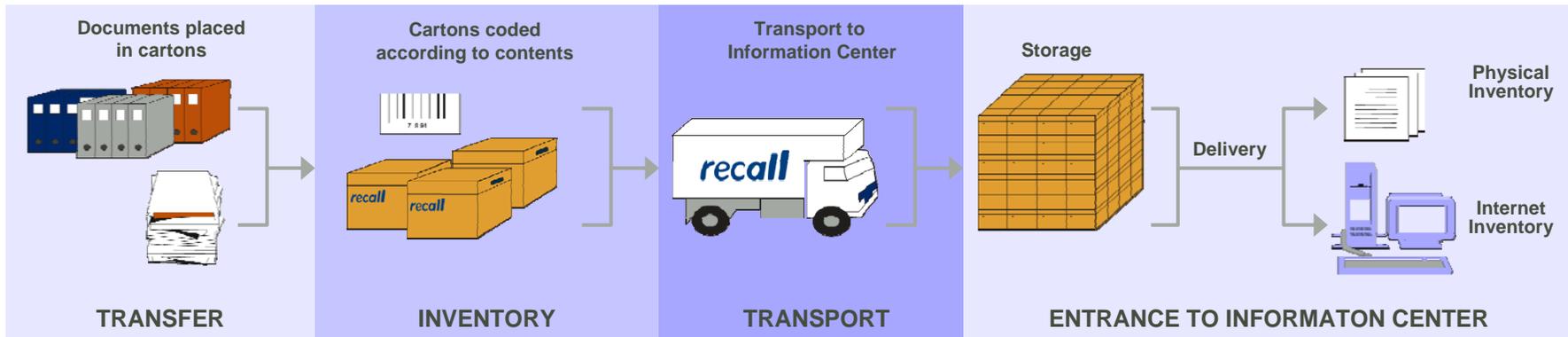


*Recall's shredder trucks destroy paper documents on-site*

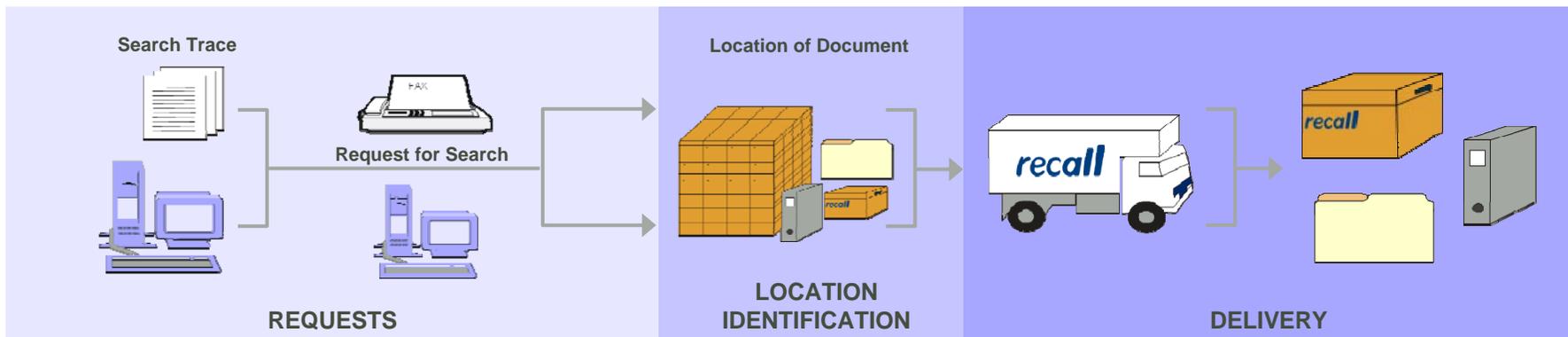
# Specialized logistics processes



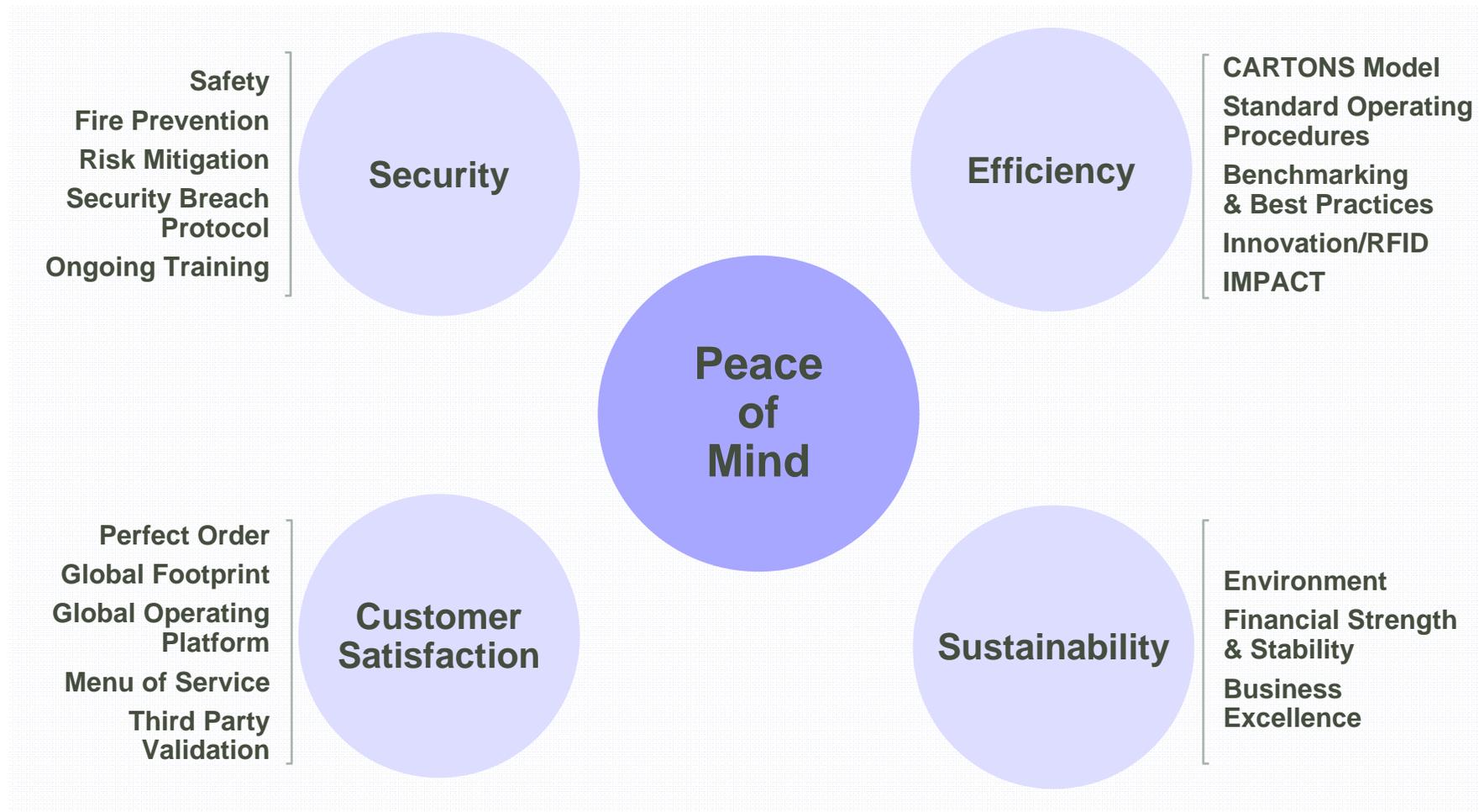
## STORAGE



## SEARCH & RETRIEVAL



# The Recall Advantage



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# Brambles

2009 Interim Results

16 February 2009



# Delivering revenue growth despite challenging conditions

- Sales revenue up 4% despite challenging conditions
- Underlying profit in line with prior year and margins of 23%
- Winning new business – sales pipeline strong
- Solid operating cash flow continues
- Demonstrates strength of the CHEP and Recall business models
- Maintaining prudent financial position – strong cash emphasis
- Dividend 17.5 Australian cents, up 3% – DRP introduced

