

Brambles

2009 OPERATIONS REVIEW

Brambles overview

11 May 2009



2009 OPERATIONS REVIEW

Mike Ihlein

Chief Executive Officer

2009 Operations Review

- Europe focused
- Meet management
- Site visits
- Focus on operations
- Agenda

Monday

- Brambles overview including trading update
- Recall Europe

Tuesday and Wednesday

- CHEP Europe

Brambles Profile

- Leading global provider of supply chain and information management solutions
- The Group's businesses - CHEP and Recall
- Over 45 countries
 - CHEP Europe 23
 - Recall Europe 9
- Over 12,000 employees
 - CHEP Europe ~2,700
 - Recall Europe ~1,100
- Total assets US\$5.0 billion at 31 December 2008
 - CHEP Europe ~35%
 - Recall Europe ~5%

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

2008 Brambles Sales Revenue – by service

Recall

Revenue US\$748M

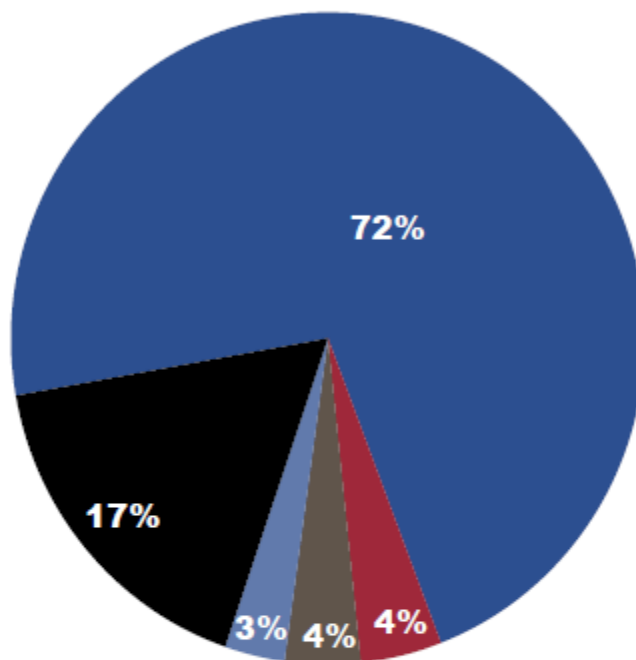
Cartons 82M



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

