Brambles Limited
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15 February 2011

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

Via electronic lodgement

Dear Sir

Brambles reports results for the half-year ended 31 December 2010

Attached in accordance with Listing Rule 4.2A is the consolidated financial report for Brambles Limited (Brambles) for the half-year ended 31 December 2010. The report should be read in conjunction with Brambles' 2010 Annual Report and any public announcements made by Brambles in accordance with the continuous disclosure requirements of the Corporations Act.

Yours faithfully
Brambles Limited

Robert Gerrard
Group Company Secretary

Brambles

Results for announcement to the market

Brambles Limited

ABN 89 118 896 021

Appendix 4D

Consolidated financial report
for the half-year ended 31 December 2010

Six months ended 31 December	2010 US$m	2009 US$m	% change (actual fx rates)	% change (constant currency)
Statutory results				
Continuing operations after Significant items:				
Sales revenue	**2,147.2**	2,086.1	3%	4%
Operating profit	**366.1**	338.1	8%	8%
Profit before tax	**308.9**	284.1	9%	9%
Profit after tax	**219.8**	206.7	6%	7%
Profit after tax - discontinued operations	**(0.2)**	0.4		
Profit attributable to members of the parent entity	**219.6**	207.1	6%	7%
Basic EPS (US cents)	**15.4**	14.8	4%	5%
Free cash flow after dividends	**(3.4)**	133.3		
Continuing operations before Significant items:				
Sales revenue	**2,147.2**	2,086.1	3%	4%
Underlying profit	**372.5**	340.2	9%	10%
Profit after tax	**225.4**	208.3	8%	9%
Basic EPS (US cents)	**15.8**	14.8	7%	8%
Interim dividend* (Australian cents)	**13.0**	12.5		

* The 2011 interim dividend is 20% franked and its record date is 11 March 2011.

A commentary on these results is set out in Brambles' ASX & Media Release dated 15 February 2011.

Brambles

Consolidated financial report
for the half-year ended 31 December 2010

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Consolidated financial statements

Consolidated income statement
for the half-year ended 31 December 2010

	Note	First half 2011 US$m	First half 2010 US$m
Continuing operations			
Sales revenue	4	**2,147.2**	2,086.1
Other income	4	**46.4**	38.2
Operating expenses	4	**(1,830.4)**	(1,788.9)
Share of results of joint ventures	12	**2.9**	2.7
Operating profit		**366.1**	338.1
Finance revenue		**1.7**	1.4
Finance costs		**(58.9)**	(55.4)
Net finance costs		**(57.2)**	(54.0)
Profit before tax		**308.9**	284.1
Tax expense		**(89.1)**	(77.4)
Profit from continuing operations		**219.8**	206.7
(Loss)/profit from discontinued operations	6	**(0.2)**	0.4
Profit for the period attributable to members of the parent entity		**219.6**	207.1
Earnings per share (cents)	8		
Total			
- basic		**15.4**	14.8
- diluted		**15.4**	14.7
Continuing operations			
- basic		**15.4**	14.7
- diluted		**15.4**	14.7

The consolidated income statement should be read in conjunction with the accompanying notes.

Non-statutory measure:

Underlying profit

Underlying profit is profit from continuing operations before finance costs, tax and Significant items (refer Note 5). It is presented to assist users of the financial statements to understand Brambles' business results and reconciles with operating profit as follows:

Underlying profit		***372.5***	*340.2*
Significant items:			
- acquisition-related costs	5a	***(6.9)***	*-*
- restructuring costs	5b	***0.5***	*(2.1)*
Operating profit		***366.1***	*338.1*

Brambles

Consolidated statement of comprehensive income
for the half-year ended 31 December 2010

	First half 2011 US$m	First half 2010 US$m
Profit for the period	**219.6**	207.1
Other comprehensive income:		
Actuarial gains/(losses) on defined benefit pension plans	**1.8**	(5.5)
Exchange differences on translation of foreign operations	**172.8**	81.4
Cash flow hedges	**3.4**	1.7
Income tax on other comprehensive income	**(1.8)**	1.3
Other comprehensive income for the period	**176.2**	78.9
Total comprehensive income for the period attributable to members of the parent entity	**395.8**	286.0