# 1H09 Overview

- Sales up 4% to US\$2.073 billion
- Underlying profit in line with last year US\$469.3 million
- Earnings per share down 6% (actual fx rates) to 19.5 US cents
- Cash flow from operations US\$220.8 million
- Significant items before tax of US\$131.7 million
- Statutory operating profit of US\$337.6 million

Growth % calculated on US\$ constant currency basis

# New business delivering revenue growth

- Revenue growth in all regions of CHEP and Recall
  - CHEP Americas +4%
  - CHEP EMEA +3%
  - CHEP Asia-Pacific +1%
  - Recall +4%
- New business being won in all markets
- Price/mix offsetting declines in core volume in USA/Europe
- Success in key targets of USA beverages/food service and expansion in Poland
- Automotive sector weak
  - 4% of total business
  - impacts Europe/Australia/South Africa
- Walmart logistics transition in USA on track

Growth % calculated on US\$ constant currency basis

# Major initiatives to underpin future performance

- Not immune from dramatic economic slowdown
- Focus on discretionary costs and capital expenditure
- Taking actions now to underpin future performance
- Three major initiatives
  - Accelerated scrapping of 7 million excess pallets in CHEP USA
  - Increase investment in CHEP USA 2 year pallet quality program
  - Rationalise facilities/operations – reduce personnel 750 (approx)
- Improve future cost structure and meet customers' requirements

# Major initiatives to underpin future performance

- Accelerated scrapping of 7 million excess pallets in USA
  - Excess due to rapid and deep economic downturn
  - US\$99 million charge (before tax) in 1H09 (non-cash US\$37 million)
  - Assumes lumber recovery for future repairs
  - Avoid significantly higher operating costs over next few years

# Major initiatives to underpin future performance

- Increase investment in CHEP USA 2 year pallet quality program by US\$60m to US\$160m
- Positive customer response
  - US\$25m in 2H08 (US\$21m opex)
  - US\$38m in 1H09 (US\$35m opex)
  - US\$62m in 2H09 (US\$40m opex)
  - US\$35m in 1H10 (opex) (program end)
  - Major review in USA – range of customer service offerings, pallet platforms, pallet quality, service centre network, etc

# Major initiatives to underpin future performance

- Rationalisation of facilities and operations across the Group
  - Personnel reduction of 750 (approx) over next 12 months
  - One-off cost of US\$60 - 70 million (before tax) – mainly FY09
  - Annualised savings US\$40 - 50 million
- Improve future cost structure but still support the business

# Underlying and Statutory operating profit

<b>\$USm Actual rates AIFRS</b>	<b>1H09</b>	<b>1H08</b>
<b>Underlying profit</b>	<b>469.3</b>	<b>497.3</b>
<b>Items outside the ordinary course of business:</b>		
Foreign exchange gain on capital repatriation	29.9	-
Restructuring costs	(106.9)	(6.6)
<b>Items within ordinary activities, but unusual due to size and nature:</b>		
Walmart net transition impact	(20.2)	-
USA pallet quality program costs	(34.5)	-
<b>Statutory operating profit</b>	<b>337.6</b>	<b>490.7</b>

# 2009 Interim Results

AIFRS	Actual	Constant		Growth %
	1H09 US\$m	1H09 US\$m	1H08 US\$m	
<b>Continuing operations</b>				
Sales revenue	<b>2,073.2</b>	2,185.8	2,110.2	4
Underlying profit	<b>469.3</b>	496.2	497.3	0
PBT	<b>405.6</b>	428.0	426.4	0
PAT	<b>270.5</b>	285.4	293.8	(3)
EPS (cents)	<b>19.5</b>	20.6	20.7	0
Cash flow from operations	<b>220.8</b>		265.7	US\$(45)m

Growth % calculated on US\$ constant currency basis

# Sales revenue

AIFRS	Actual	Constant		Growth %
	1H09 US\$m	1H09 US\$m	1H08 US\$m	
CHEP Americas	792.5	810.4	776.4	4
CHEP EMEA	761.0	815.1	790.8	3
CHEP Asia-Pacific	166.6	188.0	185.3	1
<b>CHEP</b>	<b>1,720.1</b>	<b>1,813.5</b>	<b>1,752.5</b>	<b>3</b>
<b>Recall</b>	<b>353.1</b>	<b>372.3</b>	<b>357.7</b>	<b>4</b>
<b>Total sales revenue</b>	<b>2,073.2</b>	<b>2,185.8</b>	<b>2,110.2</b>	<b>4</b>