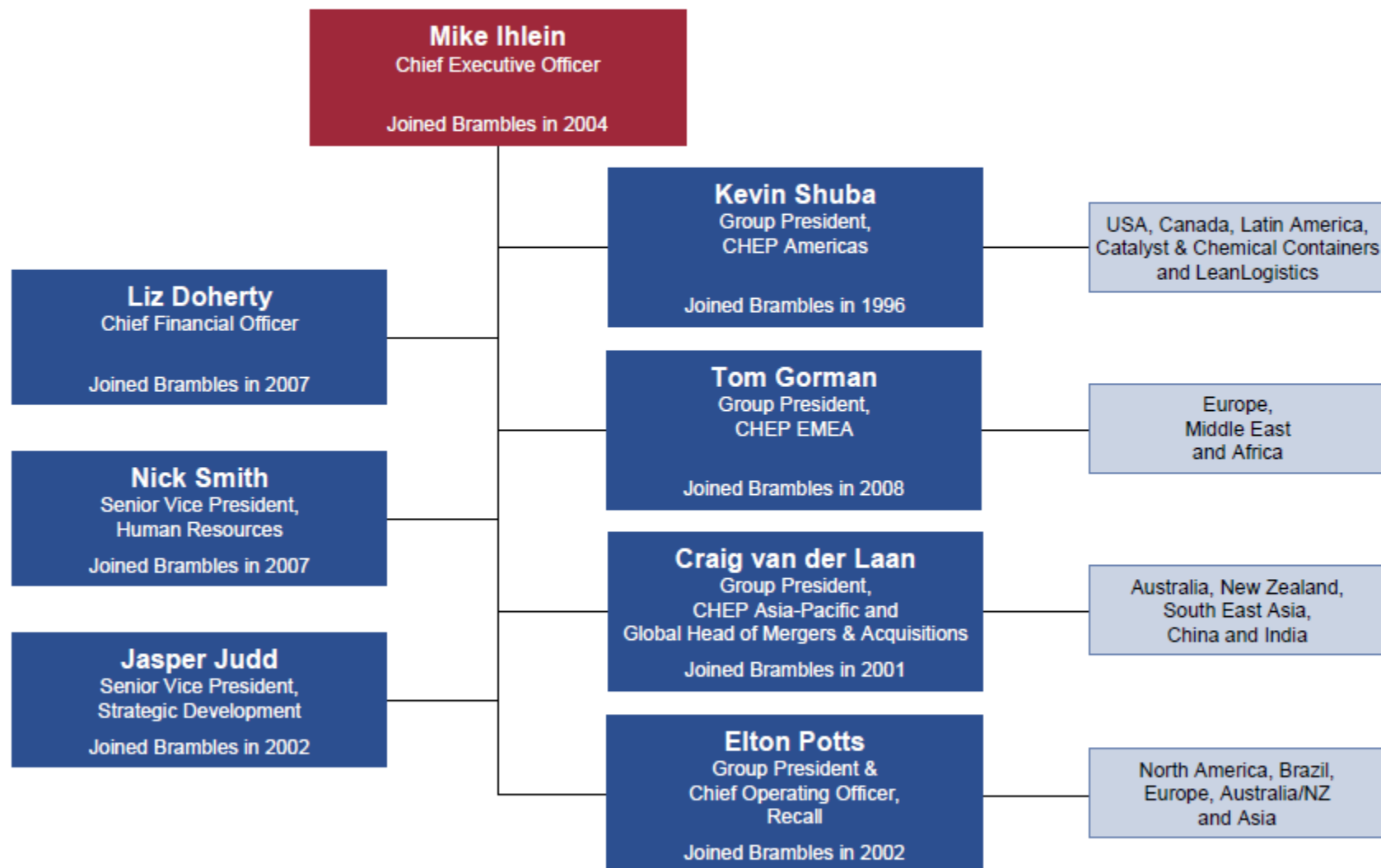
Revenue US\$190M

Containers 11M



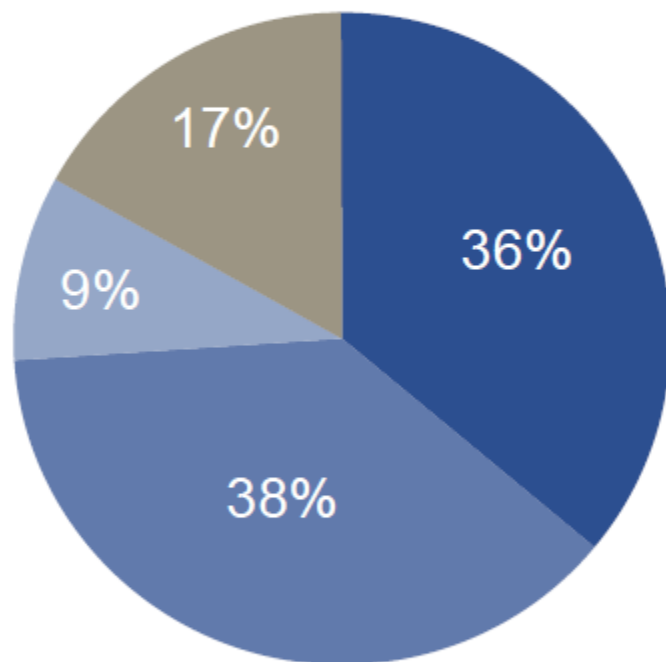
* Volume metrics are at 30 June 2008

Brambles Leadership Team

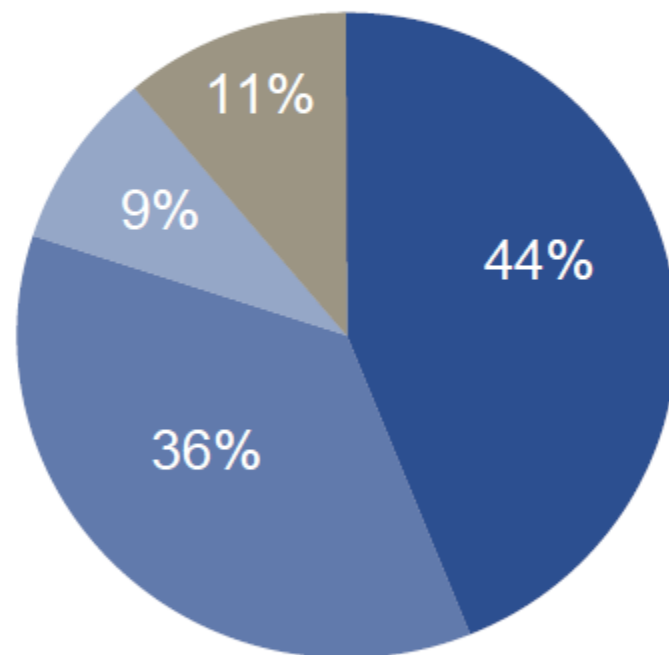


2008 Sales Revenue and Underlying Profit by business unit

Sales Revenue¹
US\$4.4bn



Underlying Profit²
US\$1.1bn



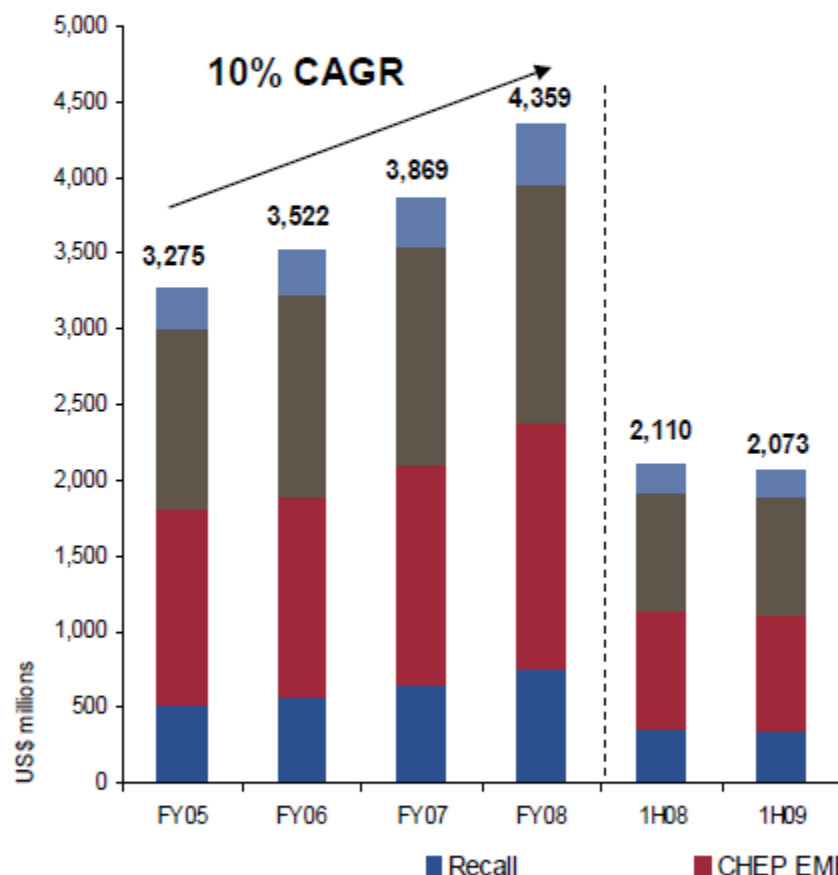
■ CHEP Americas ■ CHEP EMEA ■ CHEP Asia-Pacific ■ Recall

1. Chart reflects Sales Revenue from continuing operations.

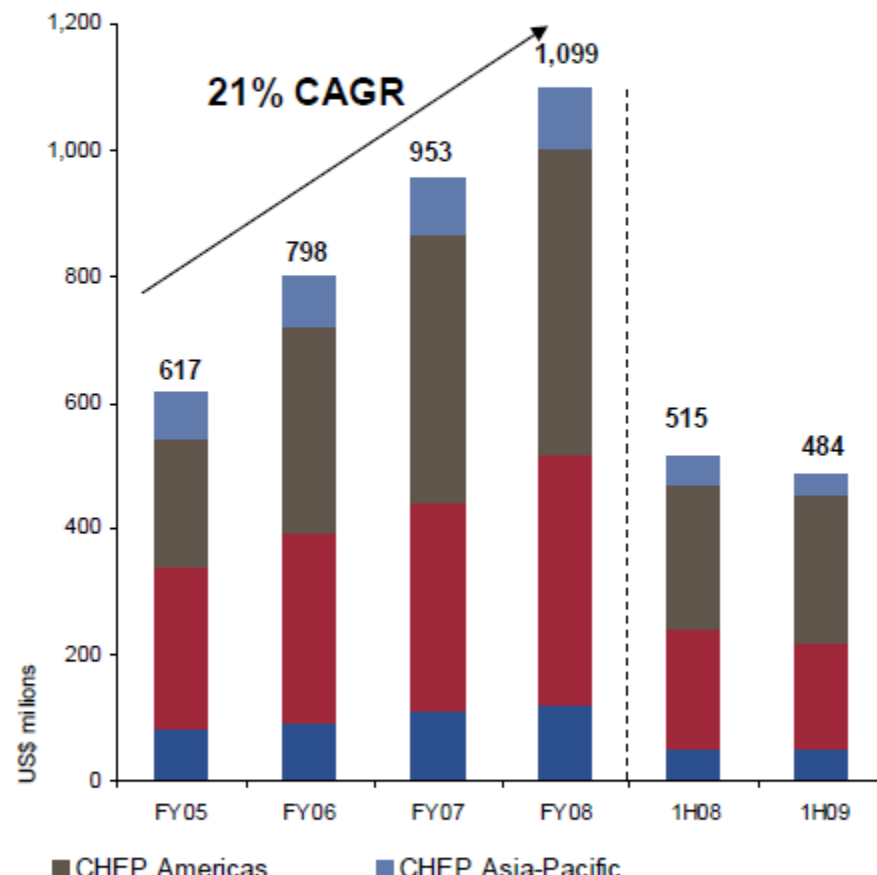
2. Chart reflects Underlying profit from continuing operations. Underlying profit in the chart does not include unallocated Brambles Headquarters costs or significant items.

Strong historical group performance

Sales Revenue¹



Underlying Profit²



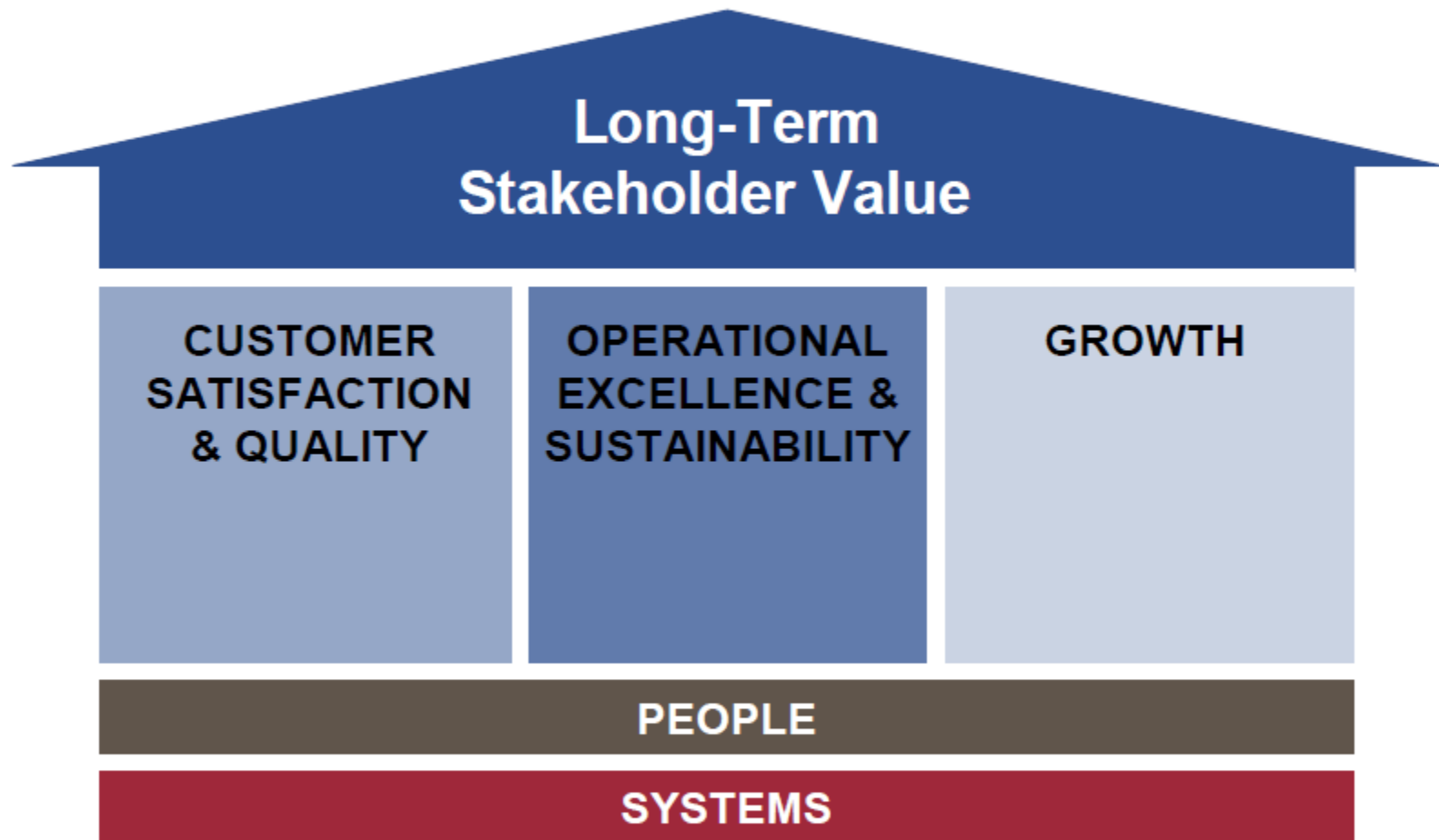
1. Graph reflects Sales revenue from continuing operations at actual exchange rates.