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Brambles

Consolidated balance sheet
as at 31 December 2010

	Note	December 2010 US$m	June 2010 US$m
ASSETS			
Current assets			
Cash and cash equivalents		**107.1**	135.5
Trade and other receivables		**712.6**	631.6
Inventories		**37.4**	33.5
Derivative financial instruments		**16.9**	14.5
Other assets		**66.6**	53.1
Total current assets		**940.6**	868.2
Non-current assets			
Other receivables		**7.7**	6.2
Investments		**16.0**	14.0
Property, plant and equipment		**3,509.2**	3,223.8
Goodwill		**668.0**	607.0
Intangible assets		**177.9**	158.6
Deferred tax assets		**35.3**	19.8
Derivative financial instruments		**11.7**	12.0
Other assets		**2.7**	0.7
Total non-current assets		**4,428.5**	4,042.1
Total assets		**5,369.1**	4,910.3
LIABILITIES			
Current liabilities			
Trade and other payables		**765.5**	681.4
Borrowings		**336.9**	276.0
Derivative financial instruments		**12.0**	12.2
Tax payable		**75.2**	78.5
Provisions		**76.3**	87.2
Total current liabilities		**1,265.9**	1,135.3
Non-current liabilities			
Borrowings		**1,490.7**	1,618.8
Derivative financial instruments		**10.1**	10.1
Provisions		**37.1**	34.0
Retirement benefit obligations		**48.6**	50.4
Deferred tax liabilities		**431.9**	408.2
Other liabilities		**22.9**	20.9
Total non-current liabilities		**2,041.3**	2,142.4
Total liabilities		**3,307.2**	3,277.7
Net assets		**2,061.9**	1,632.6
EQUITY			
Contributed equity	10	**14,163.7**	13,979.6
Unification reserve	11	**(15,385.8)**	(15,385.8)
Other reserves	11	**559.7**	378.4
Retained earnings		**2,724.0**	2,660.1
Parent entity interest		**2,061.6**	1,632.3
Non-controlling interest		**0.3**	0.3
Total equity		**2,061.9**	1,632.6

The consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated cash flow statement
for the half-year ended 31 December 2010

	First half 2011 US$m	First half 2010 US$m
Cash flows from operating activities		
Receipts from customers	**2,393.8**	2,338.9
Payments to suppliers and employees	**(1,804.8)**	(1,750.5)
Cash generated from operations	**589.0**	588.4
Dividends received from joint ventures	**2.2**	2.8
Interest received	**1.7**	1.5
Interest paid	**(57.1)**	(50.9)
Income taxes paid on operating activities	**(120.3)**	(81.2)
Net cash inflow from operating activities	**415.5**	460.6
Cash flows from investing activities		
Purchases of property, plant and equipment	**(338.6)**	(254.6)
Proceeds from sale of property, plant and equipment	**39.8**	43.6
Purchases of intangible assets	**(16.3)**	(15.0)
Proceeds from disposal of businesses	**-**	1.5
Costs incurred on disposal of business	**(0.3)**	-
Acquisition of subsidiaries, net of cash acquired	**(21.1)**	-
Purchases of other investments	**(1.9)**	-
Net cash outflow from investing activities	**(338.4)**	(224.5)
Cash flows from financing activities		
Proceeds from borrowings	**500.1**	1,334.7
Repayments of borrowings	**(633.5)**	(1,449.3)
Net (outflow)/inflow from hedge instruments	**(15.3)**	12.9
Proceeds from issues of ordinary shares	**110.8**	1.0
Dividends paid, net of Dividend Reinvestment Plan	**(103.8)**	(101.3)
Net cash outflow from financing activities	**(141.7)**	(202.0)
Net (decrease)/increase in cash and cash equivalents	**(64.6)**	34.1
Cash and deposits, net of overdrafts, at beginning of the period	**123.3**	54.1
Effect of exchange rate changes	**10.3**	4.7
Cash and deposits, net of overdrafts, at end of the period	**69.0**	92.9

The consolidated cash flow statement should be read in conjunction with the accompanying notes.

Brambles

Consolidated statement of changes in equity
for the half-year ended 31 December 2010

