

INVESTOR UPDATE

SHAREHOLDER NEWSLETTER APRIL 2011

Brambles



Tom Gorman, CEO (left) and Graham Kraehe AO, Chairman (right)

KEY POINTS

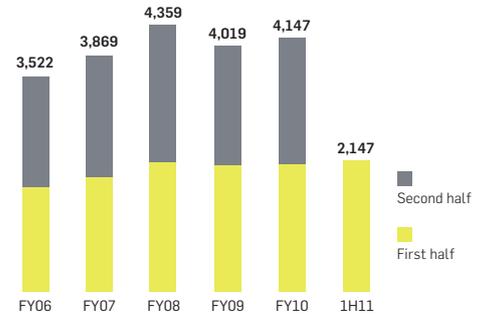
Since the Annual General Meeting (AGM) in November 2010, Brambles has delivered a solid first-half result while progressing with its growth initiatives.

Highlights include:

- Continued focus on quality and customers
- First-half sales revenue and operating profit up
- Increased first-half dividend
- Successful IFCO acquisition
- Acquisitions of Unitpool and CAPS

SALES REVENUE FROM CONTINUING OPERATIONS

(US\$ MILLIONS)



We are pleased to have the opportunity to communicate with you again as we reflect on our first-half results, provide an update on our growth initiatives and look ahead to the rest of the financial year ending 30 June 2011.

RESULTS REVIEW

Brambles delivered increased sales revenue and operating profit in the six months ended 31 December 2010.

This result was a solid outcome against patchy levels of consumer activity in key countries such as the USA, the UK, Australia, Spain and France.

In actual currency terms, group sales revenue was up 3% on the prior corresponding half to US\$2,147 million. Operating profit was up 8% to US\$366 million and profit after tax was up 6% to US\$220 million.

Brambles Value Added (BVA), the Brambles measure of economic profit, was US\$106 million, up US\$35 million, reflecting the increase in profit and an improvement in capital efficiency.

The interim dividend of 13.0 Australian cents was up 0.5 Australian cents on the previous interim dividend and franked at 20%. Shareholders participating in the Dividend Reinvestment Plan are receiving a 2.5% discount on the additional shares they are allotted.

In line with our focus on growth and the guidance we gave at the 2010 full-year result in August, we have substantially increased capital investment levels. First half capital expenditure was US\$84 million higher at US\$339 million. This was the principal reason why our cash

flow from continuing operations was down US\$110 million to US\$290 million in the period. Free cash flow after dividends was negative US\$3 million, down US\$137 million.

In the first half of the 2011 financial year we also increased our operating investment in innovation and research and development. We also continue to invest in quality. We are pleased to report that the Better Everyday business improvement program in CHEP USA is delivering results in terms of customer satisfaction, customer retention and new business wins.

POSITIVE MOMENTUM

Worldwide, we are growing CHEP's and Recall's existing operations at the same time as we add new customers, develop our service offerings and expand geographically.

We are defending our existing business and strengthening our relationships with customers. Key customers such as Unilever in North America, Nestlé in the UK and the USA recommitted to CHEP during the first half of the 2011 financial year. In addition, we signed new contracts with companies including health food group Sanitarium in Australia, fast-moving consumer goods leader Procter & Gamble in Turkey and, for Recall, Barclay's Bank in the UK.

Net new business wins – our metric for the impact in the period of all new business we won and lost – were a solid US\$34 million in the half.

Our progress in growing our business in emerging economies has been particularly encouraging. These regions account for about 11% of our global sales revenue and, combined, are growing at an annual rate of about 20%.

Brambles is also making progress with the other growth initiatives we announced at the 2010

full-year results last August and discussed further at the 2010 AGM.

We discuss our growth plans in more detail overleaf.

OUTLOOK

Throughout Brambles, we expect ongoing positive sales revenue momentum in the second half of the 2011 financial year as we expand our business with both new and existing customers.

This is despite the somewhat subdued economic conditions and consumer activity levels, which, combined with continued competitive activity, are contributing to a pricing environment that remains broadly flat.

In line with our previous guidance, for the full 2011 financial year, we expect growth in sales revenue in constant currency terms from each of our four business units: CHEP Americas; CHEP Europe, Middle East & Africa; CHEP Asia-Pacific; and Recall.

Subject to unforeseen circumstances and ongoing economic uncertainty, we continue to expect operating profit before interest costs and tax to be in line with our August 2010 guidance of between US\$740 million and US\$780 million. Our guidance is at 30 June 2010 exchange rates and excludes any potential impact from the IFCO acquisition.