2. Graph reflects Underlying profit from continuing operations at actual exchange rates. Underlying profit in the graph does not include unallocated Brambles Headquarters costs or significant items.

Brambles Strategy

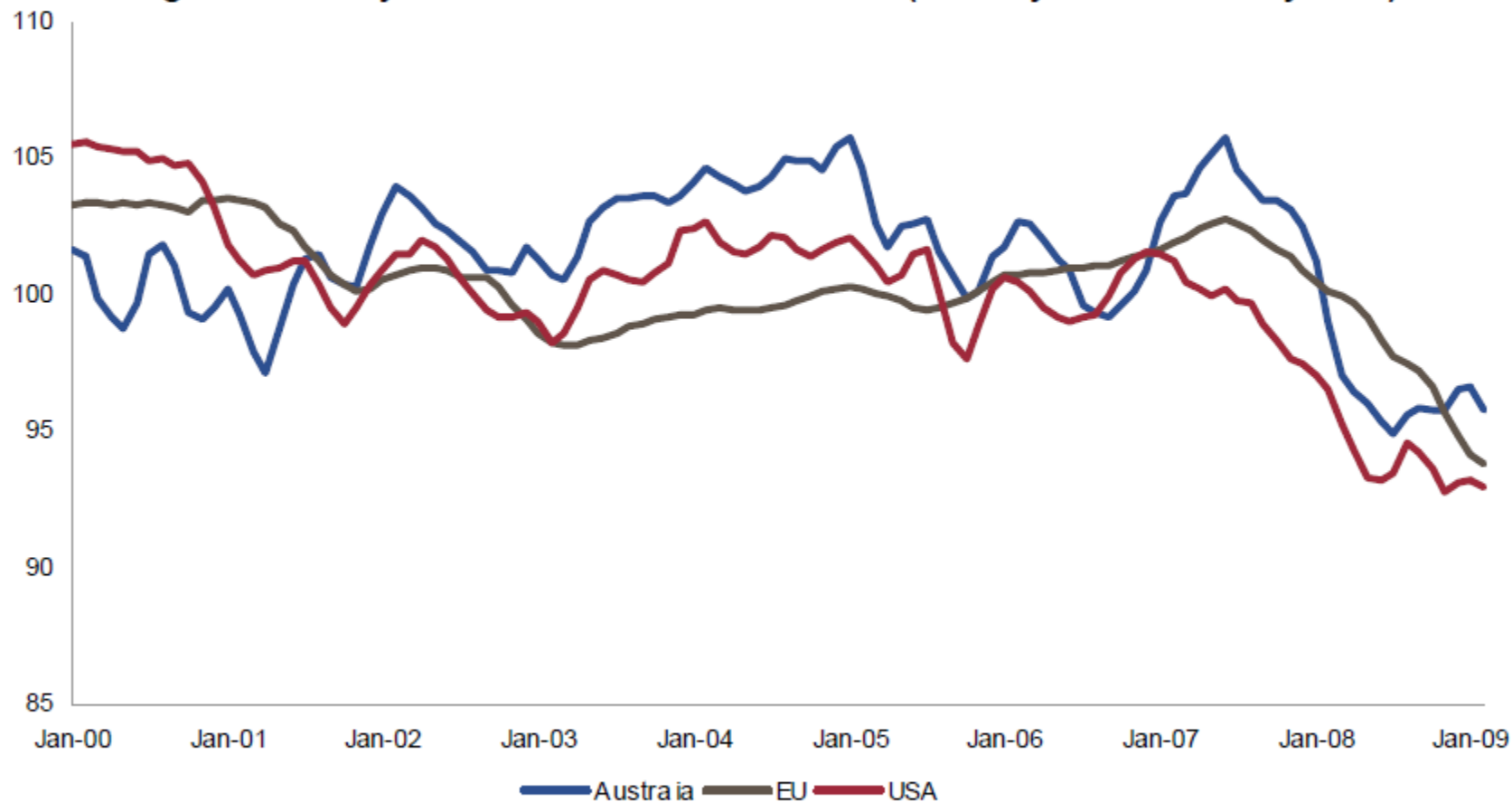
- To deliver the world's best supply chain solutions and information management services
- Core strategic themes
 - Customer Satisfaction and Quality
 - Operational Excellence and Sustainability
 - Growth
- Underpinned by a focus on People and Systems

Brambles Strategy



Consumer confidence

Regional/country consumer confidence indices (January 2000 – January 2009)



Source: Datastream

Trading update

- Sales revenue for the 10 months to 2 May 2009 up 2%
 - Excluding automotive, sales revenue up 3%
- Sales revenue 1 January to 2 May 2009 broadly in line with prior year
- Growth in both CHEP and Recall
 - CHEP Americas up 3%
 - CHEP EMEA up 1%
 - CHEP Asia-Pacific up 2%
 - Recall up 2%

All growth comparisons are in constant currency terms unless otherwise indicated.

Trading update

- Continue to win significant new business across all regions
 - Net new business wins in 10 months to 2 May 2009
 - CHEP USA US\$30 million
 - CHEP Europe US\$30 million
- Good progress on major initiatives
- CHEP USA review to be finalised by end September
- Balance sheet in good shape