Growth % calculated on US\$ constant currency basis

# Underlying profit

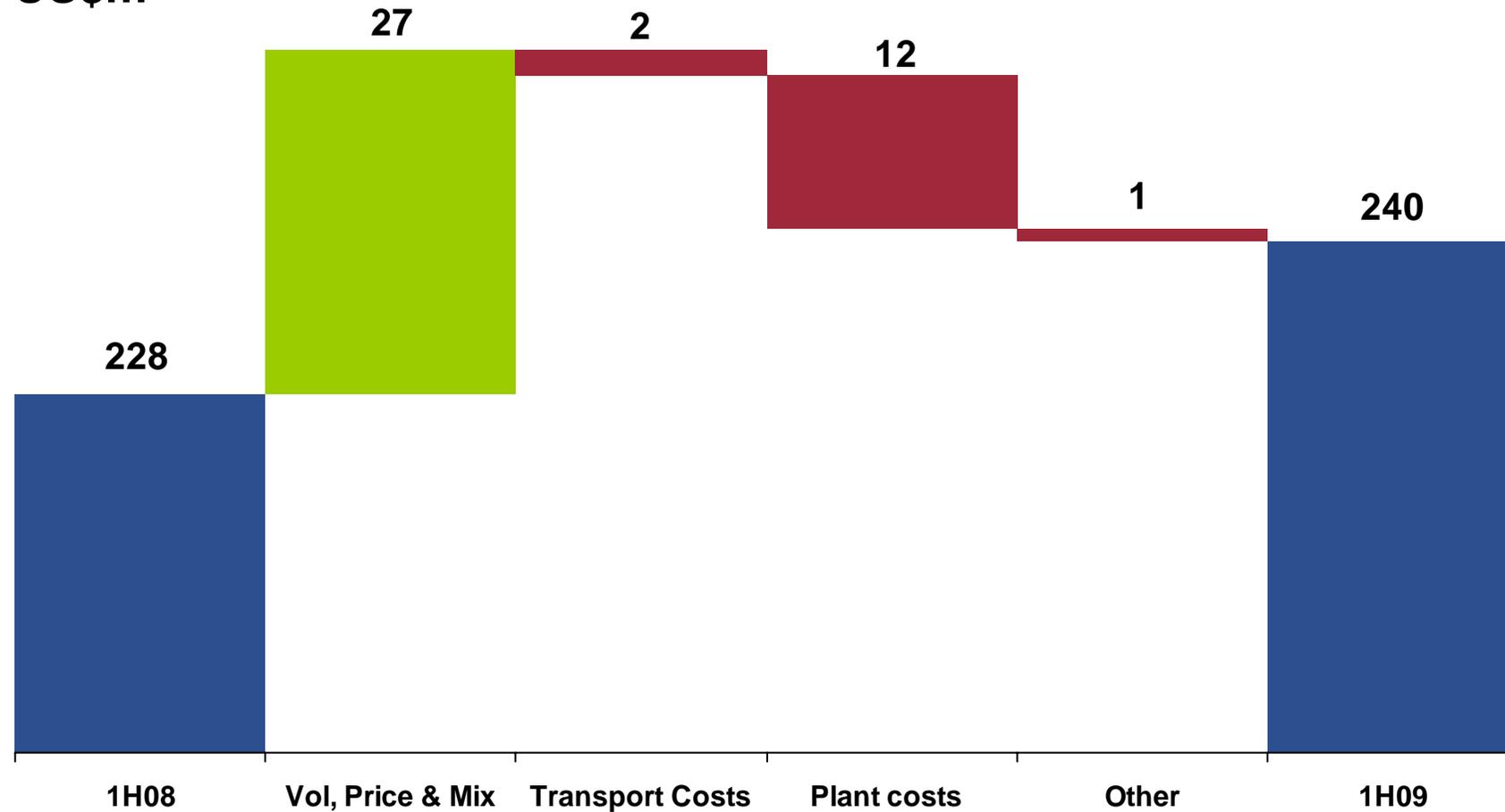
AIFRS	Actual	Constant		Growth %
	1H09 US\$m	1H09 US\$m	1H08 US\$m	
CHEP Americas	233.3	240.0	227.7	5
CHEP EMEA	170.9	183.4	189.8	(3)
CHEP Asia-Pacific	28.9	34.1	45.6	(25)
<b>CHEP</b>	<b>433.1</b>	<b>457.5</b>	<b>463.1</b>	<b>(1)</b>
<b>Recall</b>	<b>50.5</b>	<b>53.8</b>	<b>52.2</b>	<b>3</b>
<b>Unallocated Brambles HQ costs</b>	<b>(14.3)</b>	<b>(15.1)</b>	<b>(18.0)</b>	<b>16</b>
<b>Underlying profit</b>	<b>469.3</b>	<b>496.2</b>	<b>497.3</b>	<b>0</b>