	Note	Share capital US$m	Reserves[1] US$m	Retained earnings US$m	Non-controlling interest US$m	Total US$m
Half-year ended 31 December 2009						
Opening balance		13,847.6	(14,938.7)	2,520.1	0.3	1,429.3
Total comprehensive income		-	82.9	203.1	-	286.0
Share-based payments:						
- expense recognised		-	8.4	-	-	8.4
- shares issued		-	(4.6)	-	-	(4.6)
- equity component of related tax		-	0.9	-	-	0.9
Transactions with owners in their capacity as owners:						
- dividends declared		-	-	(147.4)	-	(147.4)
- issues of ordinary shares, net of transaction costs		5.6	-	-	-	5.6
- issues of ordinary shares under Dividend Reinvestment Plan		59.2	-	-	-	59.2
Closing balance		13,912.4	(14,851.1)	2,575.8	0.3	1,637.4
Half-year ended 31 December 2010						
Opening balance		**13,979.6**	**(15,007.4)**	**2,660.1**	**0.3**	**1,632.6**
Total comprehensive income		**-**	**174.7**	**221.1**	**-**	**395.8**
Share-based payments:						
- expense recognised		**-**	**7.5**	**-**	**-**	**7.5**
- shares issued		**-**	**(3.3)**	**-**	**-**	**(3.3)**
- equity component of related tax		**-**	**2.4**	**-**	**-**	**2.4**
Transactions with owners in their capacity as owners:						
- dividends declared		**-**	**-**	**(157.2)**	**-**	**(157.2)**
- issues of ordinary shares, net of transaction costs	10	**114.2**	**-**	**-**	**-**	**114.2**
- issues of ordinary shares under Dividend Reinvestment Plan	10	**69.9**	**-**	**-**	**-**	**69.9**
Closing balance		**14,163.7**	**(14,826.1)**	**2,724.0**	**0.3**	**2,061.9**

[1] Refer Note 11 for further information on reserves.

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2010

Note 1. Basis of preparation

These financial statements present the consolidated results of Brambles Limited (ACN 118 896 021) and its subsidiaries (Brambles or the Group) for the half-year ended 31 December 2010.

These consolidated financial statements, which have been prepared in accordance with AASB 134: Interim Financial Reporting, are a general purpose financial report.

The interim consolidated financial statements comply with International Financial Reporting Standards (IFRS) and have been prepared in accordance with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the Urgent Issues Group Interpretations (UIG) and the requirements of the Corporations Act 2001.

These interim consolidated financial statements do not include all of the notes that would normally be included in an annual financial report. The interim consolidated financial statements should be read in conjunction with Brambles' 2010 Annual Report and public announcements made by Brambles during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act.

Note 2. Significant accounting policies

The interim consolidated financial statements and all comparatives have been prepared using consistent accounting policies, as set out in Brambles' 2010 Annual Report.

a) New accounting standards and interpretations

At 31 December 2010, certain new accounting standards and interpretations have been published that will become mandatory in future reporting periods. Brambles has not early-adopted these new or amended accounting standards and interpretations in 2011.

AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 are applicable to annual reporting periods beginning on or after 1 January 2013. AASB 9 addresses the classification and measurement of financial assets and may affect Brambles' accounting for financial assets. Brambles is yet to assess the full impact of this standard.

b) Foreign currency

The principal exchange rates affecting Brambles were:

		US$:A$	US$:€	US$:£
Average	First half 2011	0.9511	1.3273	1.5654
	First half 2010	0.8765	1.4570	1.6328
Period end	31 December 2010	1.0166	1.3289	1.5429
	30 June 2010	0.8498	1.2185	1.5051

c) Rounding of amounts

As Brambles Limited is a company of a kind referred to in ASIC Class Order 98/0100, relevant amounts in the financial statements and Directors' Report have been rounded to the nearest hundred thousand US dollars.

References to 2011 and 2010 are to the financial years ending on 30 June 2011 and 30 June 2010 respectively.

Note 3. Segment information

Brambles' segment information is provided on the same basis as its internal management reporting to the CEO and reflects how Brambles is organised and managed.

Brambles has five reportable segments, being CHEP Americas, CHEP EMEA, CHEP Asia-Pacific (pallet and container pooling businesses), Recall (information management business) and Brambles HQ (corporate centre). Discontinued operations primarily comprise the Cleanaway businesses (waste management), which were divested in 2006 and 2007.

Segment results shown are consistent with internal management reporting. Segment performance is measured on sales, Underlying profit, cash flow from operations and Brambles Value Added (BVA). Underlying profit is the main measure of segment profit. A reconciliation between Underlying profit and operating profit is set out as a footnote to the income statement.

Segment sales revenue is measured on the same basis as in the income statement. Segment sales revenue is allocated to segments based on the business stream and physical location of the business unit that invoices the customer. Intersegment revenue during the year was immaterial. There is no single external customer who contributed more than 10% of Group sales revenue.

Assets and liabilities are measured consistently in segment reporting and in the balance sheet. Assets and liabilities are allocated to segments based on segment use and physical location. Cash, borrowings and tax balances are managed centrally and therefore not allocated to segments.