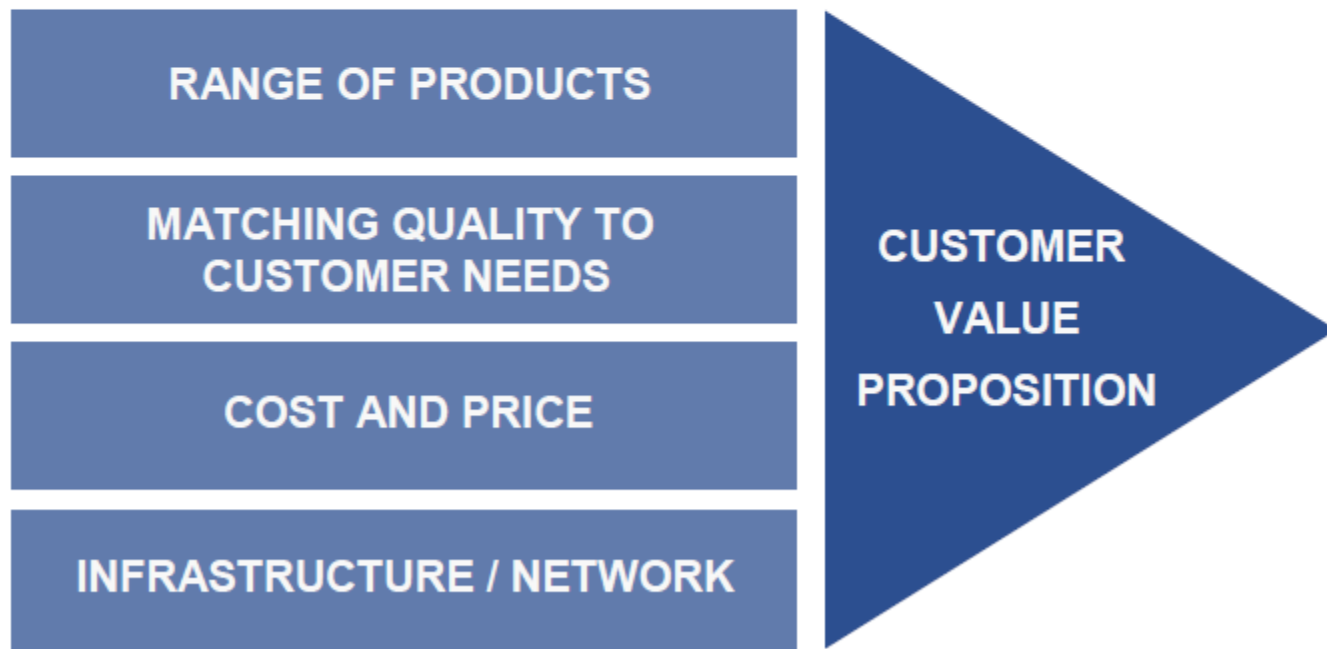
Initiatives to underpin future performance

- Taking actions to meet challenging and volatile conditions
 - US\$160m quality investment in CHEP USA
 - Accelerated scrapping of seven million excess pallets (CHEP USA)
 - Rationalisation of facilities and operations across the globe
- Focus on further improving cash generation
 - Reduction in capital expenditure to reflect lower economic activity
 - Significant undrawn debt facilities

Doing the right thing for the long term

CHEP USA review

- **Objective:** Ensure that the CHEP USA service offering remains aligned with customers' current and future needs
- **Process:** Led by management, in conjunction with external advisors
 - In depth engagement with current and potential customers
- **Timetable:** To be finalised by end of September 2009



Brambles still delivering sales revenue growth...

Unilever - 7 May 2009

"...volumes lower by 1.8%..."

"Underlying sales down in Western Europe in continuing challenging market conditions."

"Market growth has been more affected by the global economic downturn than the rest of the world, and slowed further."

Region	Volume%
Asia Africa CEE	-0.9%
Americas	-1.0%
Western Europe	-3.7%

P&G - 30 April 2009

"Volume declined five percent for the quarter driven primarily by market contractions, continued trade inventory reductions, and volume share softness following price increases in certain categories."

"Another steep drop in employment is on the way for April, and we expect consumers to stay cautious," IHS Global Insight economist Nigel Gault said. "Although the worst does seem to be behind us, we see consumer spending moving sideways over the next six months or so."

Wall Street Journal,
2 2009

Profits deflate at German giants Adidas and Metro

"Adidas... saw its profits slide by 97 per cent to just €5m (£4.6m) over the first three months of this year as sales

ed by 6 per

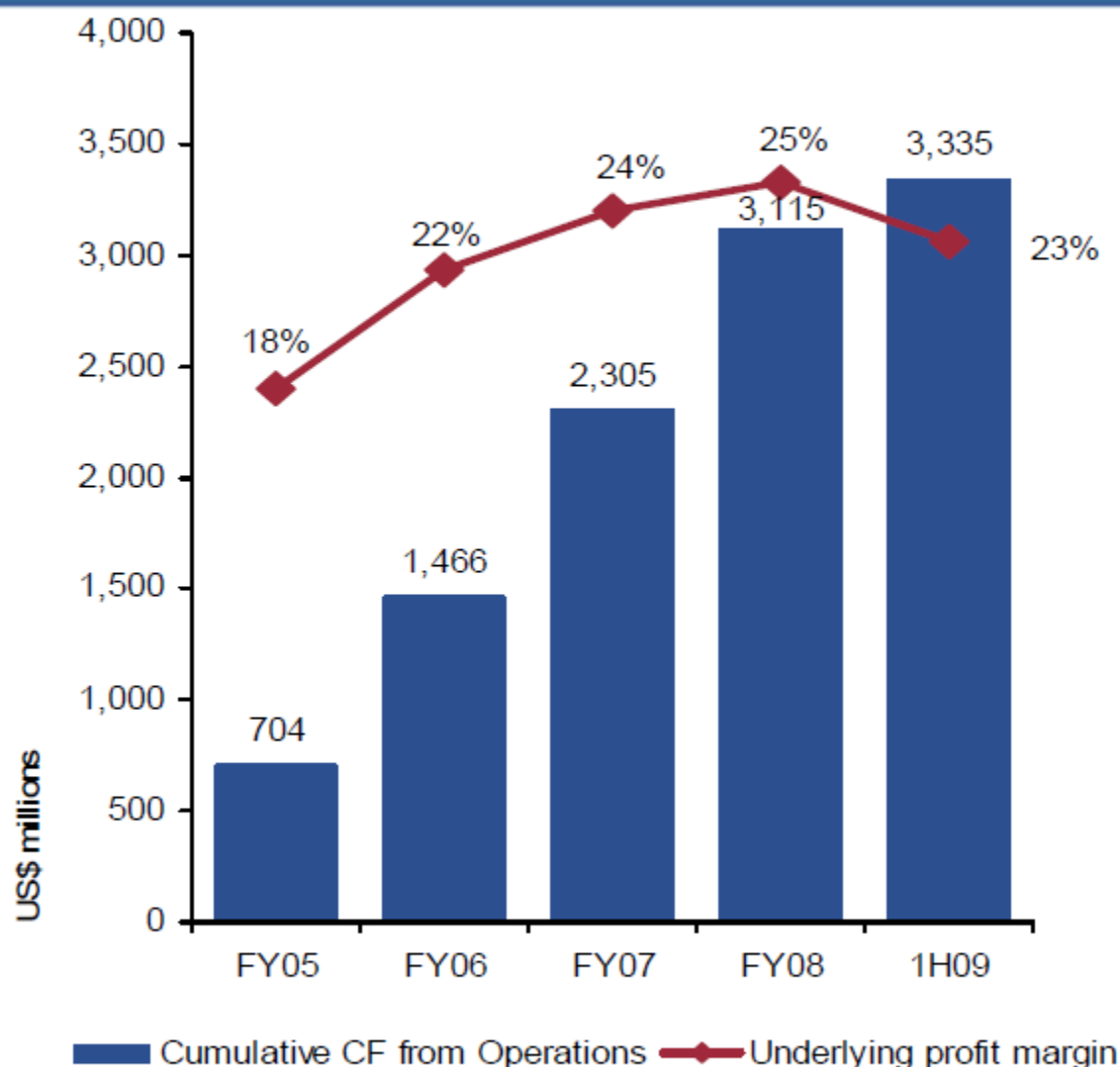
dependent,
2009

...YTD sales growth in all regions demonstrates strength and resilience of Brambles' businesses

