

22 December 2009

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

*Via electronic lodgement*

Dear Sir

**CREDIT RATING**

Please see the attached announcement relating to the above.

Yours faithfully  
**Brambles Limited**

**Robert Gerrard**  
Group Company Secretary

**CREDIT RATING**

Brambles announces that Moody's have today issued a credit rating for Brambles. A copy of its release is enclosed.

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**Brambles** (ASX, LSE: BXB) is a provider of supply chain and information management solutions through its two businesses, CHEP and Recall. Brambles employs more than 12,000 people in over 45 countries. For further information on Brambles and all announcements, presentations and webcasts, please visit [www.brambles.com](http://www.brambles.com).

**Brambles is globally headquartered in Australia**

**Rating Action: [Brambles Ltd.](#)**

**Moody's assigns first-time Baa1/P-2 ratings to Brambles; outlook stable**

**Approximately US\$ 3.4 billion in debt securities affected**

Sydney, December 22, 2009 -- Moody's Investors Service has today assigned a Baa1 issuer rating and P-2 short-term rating to Brambles Limited. In addition, Moody's has assigned Baa1 senior unsecured ratings to Brambles' capital market and bank debt.

This is the first time that Moody's has rated Brambles. The outlook on all ratings is stable.

"Brambles' Baa1 rating is driven by the company's significant global footprint and scale and its strong position within major FMCG "Fast Moving Consumer Goods" supply chains," says Ian Lewis, a Moody's VP/Senior Analyst.

"These factors support Brambles' strong competitive positions, geographic diversity and unique scale," says Lewis, who is also Lead Analyst for the company.

"Furthermore, its financial profile displays strong Baa rating characteristics, Lewis says, adding "Such strength is challenged by the need for ongoing capital expenditure to maintain and grow its CHEP pallet business, and this impacts its ability to generate positive free cash flow during periods of peak investment"

Brambles' major operating business -- CHEP -- constitutes a large and complex network of pallets and containers and pallet and container flows that have been organically built up over a long period.

"As such, systems of similar scale and complexity are difficult to displace once established, so providing Brambles with strong market positions and first mover advantage," says Lewis.

"Critical to the rating is the fact that Brambles' businesses are heavily weighted towards the normally stable and more resilient FMCG sector. This means that while its core revenues and earnings are not immune from some variability, we do not expect them to face material weaknesses through the economic cycle," says Lewis.

The Baa1 rating is further supported by Brambles' financial profile. Its expected level of gearing -- Debt/EBITDA of around 2-2.5x, EBIT/Interest of 5-5.5x, and RCF/Debt of around 20% -- is appropriate for a strong Baa-rated company.

Brambles is committed towards maintaining a strong financial profile, and its financial policy -- which includes the maintenance of a NetDebt / EBITDA ratio of max 1.75x (unadjusted basis) -- is supportive of its Baa1 rating.

The P-2 rating considers Brambles' strong credit characteristics -as reflected in its Baa1 rating -- and its stable liquidity platform, which is supported by its reliable cash flows and manageable debt maturity.

In the absence of a material and permanent change in the capital structure of Brambles and greater stability in the operating environment, the ratings are unlikely to be subject to upward pressure in the next 18-24 months.

However, the ratings could experience downward pressure if the company experiences an erosion in its revenues and earnings, and its competitive position, or any other difficulty within the operating environment, such that Debt/EBITDA is likely to rise and remain above 2.75x, and/or EBIT/Interest falls below 4.0-4.5x on a sustained basis.

Brambles' ratings were assigned by evaluating factors we believe are relevant to the credit profile of the issuer, such as i) the business risk and competitive position of the company versus others within its industry, ii) the capital structure and financial risk of the company, iii) the projected performance of the company over the near to intermediate term, and iv) management's track record and tolerance for risk. These attributes were compared against other issuers both within and outside of Brambles' core industry and Brambles' ratings are believed to be comparable to those of other issuers of similar credit risk.

Brambles Limited is the global leader in pallet and container pooling supply chain solutions through CHEP. Brambles also provides secure and effective information storage and destruction services through Recall. Brambles is listed on the Australian Stock Exchange and currently has a secondary listing on the London Stock Exchange. As at 30 June 2009, it had total assets of US\$ 5.1 billion and underlying profit of US\$ 0.9 billion.

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