Growth % calculated on US\$ constant currency basis

# CHEP Americas – Underlying profit



US\$m

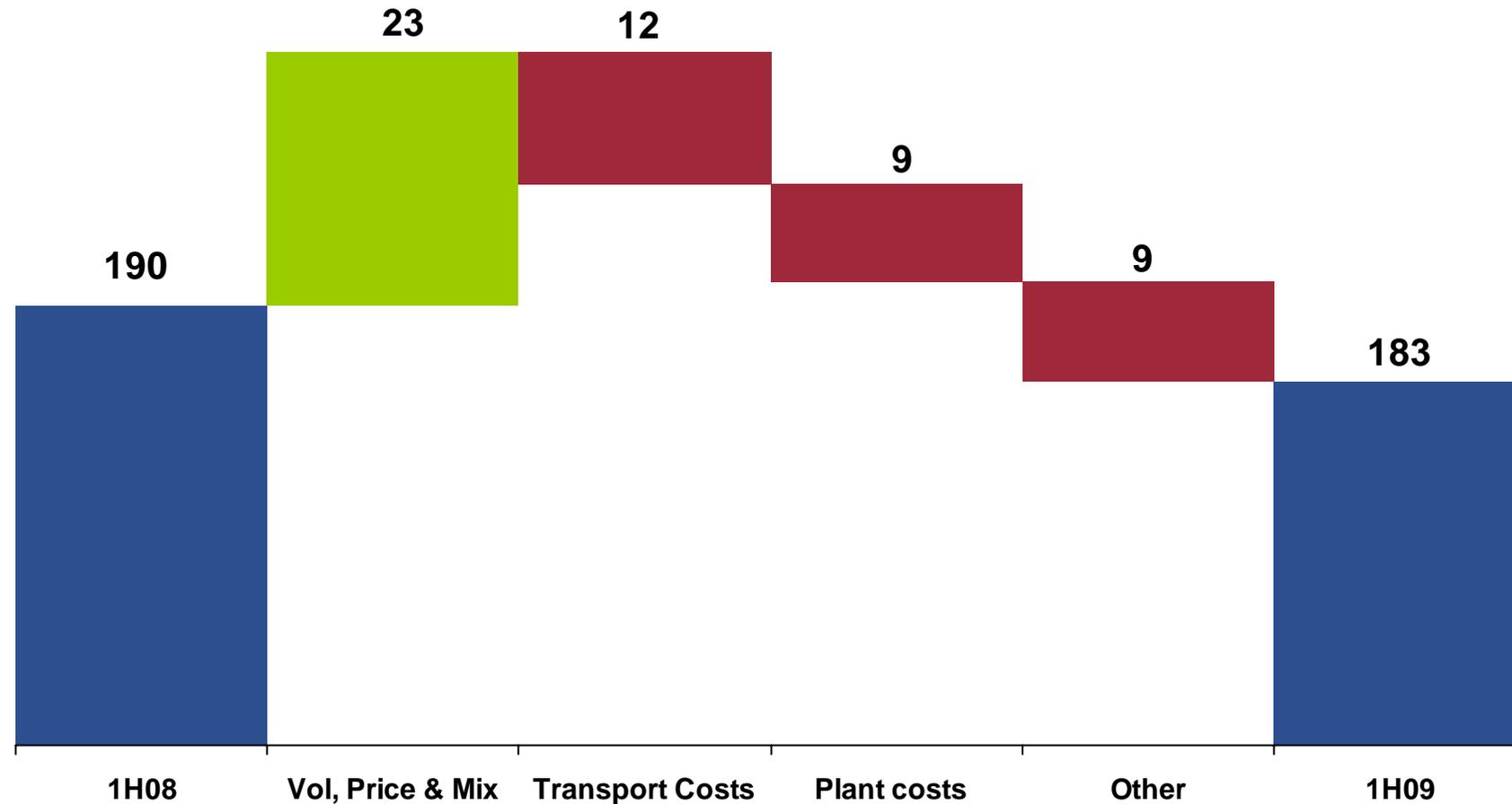


All numbers are calculated at constant currency

# CHEP EMEA – Underlying profit



US\$m

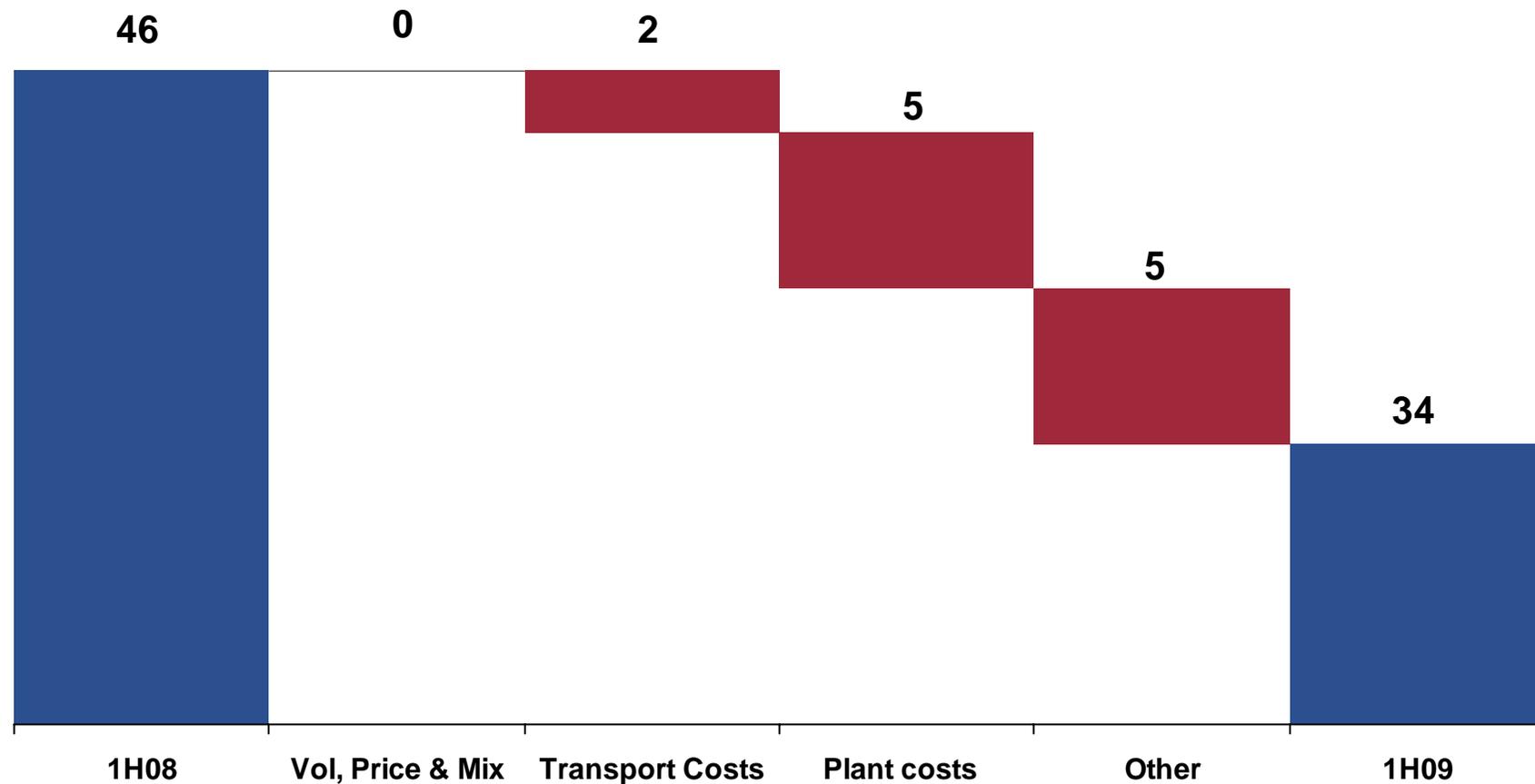


All numbers are calculated at constant currency

# CHEP Asia-Pacific – Underlying profit



US\$m



All numbers are calculated at constant currency

AIFRS	Actual	Constant		Growth %
	1H09 US\$m	1H09 US\$m	1H08 US\$m	
Americas	161.2	164.6	162.3	1
Europe	96.8	101.8	93.3	9 *
RoW	95.1	105.9	102.1	4
<b>Sales revenue</b>	<b>353.1</b>	<b>372.3</b>	<b>357.7</b>	<b>4</b>
<b>Underlying profit</b>	<b>50.5</b>	<b>53.8</b>	<b>52.2</b>	<b>3</b>
<b>Profit margin (%)</b>	<b>14</b>	<b>14</b>	<b>15</b>	

\* Recall Europe 1H09 sales revenue includes GADSA which was a joint venture until April 2008

Growth % calculated on US\$ constant currency basis

# Significant items

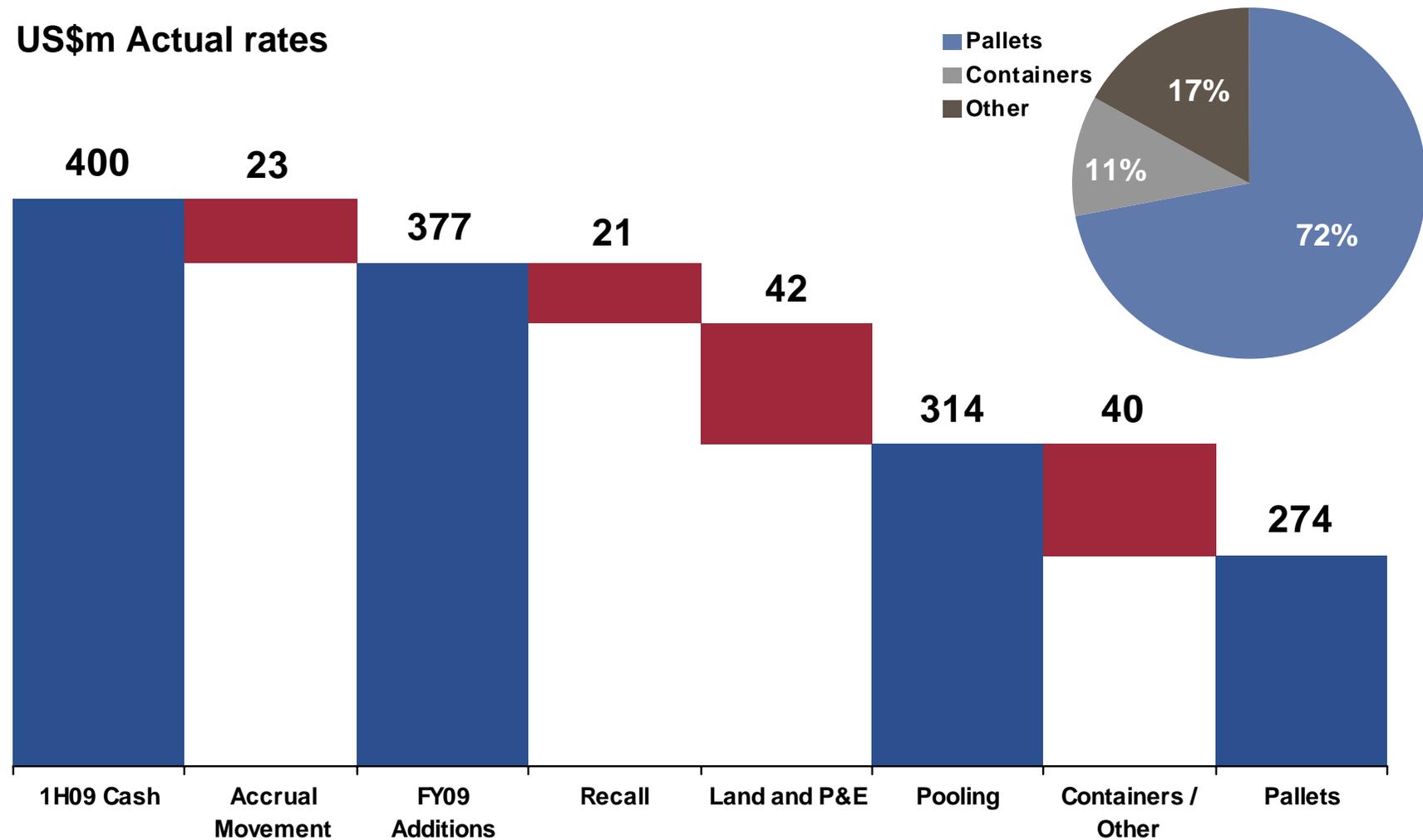
<b>\$USm Actual rates AIFRS</b>	<b>1H09</b>	<b>1H08</b>
<b>Underlying profit</b>	<b>469.3</b>	<b>497.3</b>
<b>Items outside the ordinary course of business:</b>		
Foreign exchange gain on capital repatriation	29.9	-
Restructuring costs	(106.9)	(6.6)
<b>Items within ordinary activities, but unusual due to size and nature:</b>		
Walmart net transition impact	(20.2)	-
USA pallet quality program costs	(34.5)	-
<b>Statutory operating profit</b>	<b>337.6</b>	<b>490.7</b>