2009 OPERATIONS REVIEW

Liz Doherty
Chief Financial Officer

Strong cash flow generation



1. Cash flow from operations for continuing operations

Strong cash flow generation

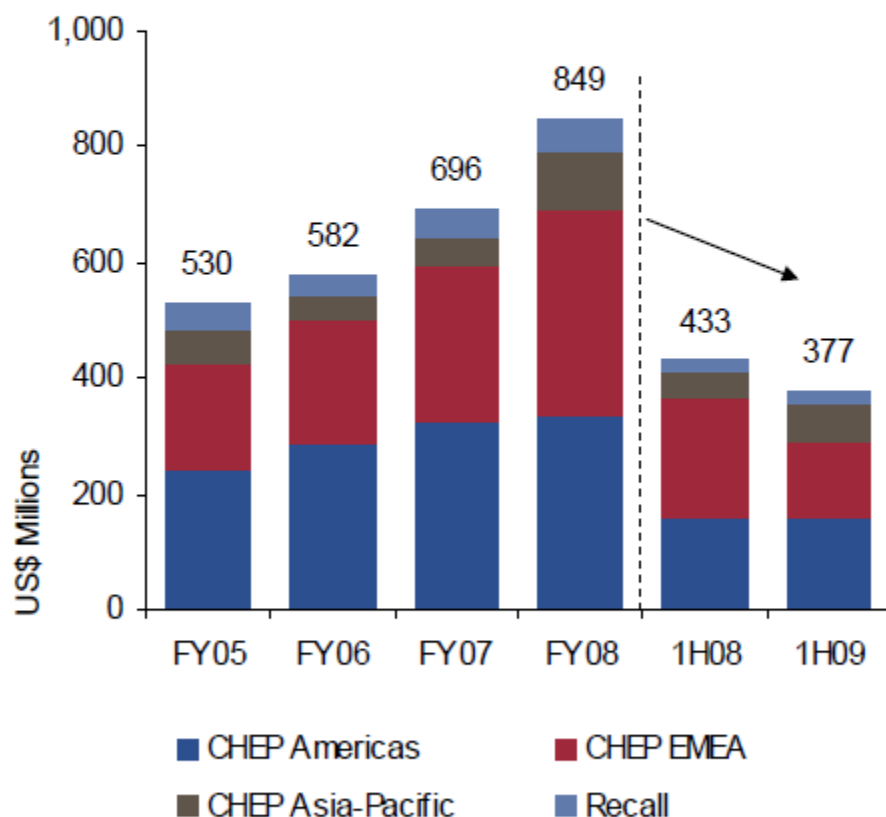
AIFRS US\$M	1H09	1H08	FY08	FY07	FY06	FY05
EBITDA	627	720	1,499	1,331	1,165	992
Capital expenditure	(400)	(452)	(869)	(648)	(586)	(533)
Proceeds from disposals	41	65	134	128	122	87
Other	(47)	(67)	46	27	62	158
Cash flow from continuing operations	221	266	810	838	763	704
Discontinued operations	-	-	-	37	177	200
Significant items outside ordinary activities	(22)	(16)	(28)	(149)	(39)	-
CFO after significant items	199	250	782	726	901	904
Financing costs and tax	(126)	(147)	(370)	(236)	(341)	(282)
Free cash flow	73	103	412	490	560	622
Free cash flow after dividends			(32)	(114)	263	366

Cash generation

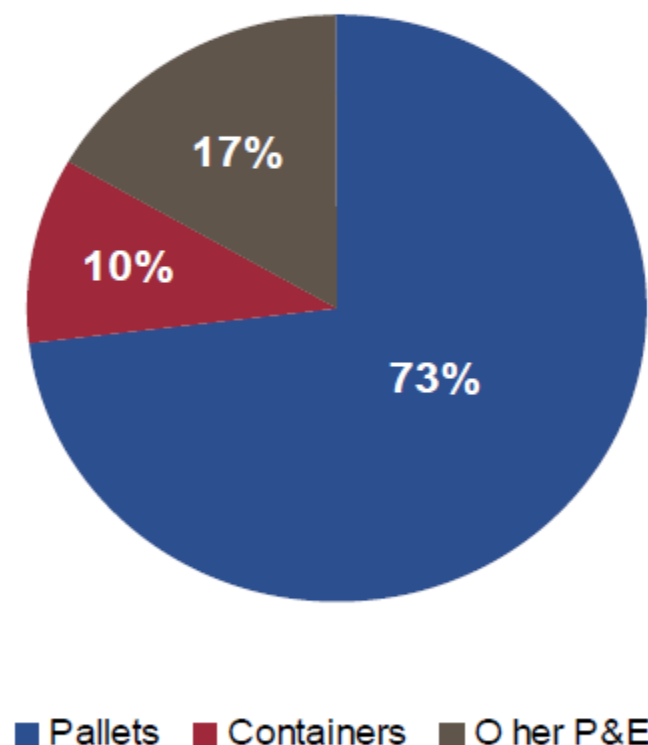
- Primary focus on reducing pallet capex
 - P&L / cash trade-off
 - Cautious investment in new growth opportunities
- EBITDA
 - Discretionary costs
 - Restructuring
- Other
 - Working capital
 - Tax
- Capital management Initiatives
 - Dividend Reinvestment Plan
 - Share buyback remains suspended

Capital expenditure

Historical Capital Expenditure¹ Composition

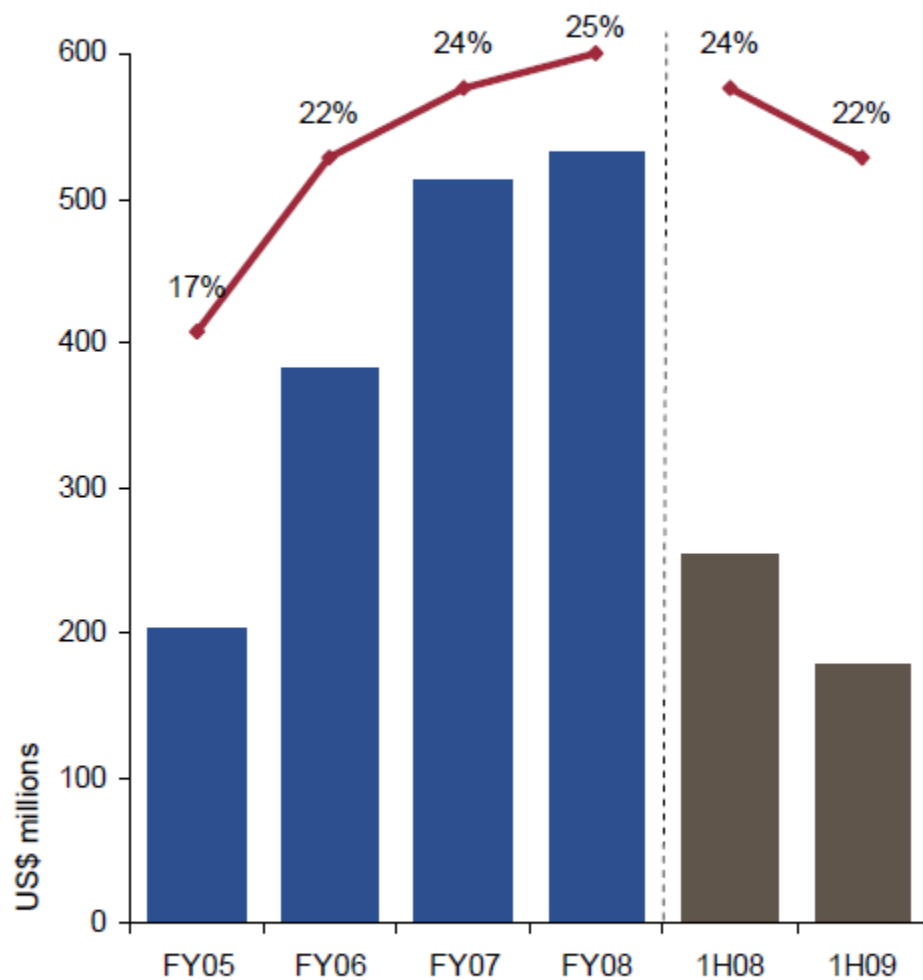


2008 Capital Expenditure¹ by Category



1. Capital expenditure on an accruals basis.

ROCI and BVA



BVA at fixed June 2008 exchange rates

■ BVA — ROCI

Ensuring adequate returns

	Wood
Capital cost	\$20
Revenue per issue	\$5
Turns / year	3.5
Losses per issue	2%
Scraps per issue	1%
Pallet life (years)	13.3
Transport costs % sales	19%
Plant cost % sales	26%
Overheads % sales	16%
Operating costs % sales	61%
<u>P&L account (\$)</u>	
Revenue	17.5
Operating costs	(10.7)
EBITDA	6.8
Depreciation	(1.5)
Losses	(0.6)
Underlying Profit	4.7
Profit margin	27%
ROCI (Underlying profit / capital cost)	23%
Payback (years)	4.2