	Sales revenue		**Cash flow from operations** [1]		**Brambles Value Added** [2]	
	First half 2011 US$m	First half 2010 US$m	**First half 2011 US$m**	First half 2010 US$m	**First half 2011 US$m**	First half 2010 US$m
By operating segment						
CHEP Americas	**791.2**	756.9	**131.3**	139.8	**27.6**	12.6
CHEP EMEA	**751.3**	770.1	**139.3**	202.7	**77.7**	64.6
CHEP Asia-Pacific	**220.0**	195.0	**31.9**	35.7	**12.2**	8.6
Total CHEP	**1,762.5**	1,722.0	**302.5**	378.2	**117.5**	85.8
Recall	**384.7**	364.1	**13.6**	45.9	**(0.8)**	(5.3)
Brambles HQ	**-**	-	**(26.0)**	(23.8)	**(11.2)**	(9.8)
Total	**2,147.2**	2,086.1	**290.1**	400.3	**105.5**	70.7
By geographic origin						
Americas	**965.4**	918.8				
Europe	**764.4**	801.6				
Australia	**274.3**	251.3				
Other	**143.1**	114.4				
Total	**2,147.2**	2,086.1				

	Operating profit [3]		**Significant items before tax** [4]		**Underlying profit** [4]	
	First half 2011 US$m	First half 2010 US$m	**First half 2011 US$m**	First half 2010 US$m	**First half 2011 US$m**	First half 2010 US$m
By operating segment						
CHEP Americas	**125.9**	108.6	**-**	-	**125.9**	108.6
CHEP EMEA	**166.3**	159.3	**-**	(2.1)	**166.3**	161.4
CHEP Asia-Pacific	**38.8**	32.5	**-**	-	**38.8**	32.5
Total CHEP	**331.0**	300.4	**-**	(2.1)	**331.0**	302.5
Recall	**59.3**	52.5	**0.5**	-	**58.8**	52.5
Brambles HQ	**(24.2)**	(14.8)	**(6.9)**	-	**(17.3)**	(14.8)
Continuing operations	**366.1**	338.1	**(6.4)**	(2.1)	**372.5**	340.2
Discontinued operations	**(0.2)**	0.5	**(0.2)**	0.5		
Total	**365.9**	338.6	**(6.6)**	(1.6)		

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2010 - *continued*

Note 3. Segment information - *continued*

	Capital expenditure (including acquisitions)		Depreciation and amortisation	
	First half 2011 US$m	First half 2010 US$m	**First half 2011 US$m**	First half 2010 US$m
By operating segment				
CHEP Americas	**129.3**	106.6	**86.3**	85.1
CHEP EMEA	**162.4**	85.9	**83.2**	87.3
CHEP Asia-Pacific	**43.3**	28.0	**28.0**	25.5
Total CHEP	**335.0**	220.5	**197.5**	197.9
Recall	**55.1**	26.0	**25.7**	23.7
Brambles HQ	**2.3**	1.0	**0.3**	0.3
Total	**392.4**	247.5	**223.5**	221.9

	Segment assets		Segment liabilities	
	December 2010 US$m	June 2010 US$m	**December 2010 US$m**	June 2010 US$m
By operating segment				
CHEP Americas	**1,731.0**	1,702.6	**212.0**	204.9
CHEP EMEA	**1,727.3**	1,499.4	**392.6**	339.3
CHEP Asia-Pacific	**538.2**	451.6	**112.9**	91.0
Total CHEP	**3,996.5**	3,653.6	**717.5**	635.2
Recall	**1,146.8**	1,038.2	**177.4**	182.5
Brambles HQ	**45.5**	32.9	**77.6**	78.5
Total segment assets and liabilities	**5,188.8**	4,724.7	**972.5**	896.2
Cash and borrowings [5]	**107.1**	135.5	**1,827.6**	1,894.8
Current tax balances	**21.9**	16.3	**75.2**	78.5
Deferred tax balances	**35.3**	19.8	**431.9**	408.2
Equity-accounted investments	**16.0**	14.0	**-**	-
Total assets and liabilities	**5,369.1**	4,910.3	**3,307.2**	3,277.7

Non-current assets by geographic origin [6]		
Americas	**1,989.5**	1,936.8
Europe	**1,439.1**	1,270.4
Australia	**574.5**	487.9
Other	**378.4**	315.2
Total	**4,381.5**	4,010.3

1 Cash flow from operations is cash flow generated after net capital expenditure but excluding Significant items that are outside the ordinary course of business.