GRAHAM KRAEHE AO
Chairman

TOM GORMAN
Chief Executive Officer

FOCUS ON

Brambles' Growth Initiatives

Since the 2010 full-year result last August, we have been focusing on several key growth initiatives, aimed at leveraging five key strengths:

- Our global footprint;
- The strength of our local networks;
- Our customer relationships;
- Our financial position; and
- Our intellectual property – specifically our expertise in pooling and information management.

We have identified a number of key growth initiatives focused on strengthening our core operations and expanding our reach geographically and through new products and services.

Examples of our efforts to strengthen the core include:

- Continuing to increase the penetration of CHEP USA's pallet business with SMEs, by which we mean customers to which we issue fewer than 100,000 pallets a year. We are uniquely placed to serve this sector, in which we won 20% more contracts in the first half than in the prior corresponding period;
- Growing Recall's core document storage business. Recall's carton volume growth was 6% in the first half of the 2011 financial year. We are investing in new facilities and upgraded security and IT systems to support further growth; and
- Developing our LeanLogistics transport management software business internationally

and applying its logistics management expertise throughout the CHEP network.

Expanding our reach includes:

- Growing our footprint in reusable plastic containers (RPCs), which are becoming more popular in the fresh produce supply chain. Growth in this part of the pooling sector is strong. Our most notable development is the acquisition of IFCO, discussed below;
- Building our business serving the automotive sector, with a long-term goal of serving intercontinental flows. Worldwide our automotive business operates in Europe, South Africa, Asia and Australia, and is returning to growth. A key focus today is establishing operations in the USA and growth in China and India;
- Expanding our footprint in other specialist container sectors, such as intermediate bulk containers, used in a variety of industries, and unit-load devices used for transporting baggage and cargo on planes. We have recently acquired Unitpool and CAPS for US\$35 million and US\$16 million respectively to assist with this strategy; and
- Enabling Recall's participation in greater digitalisation of information storage.

As for geographic expansion, we are experiencing strong growth in Central & Eastern Europe, the Middle East & Africa, Latin America and Asia as economies in these regions expand and supply chains develop. We anticipate we will continue to invest in these regions in coming years.

SUCCESSFUL IFCO ACQUISITION

On 1 April 2011, Brambles announced it had taken control of IFCO Systems. This followed unconditional regulatory clearance for the acquisition in the USA in late March.

IFCO is a leading global provider of RPCs to the food supply chain and of pallet management services in the USA. The enterprise value we are paying for IFCO is €923 million, rising at 12% per annum from 1 November 2010 until transaction completion in early April.

In line with our growth strategy of expanding our pooling business in products and services other than pallets, the proposed transaction will provide us

with an enhanced scale in the RPC sector, in which CHEP already operates in Europe, South Africa, Australia and New Zealand.

In addition, IFCO's smaller business, in pallet management services, which collects, repairs and recycles non-pooled "white wood" pallets, will allow us to provide a more comprehensive customer service offering in the USA.

We are excited about talking to our customers about the opportunities that will arise from this transaction, and we look forward to working with the IFCO team on our integration and growth plans and opportunities to generate substantial synergies.

MANAGE YOUR BRAMBLES SHAREHOLDING ONLINE

Help the environment and get fast, convenient and secure access to shareholder information.

If you elect to receive all shareholder communications electronically, Brambles will send you notifications by email when new shareholder communications are posted on www.brambles.com. When there is an upcoming general meeting, we will send you a link to a secure website, so you can vote online.

If you wish to:

- receive shareholder communications online;
- view your payment and transaction history;
- change your address*;
- change the details of your financial institution and/or payment currency*;
- update your TFN/ABN,

you can do it online at www.linkmarketservices.com.au. Please go to the 'Investors' section of that website and read the notes at the bottom of that webpage, which explain how to log in using your SRN or HIN number.

Keep your SRN/HIN number secure by filing dividend and holding statements in a safe place.

If you have any queries about registering for shareholder communications online, please contact Brambles' share registry, Link Market Services Limited. Link's telephone helpline opening hours are 8.30am to 7.30pm (Sydney time).

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*Please note, these online services are only available to individual shareholders, not to corporate shareholders.

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ZERØHARM



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FORWARD-LOOKING STATEMENTS

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on Brambles' current expectations, estimates and projections about the industry in which Brambles operates, and beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which 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 view 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 unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.