Ensuring adequate returns

	Wood	Other 1
Capital cost	\$20	\$75
Revenue per issue	\$5	\$5
Turns / year	3.5	3.5
Losses per issue	2%	2%
Scraps per issue	1%	1%
Pallet life (years)	13.3	28.6
Transport costs % sales	19%	15%
Plant cost % sales	26%	10%
Overheads % sales	16%	10%
Operating costs % sales	61%	35%
<u>P&L account (\$)</u>		
Revenue	17.5	17.5
Operating costs	(10.7)	(6.1)
EBITDA	6.8	11.4
Depreciation	(1.5)	(2.6)
Losses	(0.6)	(5.1)
Underlying Profit	4.7	3.7
Profit margin	27%	21%
ROCI (Underlying profit / capital cost)	23%	5%
Payback (years)	4.2	21.4

Ensuring adequate returns

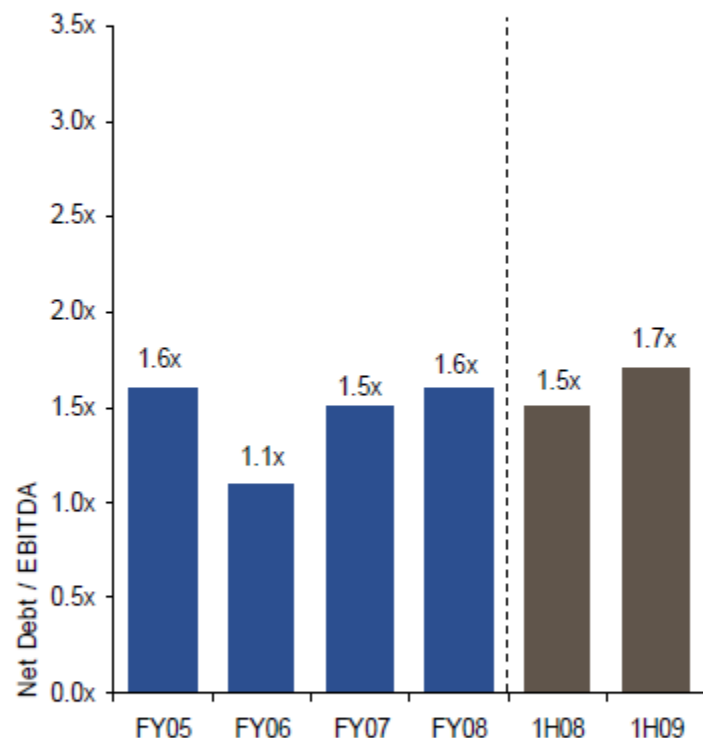
	Wood	Other 1	Other 2
Capital cost	\$20	\$75	\$65
Revenue per issue	\$5	\$5	\$5
Turns / year	3.5	3.5	6.0
Losses per issue	2%	2%	1%
Scraps per issue	1%	1%	0.1%
Pallet life (years)	13.3	28.6	>30
Transport costs % sales	19%	15%	15%
Plant cost % sales	26%	10%	10%
Overheads % sales	16%	10%	10%
Operating costs % sales	61%	35%	35%
<u>P&L account (\$)</u>			
Revenue	17.5	17.5	30.0
Operating costs	(10.7)	(6.1)	(10.5)
EBITDA	6.8	11.4	19.5
Depreciation	(1.5)	(2.6)	(0.4)
Losses	(0.6)	(5.1)	(3.9)
Underlying Profit	4.7	3.7	15.2
Profit margin	27%	21%	51%
ROCI (Underlying profit / capital cost)	23%	5%	23%
Payback (years)	4.2	21.4	4.3

Ensuring adequate returns

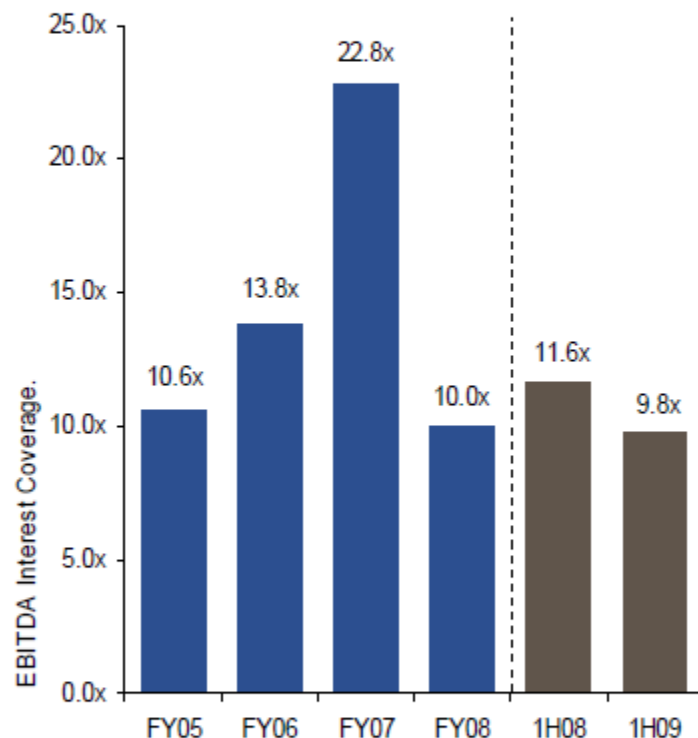
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<u>P&L account (\$)</u>			
Revenue	17.5	17.5	30.0
Operating costs	(10.7)	(6.1)	(10.5)
EBITDA	6.8	11.4	19.5
Depreciation	(1.5)	(2.6)	(0.4)
Losses	(0.6)	(5.1)	(3.9)
Underlying Profit	4.7	3.7	15.2
Profit margin	27%	21%	51%
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Payback (years)	4.2	21.4	4.3

Strong financial ratios¹

Leverage Ratio



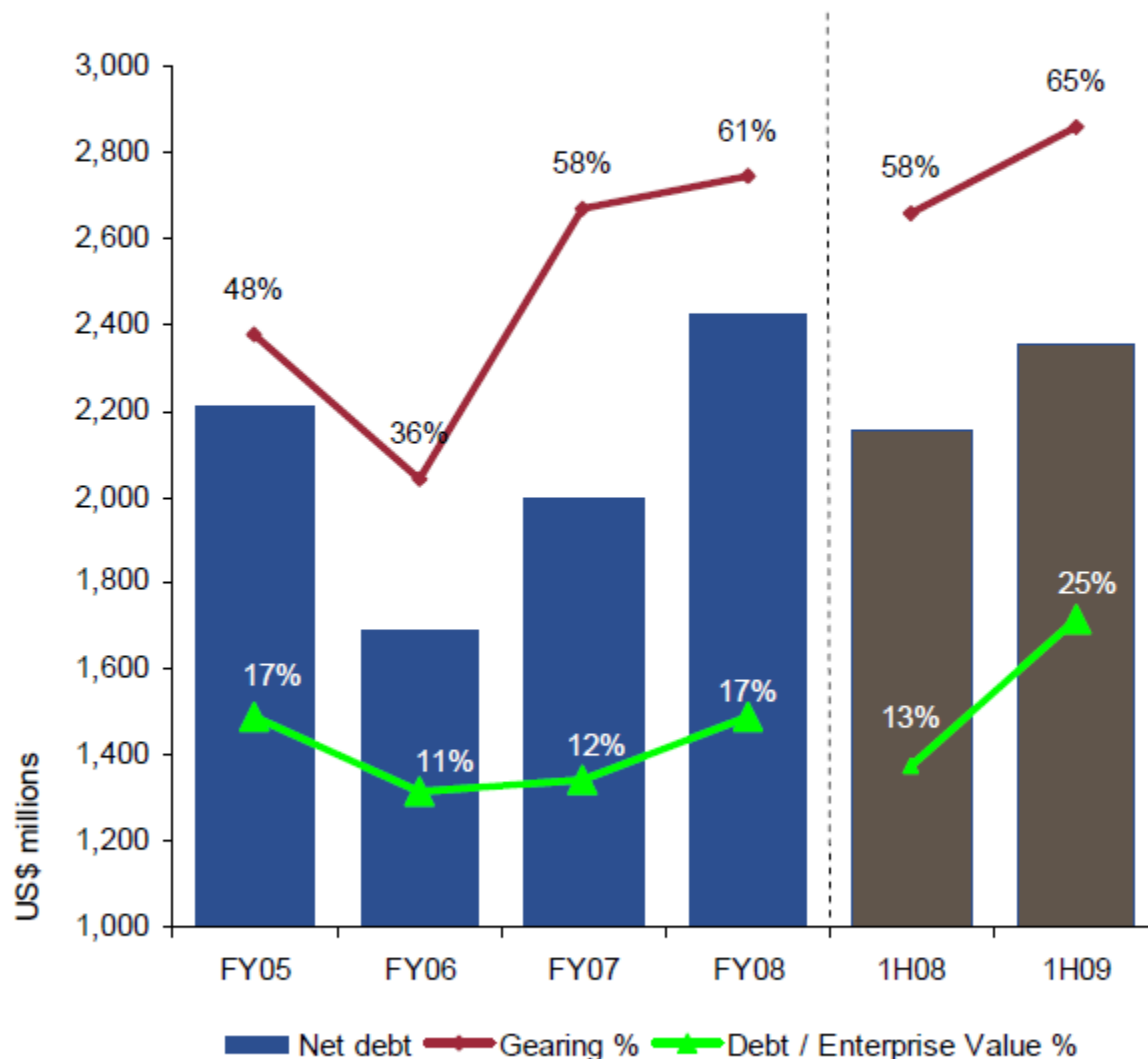
Interest Coverage Ratio



Ratios remain consistent with a solid investment grade credit rating

1) Calculated per covenant compliance.