2 BVA represents the value generated over and above the cost of the capital used to generate that value. It is calculated using fixed June 2010 exchange rates as:
- Underlying profit; plus
- Significant items that are part of the ordinary activities of the business; less
- Average Capital Invested, adjusted for accumulated pre-tax Significant items that are part of the ordinary activities of the business, multiplied by 12%.

3 Operating profit is segment revenue less segment expense and excludes net finance costs.

4 Underlying profit is profit from continuing operations before finance costs, tax and Significant items.

5 US$450.0 million of loan notes have been hedged with interest rate swaps for fair value risk. In accordance with AASB139, the carrying value of the notes has been adjusted by US$13.0 million in relation to changes in fair value attributable to the hedged risk.

6 Non-current assets exclude financial instruments and deferred tax assets.

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2010 - *continued*

Note 4. Profit from ordinary activities - continuing operations

	First half 2011 US$m	First half 2010 US$m
a) Revenue and other income - continuing operations		
Sales revenue	**2,147.2**	2,086.1
Net gains on disposals of property, plant and equipment	**10.4**	4.7
Other operating income	**36.0**	33.5
Other income	**46.4**	38.2
Total income	**2,193.6**	2,124.3
b) Operating expenses - continuing operations		
Employment costs	**409.1**	398.5
Service suppliers:		
- transport	**381.4**	371.2
- repairs and maintenance	**206.2**	189.0
- subcontractors and other service suppliers	**252.2**	233.8
Raw materials and consumables	**103.4**	96.6
Occupancy	**135.3**	134.7
Depreciation of property, plant and equipment	**204.7**	205.0
Irrecoverable pooling equipment provision expense	**52.7**	60.2
Amortisation:		
- software	**12.7**	11.5
- acquired intangible assets (other than software)	**3.3**	3.5
- deferred expenditure	**2.8**	1.9
Other	**66.6**	83.0
	1,830.4	1,788.9
c) Net foreign exchange gains and losses - continuing operations		
Net losses included in operating profit	**(2.0)**	(0.2)
Net (losses)/gains included in net finance costs	**(1.1)**	1.3
	(3.1)	1.1

Note 5. Significant items - continuing operations

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:

- 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
- part of the ordinary activities of the business but unusual due to their size and nature.

Significant items are disclosed to assist users of the financial statements to understand Brambles' business results.

		First half 2011 US$m	
	Before tax	**Tax**	**After tax**
Items outside the ordinary course of business:			
- acquisition-related costs [a]	**(6.9)**	**1.0**	**(5.9)**
- restructuring costs [b]	**0.5**	**(0.2)**	**0.3**
Significant items from continuing operations	**(6.4)**	**0.8**	**(5.6)**

		First half 2010 US$m	
	Before tax	Tax	After tax
Items outside the ordinary course of business:			
- restructuring costs [b]	(2.1)	0.5	(1.6)
Significant items from continuing operations	(2.1)	0.5	(1.6)

a Professional fees were incurred in first half 2011 in relation to business acquisitions. Refer Notes 7 and 15.

b Redundancy and plant closure expenses of US$2.1 million were booked in first half 2010. An excess provision of US$0.5 million was reversed in first half 2011.

Note 6. Discontinued operations

Net adjustments to provisions for divestments completed in 2007 and prior years have been recognised as Significant items outside the ordinary course of business. The impact of these adjustments on profit and cash flow are summarised below:

	First half 2011 US$m	First half 2010 US$m
(Loss)/profit before tax	**(0.2)**	0.5
Tax expense	**-**	(0.1)
(Loss)/profit for the period from discontinued operations	**(0.2)**	0.4
Net cash outflow from operating activities	**(0.2)**	-

Note 7. Business combinations

Acquisitions

a) Unitpool AG

On 23 September 2010, Brambles announced it had acquired Unitpool AG, a leading independent provider of pooled containers and pallets used by airlines for the storage of passenger baggage and cargo, resulting in a net cash outflow of US$21.1 million. Change of control was effective on 31 August 2010.

b) IFCO Systems NV

On 15 November 2010, Brambles announced its acquisition of IFCO Systems NV (IFCO) for an enterprise value of €923 million. IFCO is a leading provider of pooled resuable plastic containers to the food supply chain worldwide and of pallet services in the USA.

Brambles owns 0.2% of IFCO's share capital and has entered into binding agreements to acquire a further 95.9% of its share capital. On 23 December 2010, Brambles made a public tender offer for IFCO's shares, consistent with requirements of the Frankfurt Stock Exchange, on which IFCO's shares are listed. Following closure of the public tender offer, Brambles intends to buy-out minority shareholders so as to achieve 100% control.