# Solid cash flow

<b>AIFRS \$USm Actual rates</b>	<b>1H09</b>	<b>1H08</b>	<b>Change</b>
Underlying profit	469.3	497.3	(28.0)
Significant items within ordinary activities	(54.7)	-	(54.7)
Depreciation and amortisation	212.8	222.6	(9.8)
<b>EBITDA</b>	<b>627.4</b>	<b>719.9</b>	<b>(92.5)</b>
Capital expenditure	(400.1)	(451.8)	51.7
Proceeds from disposals	41.2	65.1	(23.9)
Working capital movement	(65.5)	(75.0)	9.5
Irrecoverable pooling equipment provision	36.5	44.7	(8.2)
Provisions / Other	(18.7)	(37.2)	18.5
<b>Cash flow from continuing operations</b>	<b>220.8</b>	<b>265.7</b>	<b>(44.9)</b>
Significant items outside ordinary activities	(21.7)	(16.2)	(5.5)
<b>Cash flow from operations after Significant items</b>	<b>199.1</b>	<b>249.5</b>	<b>(50.4)</b>
Financing costs and tax	(126.5)	(146.9)	20.4
<b>Free cash flow</b>	<b>72.6</b>	<b>102.6</b>	<b>(30.0)</b>

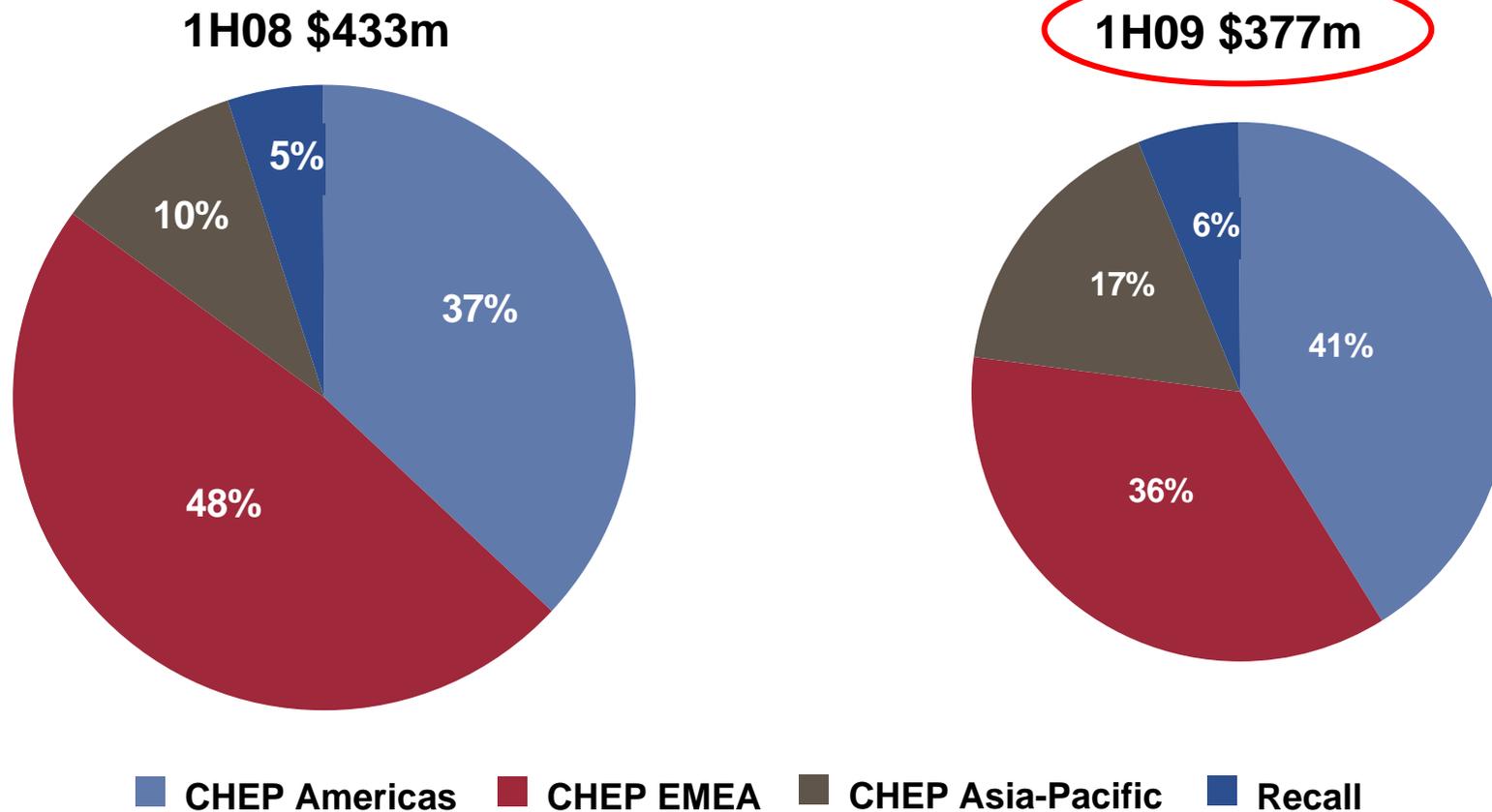
# Capital expenditure by category

US\$m Actual rates



# Capital expenditure by business

US\$m Actual rates



# Effective tax rate

AIFRS	Actual 1H09 US\$m	Actual 1H08 US\$m
Underlying PBT	405.6	426.4
Tax	135.1	132.6
<b>Underlying effective tax rate % of PBT</b>	<b>33.3%</b>	31.1%
Adjustment for non-recurring items	-	1.9%
<b>Adjusted effective tax rate</b>	<b>33.3%</b>	33.0%
Significant items	(4.6%)	(2.5%)
<b>Statutory tax rate</b>	<b>28.7%</b>	30.5%

# Financial ratios

AIFRS, Actual rates	Dec 08	Jun 08
<b>Closing Net Debt (US\$m)</b>	<b>2,357.0</b>	<b>2,426.2</b>
<b>Gearing (%)</b>	<b>65.3</b>	<b>61.1</b>
(Net Debt/Net Debt & Equity)		

AIFRS, Actual rates	1H09	1H08	Covenants
<b>EBITDA* / Net finance costs (x)</b>	<b>9.8</b>	<b>10.2</b>	x 3.5 (min)
<b>Net Debt / EBITDA* (x)</b>	<b>1.9</b>	<b>1.5</b>	x 3.5 (max)

\* EBITDA is Underlying profit excluding depreciation and amortisation, plus Significant items that are within ordinary activities

# Credit facilities and liquidity

- US\$3.3bn of committed credit facilities with an average term to maturity of approximately 3 years
- Undrawn committed credit facilities of US\$0.9bn plus cash of US\$0.1bn
- US\$1.0bn refinanced in last 6 months
- US\$1.5bn of bank facilities due for renewal by November 2010
  - to be addressed as part of ongoing refinancing
- Dividend reinvestment plan to be offered for FY09 interim dividend
  - 2.5% discount
  - not underwritten
- On-market buy-back programme continues to be suspended