Net debt and gearing



Credit facilities and liquidity

- Good progress on refinancing credit facilities maturing November 2010
- As at December 2008 US\$1.0bn refinanced with US\$1.5bn to be refinanced by November 2010
 - FY09 interim dividend reinvestment contributed US\$62m of funding
 - US\$110m raised from US Private Placement debt market
 - Balance being addressed as part of ongoing refinancing
- Significant undrawn committed credit facilities

Summary

- Growth despite challenging / volatile environment
 - Not immune from downturn but
 - Net new business wins
- Well positioned for economic recovery
- Major initiatives on track
- Balance sheet in good shape
- Strong business models

2009 OPERATIONS REVIEW

Q&A

2009 OPERATIONS REVIEW

recallTM

Your Information. Securely Managed.

11 May 2009

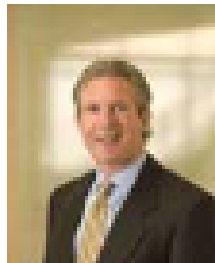


Brambles

Introduction

Elton Potts

Recall presenters



Introduction and Overview

Elton Potts, Group President and Chief Operating Officer

With Brambles since 2002

Base: USA

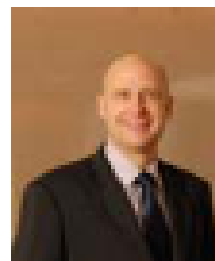


Recall Europe

Trace Norton, President, Recall Europe

With Brambles since 1998

Base: United Kingdom



Profitable Growth

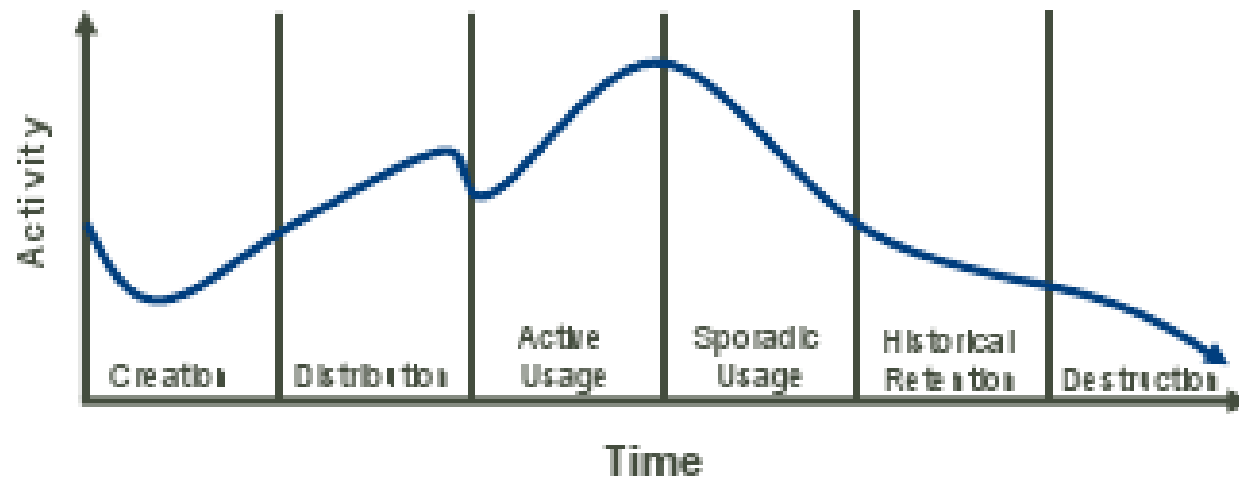
Christian Coenen, Global Vice President, Sales and Marketing

With Brambles since 2000

Base: France

What we do

recall[™]



← Document Management Solutions →



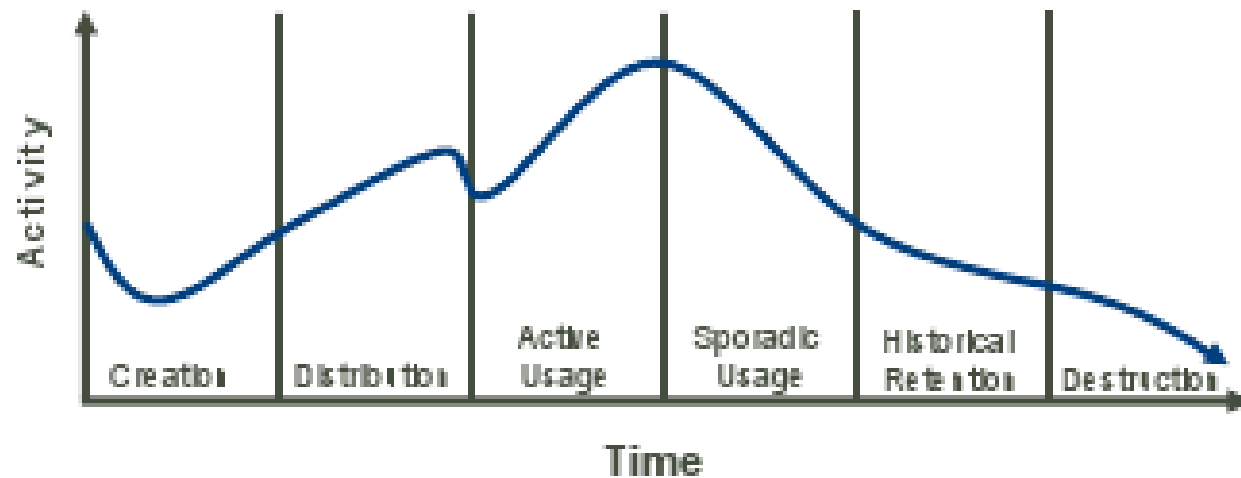
Secure Destruction Services



← Data Protection Services →

What we do

recall[™]



← Document Management Solutions →



Secure Destruction Services



← Data Protection Services →

- Document Management Solutions

Physical and digital capture, indexing, storage and retrieval of critical documents



- Secure Destruction Services

Confidential destruction of sensitive documents, media and other business items



- Data Protection Services

Secure storage, protection, back-up and recovery of media and other valuable items