The acquisition is subject to regulatory approvals which are currently being sought, after which change of control will occur. IFCO's results of operations, assets and liabilities are not reflected in these financial statements. US$6.4 million of professional fees related to the acquisition have been expensed in first half 2011.

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2010 - *continued*

Note 8. Earnings per share

	First half 2011 US cents	First half 2010 US cents
Earnings per share		
- basic	**15.4**	14.8
- diluted	**15.4**	14.7
From continuing operations		
- basic	**15.4**	14.7
- diluted	**15.4**	14.7
- basic, on Underlying profit after finance costs and tax	**15.8**	14.8
From discontinued operations		
- basic	**-**	0.1
- diluted	**-**	-

Options, performance share rights and MyShare matching conditional rights granted under Brambles' share plans are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

	First half 2011 million	First half 2010 million
a) Weighted average number of shares during the period		
Used in the calculation of basic earnings per share	**1,425.4**	1,403.8
Adjustment for share options and rights	**5.1**	3.9
Used in the calculation of diluted earnings per share	**1,430.5**	1,407.7

	First half 2011 US$m	First half 2010 US$m
b) Reconciliation of profits used in EPS calculations		
Statutory profit		
Profit from continuing operations	**219.8**	206.7
Profit from discontinued operations	**(0.2)**	0.4
Profit used in calculating basic and diluted EPS	**219.6**	207.1
Underlying profit after finance costs and tax		
Underlying profit (Note 3)	**372.5**	340.2
Net finance costs	**(57.2)**	(54.0)
Underlying profit before tax	**315.3**	286.2
Tax expense on Underlying profit	**(89.9)**	(77.9)
Underlying profit after finance costs and tax	**225.4**	208.3
which reconciles to statutory profit:		
Underlying profit after finance costs and tax	**225.4**	208.3
Significant items after tax (Note 5)	**(5.6)**	(1.6)
Profit from continuing operations	**219.8**	206.7

Note 9. Dividends

a) Dividends declared and paid during the period

	Interim 2010	Final 2010
Dividend per share (in Australian cents)	12.5	12.5
Franked amount at 30% tax (in Australian cents)	2.5	2.5
Cost (in US$ million)	164.2	174.0
Payment date	8 April 2010	14 October 2010

b) Dividend declared after reporting date

	Interim 2011
Dividend per share (in Australian cents)	13.0
Franked amount at 30% tax (in Australian cents)	2.6
Cost (in US$ million)	190.0
Dividend record date	11 March 2011
Payment date	14 April 2011

As this dividend had not been declared at the reporting date, it is not reflected in these financial statements. Details of the Dividend Reinvestment Plan are set out in Brambles' ASX & Media Release dated 15 February 2011.

Note 10. Issued and quoted securities

	Options	**Ordinary securities**	
	Number	**Number**	**US$m**
At 1 July 2010	**9,184,368**	**1,422,229,707**	**13,979.6**
Issued during the period	**4,733,035**	**28,431,863**	**184.1**
Exercised during the period	**(590,523)**	**-**	**-**
Lapsed during the period	**(1,210,091)**	**-**	**-**
At 31 December 2010	**12,116,789**	**1,450,661,570**	**14,163.7**

Note 11. Reserves

a) Movements in reserves

	Hedging US$m	Share-based payments US$m	Foreign currency translation US$m	Unification US$m	Other US$m	Total US$m
Half-year ended 31 December 2009						
Opening balance	(9.5)	71.1	218.2	(15,385.8)	167.3	(14,938.7)
Foreign exchange differences	-	-	81.4	-	-	81.4
Cash flow hedges:						
- fair value losses	(5.4)	-	-	-	-	(5.4)
- tax on fair value losses	2.6	-	-	-	-	2.6
- transfers to net profit	7.5	-	-	-	-	7.5
- transfers to property, plant and equipment	(0.4)	-	-	-	-	(0.4)
- tax on transfers to net profit	(2.8)	-	-	-	-	(2.8)
Share-based payments:						
- expense recognised during the period	-	8.4	-	-	-	8.4
- shares issued	-	(4.6)	-	-	-	(4.6)
- equity component of related tax	-	0.9	-	-	-	0.9
Closing balance	(8.0)	75.8	299.6	(15,385.8)	167.3	(14,851.1)
Half-year ended 31 December 2010						
Opening balance	**(8.6)**	**72.7**	**147.0**	**(15,385.8)**	**167.3**	**(15,007.4)**
Foreign exchange differences	**-**	**-**	**172.8**	**-**	**-**	**172.8**
Cash flow hedges:						
- fair value losses	**(1.4)**	**-**	**-**	**-**	**-**	**(1.4)**
- tax on fair value losses	**0.3**	**-**	**-**	**-**	**-**	**0.3**
- transfers to net profit	**4.7**	**-**	**-**	**-**	**-**	**4.7**
- transfers to property, plant and equipment	**0.1**	**-**	**-**	**-**	**-**	**0.1**
- tax on transfers to net profit	**(1.8)**	**-**	**-**	**-**	**-**	**(1.8)**
Share-based payments:						
- expense recognised during the period	**-**	**7.5**	**-**	**-**	**-**	**7.5**
- shares issued	**-**	**(3.3)**	**-**	**-**	**-**	**(3.3)**
- equity component of related tax	**-**	**2.4**	**-**	**-**	**-**	**2.4**
Closing balance	**(6.7)**	**79.3**	**319.8**	**(15,385.8)**	**167.3**	**(14,826.1)**