# Outlook

- Grew revenues despite challenging environment
- Sharp deterioration in trading conditions since AGM
- Volatile environment to remain for some time
- Difficult to provide outlook guidance with confidence
- New business wins and major initiatives to underpin future performance
- Balance sheet in good shape
- Continue to review all aspects of business to maintain profitability, maximise cash flow
- Prepared to respond to changes in conditions

# Appendix



Company  
overview

CHEP

Recall

1H09 Results

Appendix

Brambles

# Glossary of terms & measures

Except where noted, common terms and measures used in this document are based upon the following definitions:

<b>Actual rates</b>	Based upon translation of local currency into US dollars using the average of the difference between buy and sell rates applicable at each month end.
<b>Capital expenditure (capex)</b>	Unless otherwise stated, capital expenditure is presented on an accruals basis and excludes intangible assets, investments in associates and equity acquisitions. It is shown gross of any fixed asset disposals proceeds.
<b>Cash flow from operations</b>	Cash flow generated after net capital expenditure but excluding Significant items that are outside the ordinary course of business.
<b>Comparable operating profit</b>	Comparable operating profit is profit before special items, finance costs and tax.
<b>Constant currency</b>	<p>In the commentary, constant currency results are presented by translating both current and comparable period foreign currency results into US dollars at the actual monthly exchange rates applicable in the comparable period, so as to show relative performance between the two periods before the translation impact of currency fluctuations.</p> <p>In the statutory financial statements, foreign currency results are translated into US dollars at the applicable actual monthly exchange rates ruling in each period.</p>
<b>Continuing operations</b>	Continuing operations refers to CHEP, Recall and Brambles HQ.
<b>DPS</b>	Dividends declared in the period divided by shares in issue.
<b>EPS</b>	Profit after tax, minority interests and Significant items, divided by shares in issue.

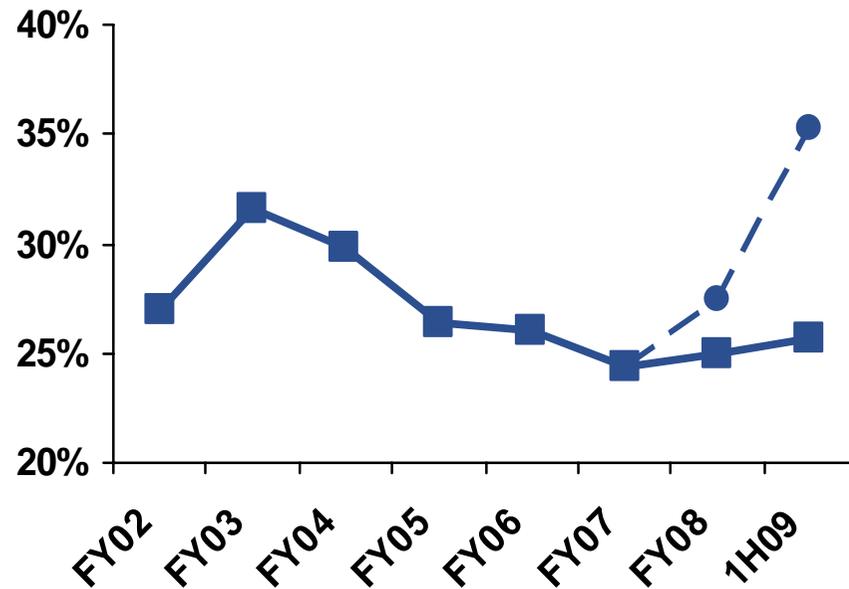
# Glossary of terms & measures (continued)

Except where noted, common terms and measures used in this document are based upon the following definitions:

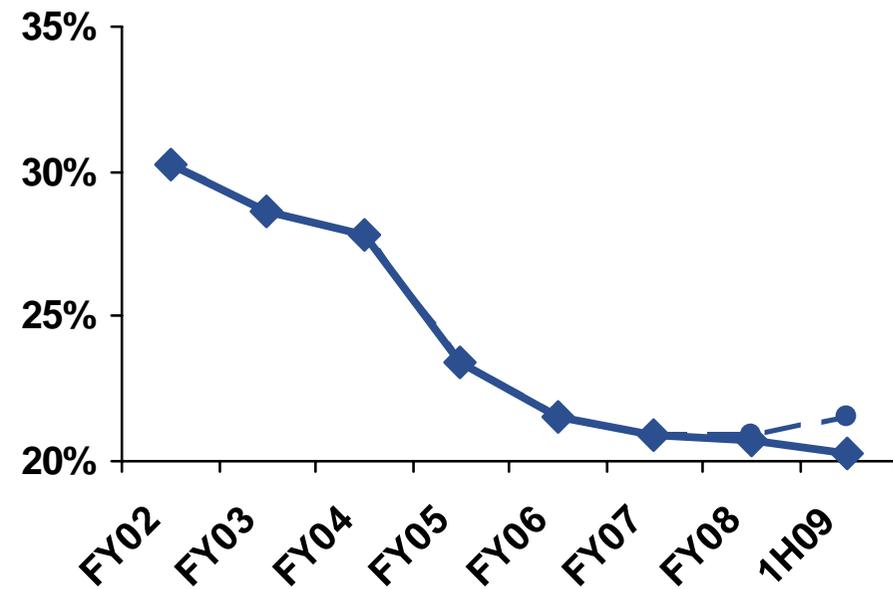
<b>Free Cash Flow</b>	Cash flow generated after net capital expenditure, finance costs and tax, but excluding the net cost of acquisitions and proceeds from business disposals.
<b>PAT</b>	Profit after tax before Significant items, and minority interests.
<b>PBT</b>	Profit before tax and Significant items. Includes PAT of associates.
<b>Sales revenue</b>	Excludes revenues of associates and non trading revenue.
<b>Shares in issue</b>	Based on weighted average shares in issue of 1,383.8m in 1H09; 1,417.1m in 1H08.
<b>Significant items</b>	Significant items are items of income or expense which are, either individually or in aggregate, material to Brambles or to the relevant business segment and: <ul style="list-style-type: none"> <li>▪ outside the ordinary course of business (eg gains or losses on the sale or termination of operations, the cost of significant reorganisations or restructuring); or</li> <li>▪ part of the ordinary activities of the business but unusual due to their size and nature.</li> </ul>
<b>Unallocated Brambles HQ costs</b>	Head office costs which are not allocated back to the business units.
<b>Underlying profit</b>	Underlying profit is profit from continuing operations before finance costs, tax and Significant items