b) Nature and purpose of reserves

Hedging reserve
This comprises the cumulative portion of the gain or loss of cash flow hedges that are determined to be effective hedges. Amounts are recognised in the income statement when the associated hedged transaction is recognised or the hedge or a portion thereof becomes ineffective.

Share-based payments reserve
This comprises the cumulative share-based payment expense recognised in the income statement in relation to equity-settled options and share rights issued but not yet exercised.

Foreign currency translation reserve
This comprises cumulative exchange differences arising from the translation of the financial statements of foreign subsidiaries, net of qualifying net investment hedges. The relevant accumulated balance is recognised in the income statement on disposal of a foreign subsidiary.

Note 11. Reserves - *continued*

Unification reserve

On Unification, Brambles Limited issued shares on a one-for-one basis to those Brambles Industries Limited (BIL) and Brambles Industries plc (BIP) shareholders who did not elect to participate in the Cash Alternative. The Unification reserve of US$15,385.8 million represents the difference between the Brambles Limited share capital measured at fair value on 4 December 2006, and the carrying value of the share capital of BIL and BIP at that date.

Other

This comprises a merger reserve created in 2001 and a capital redemption reserve created in 2006.

Note 12. Equity-accounted investments

a) Joint ventures

Brambles has investments in the following unlisted jointly controlled entities, which are accounted for using the equity method.

Name (and nature of business)	Place of incorporation	% interest held at reporting date December 2010	December 2009
CISCO - Total Information Management Pte. Limited (Information management)	Singapore	**49%**	49%
Recall Becker GmbH & Co. KG (Document management services)	Germany	**50%**	50%

b) Share of results of joint ventures - continuing operations	First half 2011 US$m	First half 2010 US$m
Profit from ordinary activities before tax	**3.6**	3.2
Tax expense on ordinary activities	**(0.7)**	(0.5)
Profit for the period	**2.9**	2.7

Note 13. Net tangible asset backing	First half 2011 US cents	First half 2010 US cents
Net tangible assets backing based on 1,450.7 million shares (First half 2010: 1,412.3 million shares)	**83.8**	58.8

Net tangible assets backing per share is calculated by dividing total equity attributable to the members of the parent entity, less goodwill and intangible assets, by the number of shares on issue at period end.

Note 14. Contingent liabilities

Other than the public tender offer for IFCO shares described in Note 7b, there have been no material changes in contingent liabilities as set out in Brambles' 2010 Annual Report.

Note 15. Events after balance sheet date

On 4 January 2011, Brambles acquired Container and Pooling Solutions (CAPS), a USA-based provider of intermediate bulk containers and automotive containers for US$16.4 million. US$0.2 million of professional fees related to the acquisition have been expensed in first half 2011.

Except as outlined in the Directors' Report or elsewhere in these consolidated financial statements, there have been no other events that have occurred subsequent to 31 December 2010 and up to the date of this report that have had a material impact on Brambles' financial performance or position.

Brambles

Directors' declaration

In the opinion of the Directors of Brambles Limited:

(a) the financial statements and notes set out on pages 3 to 18 are in accordance with the Australian Corporations Act 2001, including:

(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the financial position of Brambles as at 31 December 2010 and of its performance for the half-year ended on that date;

(b) there are reasonable grounds to believe that Brambles Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

S P Johns
Director

T J Gorman
Chief Executive Officer

Sydney
15 February 2011

Independent auditors' review report to the members of Brambles Limited

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Brambles Limited (the Company), which comprises the balance sheet as at 31 December 2010, and the income statement, the statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, other selected explanatory notes and the Directors' declaration for both Brambles Limited and Brambles. Brambles comprises the Company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the Directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Brambles' financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Brambles Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by Directors or management.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Brambles Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of Brambles' financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001.*

PricewaterhouseCoopers

M G Johnson
Partner

Sydney
15 February 2011

M Dow
Partner

Sydney
15 February 2011

Directors' report

The Directors present the interim results of the consolidated entity consisting of Brambles Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2010 (Brambles).

Names of Directors
The Directors of Brambles Limited in office during the half-year and up to the date of this report are as follows:

G J Kraehe AO (Non-executive Chairman)
T J Gorman (Executive Director, CEO)
G J Hayes (Executive Director, CFO)
A G Froggatt (Non-executive Director)
S P Johns (Non-executive Director)
S C H Kay (Non-executive Director)
C L Mayhew (Non-executive Director)
B M Schwartz AM (Non-executive Director)
J P Mullen (Non-executive Director) (resigned 7 February 2011)

Review of operations
Brambles' sales revenue was US$2,147.2 million, up 3% on the prior corresponding period. Operating profit from continuing operations was US$366.1 million, up 8%. Profit after tax from continuing operations was US$219.8 million, up 6%. Cash flow from continuing operations was US$290.1 million, down US$110.2 million. Free cash-flow after dividends was negative US$3.4 million, down US$136.7 million. The reduction in cash flow was primarily a result of an US$84.0 million increase in capital expenditure to support growth initiatives.

Business unit performance:

- CHEP Americas' sales revenue was US$791.2 million, up 5% on the prior corresponding period, as a result of net new business wins and organic growth in the USA, Canada and, in particular, Latin America. Operating profit for the period was US$125.9 million, up 16%, primarily reflecting the impact of sales growth. Cash flow from operations was US$131.3 million, down US$8.5 million on the prior corresponding period. Return on capital invested was 14%, up from 12%, reflecting the increase in profit and more efficient use of the pallet pool.

- CHEP EMEA's sales revenue was US$751.3 million, down 2% on the prior corresponding period as the weaker euro and pound against the US dollar outweighed the positive effect of sales volume growth. The main contributor to the increase in sales volume was new business growth. CHEP EMEA's operating profit for the period was US$166.3 million, up 4%, reflecting the benefits of the facilities and operations restructuring carried out in recent years and a return to a normal level of IPEP expense. Cash flow from operations was US$139.3 million during the period, down US$63.4 million. This reflected a return to more normal levels of pallet purchases, and an increase in capital expenditure to support growth. Return on capital invested was 24%, up from 21%, reflecting the increase in profit and improvements in asset utilisation.

- CHEP Asia-Pacific's sales revenue was US$220.0 million, up 13% on the prior corresponding period, reflecting the strength of the Australian dollar and growth in emerging economies. CHEP Asia-Pacific generated operating profit in the period of US$38.8 million, up 19%. This reflected the higher sales revenue and the continued improvement in the financial performance of the developing Chinese business. Cash flow from operations was US$31.9 million during the period, down US$3.8 million, predominantly reflecting increased capital expenditure to support growth in Asia. Return on capital invested was 20%, up from 17% in the prior corresponding period.

- Recall's sales revenue was US$384.7 million, up 6% on the prior corresponding period, reflecting growth in all service lines, net new business wins and the translation impact of the weaker US dollar. Recall delivered operating profit of US$59.3 million in the period, up 13%. Recall's cash flow from operations in the period was US$13.6 million, down US$32.3 million, reflecting the planned increase in capital expenditure to support business growth. Return on capital invested was 12%, up from 11% in the prior corresponding period, reflecting the increase in profit.

IFCO acquisition
The timetable for Brambles‘ proposed acquisition of IFCO Systems is progressing as expected. This acquisition, once completed, will provide Brambles with enhanced growth opportunities through a strengthened position in the global reusable plastic container sector and in the pallet sector in the USA. Brambles has received regulatory approvals to date from all required European countries and, pending merger clearance in the USA, anticipates transaction completion between May and August 2011.

Auditors' independence declaration
The auditors' independence declaration, as required under Section 307C of the Corporations Act 2001, is set out on page 24 and forms part of this report.

This report is made in accordance with a resolution of the Directors.

S P Johns
Director

T J Gorman
Chief Executive Officer

Sydney
15 February 2011

Auditors’ independence declaration

As lead auditor for the review of Brambles Limited for the half-year ended 31 December 2010,

I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Brambles Limited and the entities it controlled during the period.

M G Johnson
Partner
PricewaterhouseCoopers

Sydney
15 February 2011

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