**Plant cost ratio**  
(Plant costs / Sales)



**Transportation cost ratio**  
(Transportation costs / Sales)

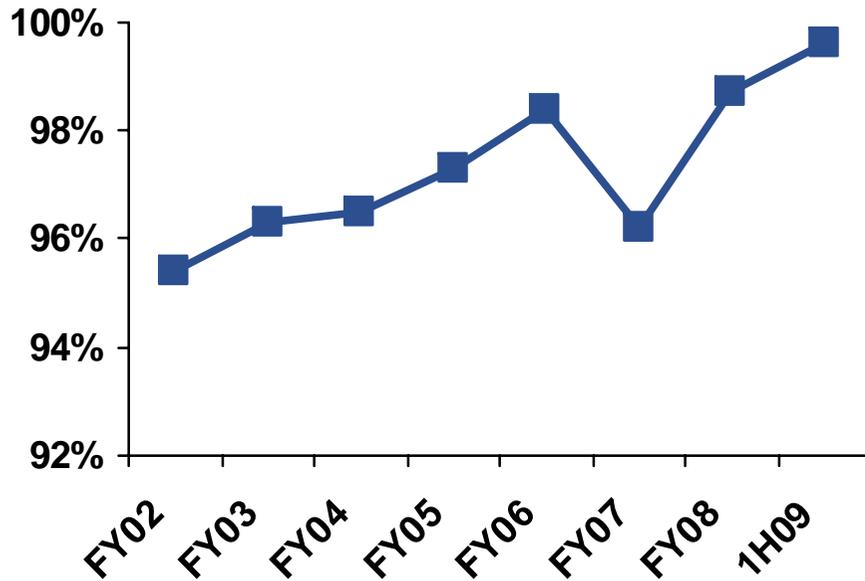


Dashed lines includes Significant items



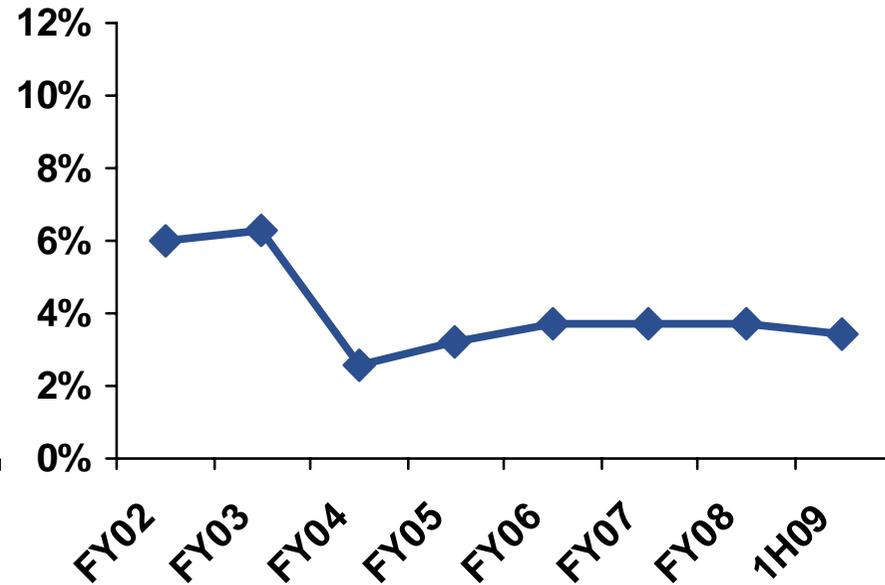
## Control ratio

(Returns + Recoveries / Total Issues)



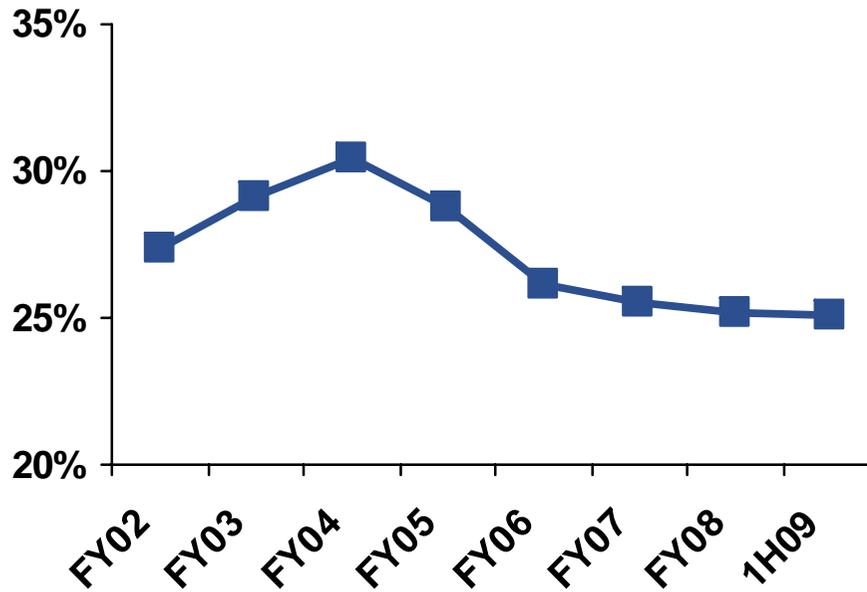
## New equipment issue ratio

(Pallets purchased / Total issues)

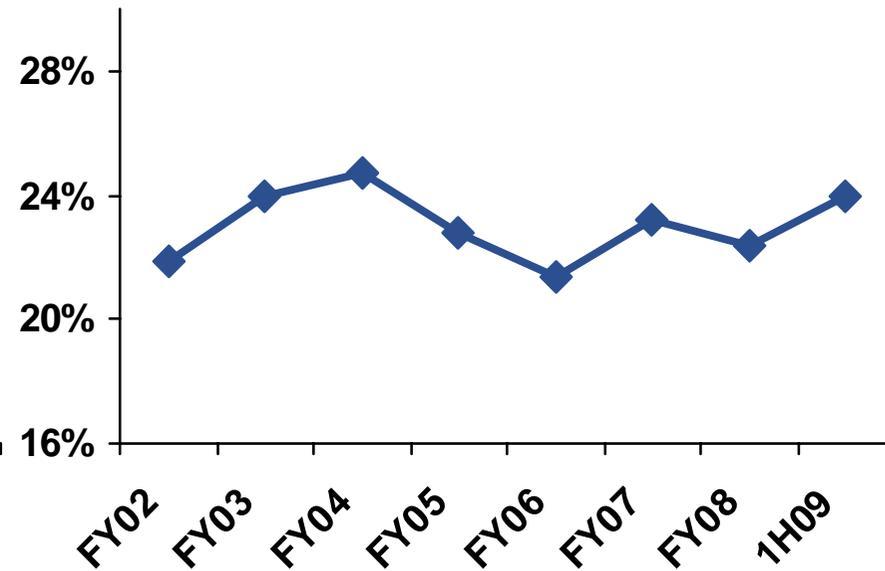




**Plant cost ratio**  
(Plant costs / Sales)



**Transportation cost ratio**  
(Transportation costs / Sales)

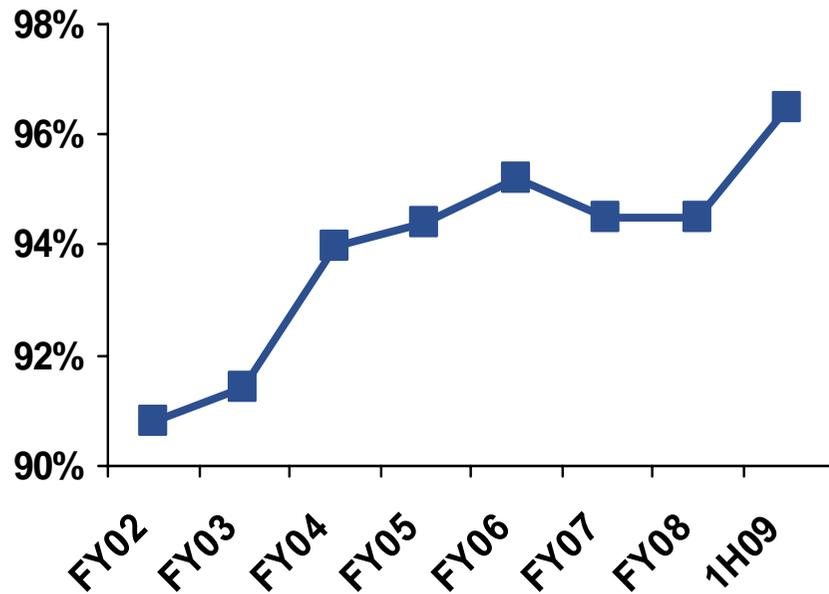


Major pallet sizes (B1210A and B1208A only)



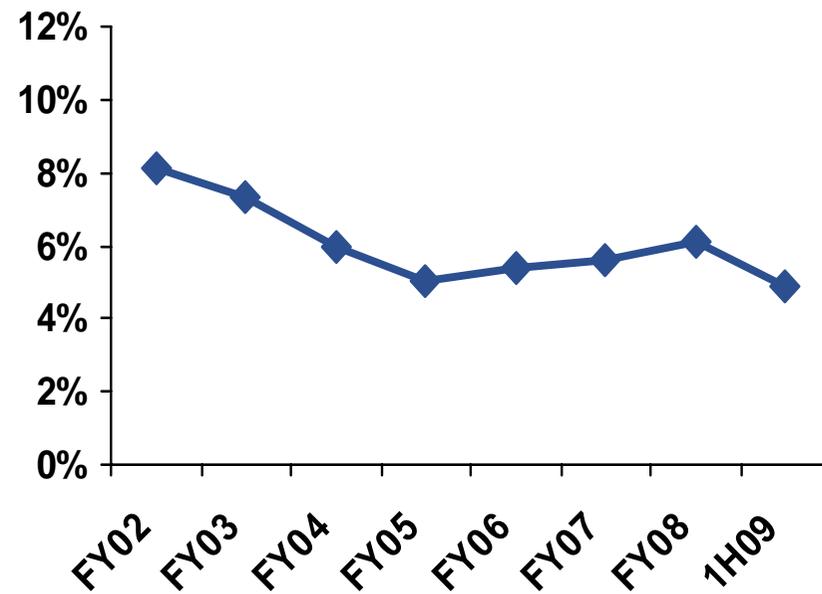
## Control ratio

(Returns + Recoveries / Total Issues)



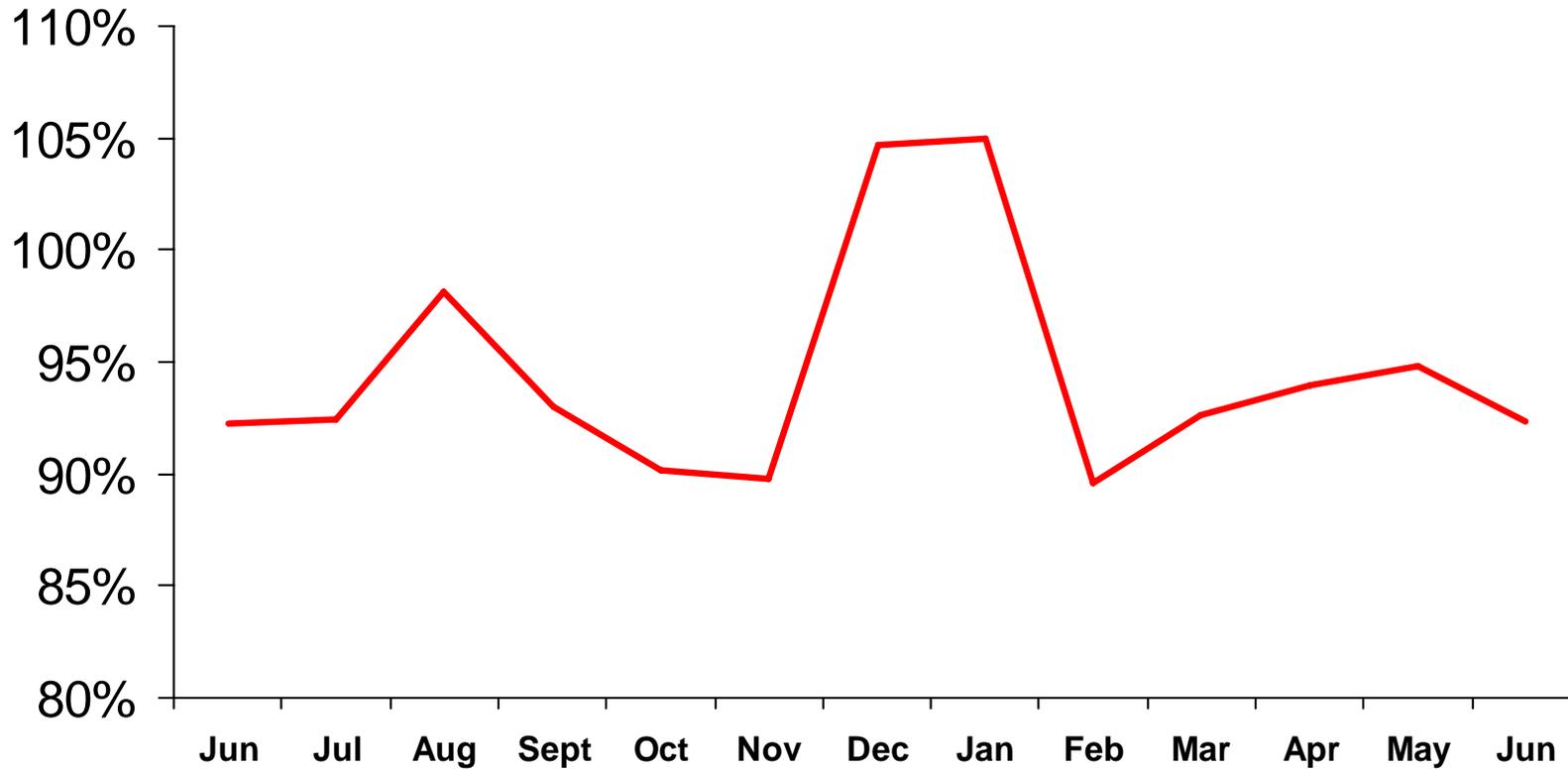
## New equipment issue ratio

(Pallets purchased / Total issues)



Major pallet sizes (B1210A and B1208A only)

# Control Ratio - seasonality example



Monthly Control Ratio

# 1H09 Currency mix

US\$m, AIFRS	Total	1H09 Currency mix at Actual FX rates				
		USD	EUR	GBP	AUD	Other
Sales revenue	<b>2,073.2</b>	720.5	549.7	216.2	219.0	367.8
Underlying profit	<b>469.3</b>	179.0	122.9	34.3	41.3	91.8
Net Debt <sup>1</sup>	<b>2,357.0</b>	1,568.2	332.3	7.9	294.7	153.9

<sup>1</sup> Net debt shown after adjustments for impact of financial derivatives

# Credit facilities and debt profile

US\$ billion

Maturity	Type	Committed Facilities	Debt drawn	Headroom
< 12 months	-	-	-	-
1 – 2 years	Bank	1.5	1.1	0.4
2 – 3 years	Bank/USPP <sup>1</sup>	0.3	0.2	0.1
3 – 4 years	Bank	0.4	0.3	0.1
4 – 5 years	Bank	0.9	0.6	0.3
> 5 years	USPP <sup>1</sup>	0.2	0.2	-
	<b>Total</b>	<b>3.3</b>	<b>2.4</b>	<b>0.9</b>

<sup>1</sup> US Private Placement

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