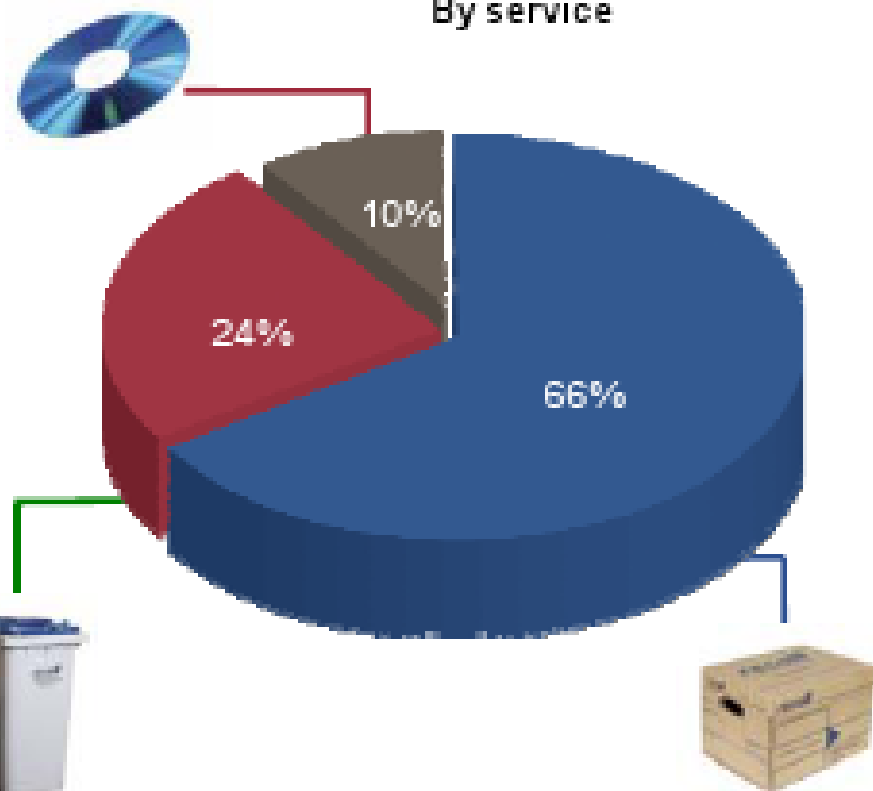


Lifecycle Information Management Solutions

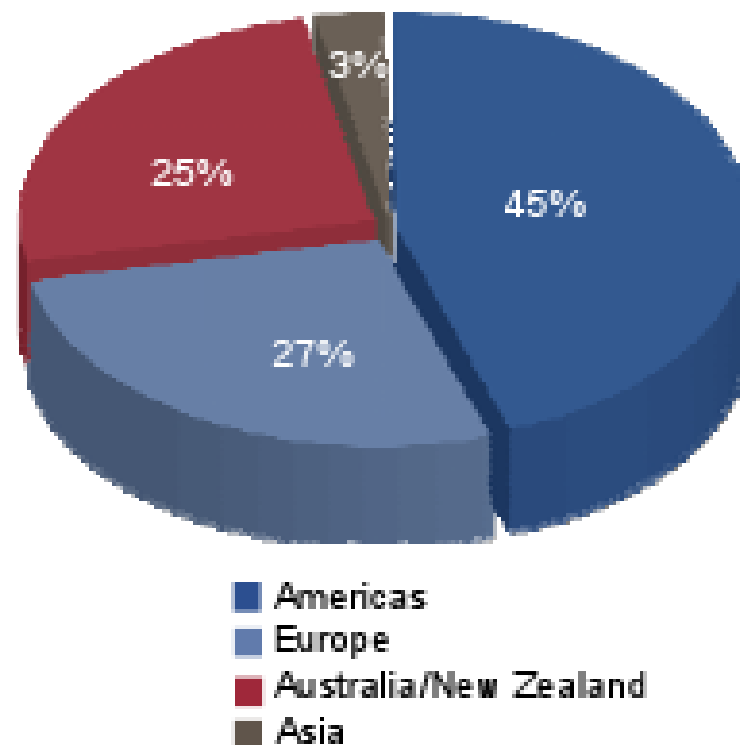
- A global leader in information management with the ability to transfer best practices across regions
- Global footprint
 - 5 continents
 - 23 countries
 - ~300 dedicated facilities
 - ~4,500 Team Members
 - Nearly 80,000 customers

2008 Sales Breakdown US\$748 million

By service



By region



* Based on actual reported rates.

Annuity Businesses

- Physical document storage
- Digital document storage
- Data protection
- > 40% gross margin

Transactional Businesses

- Physical document activity
- Digital document activity
- Data back-up and activity
- Secure destruction
- < 40% gross margin

Customers

- Fewer transactions at financial institutions
- Increase in regulatory oversight
- Greater interest in digitisation
- Staff reductions leading to increase in outsourcing non-core activities
- Slower to launch new initiatives
- Increase in cost-driven decision making

Recall

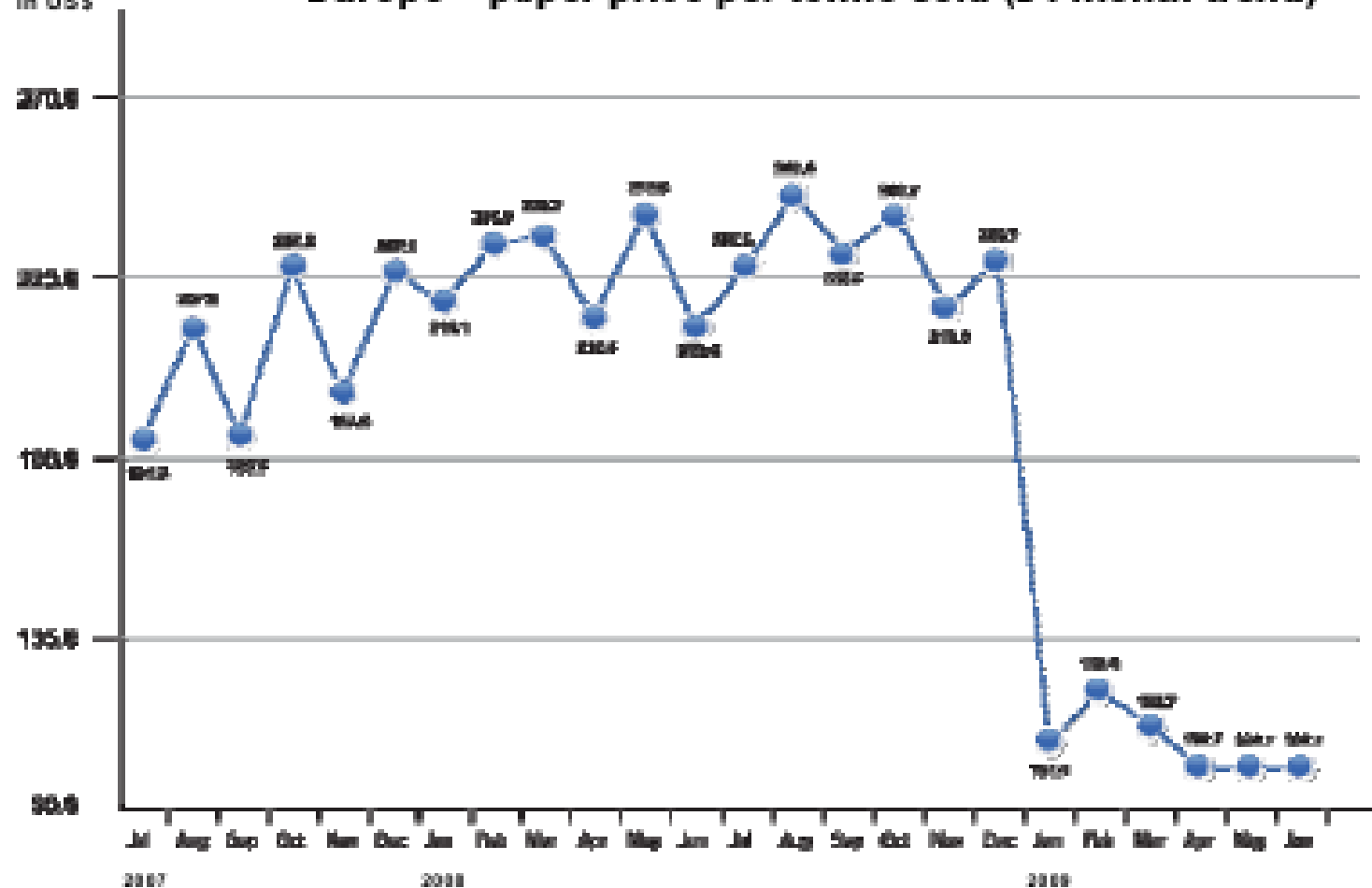
- Slowing growth in activity-related revenue; retention levels strong
- Increase in consultative workflow
- Increased growth in digital solutions
- Growth in workflow solutions
- Commodity pricing of shredded paper halved
- Global focus on cost reduction initiatives

Paper price trends and forecast

recall™

Price per tonne
in US\$

Europe – paper price per tonne sold (24 month trend)



Average monthly broad tonnage: 3,500

- Reduction in workforce by ~5% since June 2008
- Reduction in discretionary spending
- Review and renegotiation of supplier contracts
- Capital expenditure reprioritisation expected to yield ~US\$15m additional cash for FY09

Service line growth

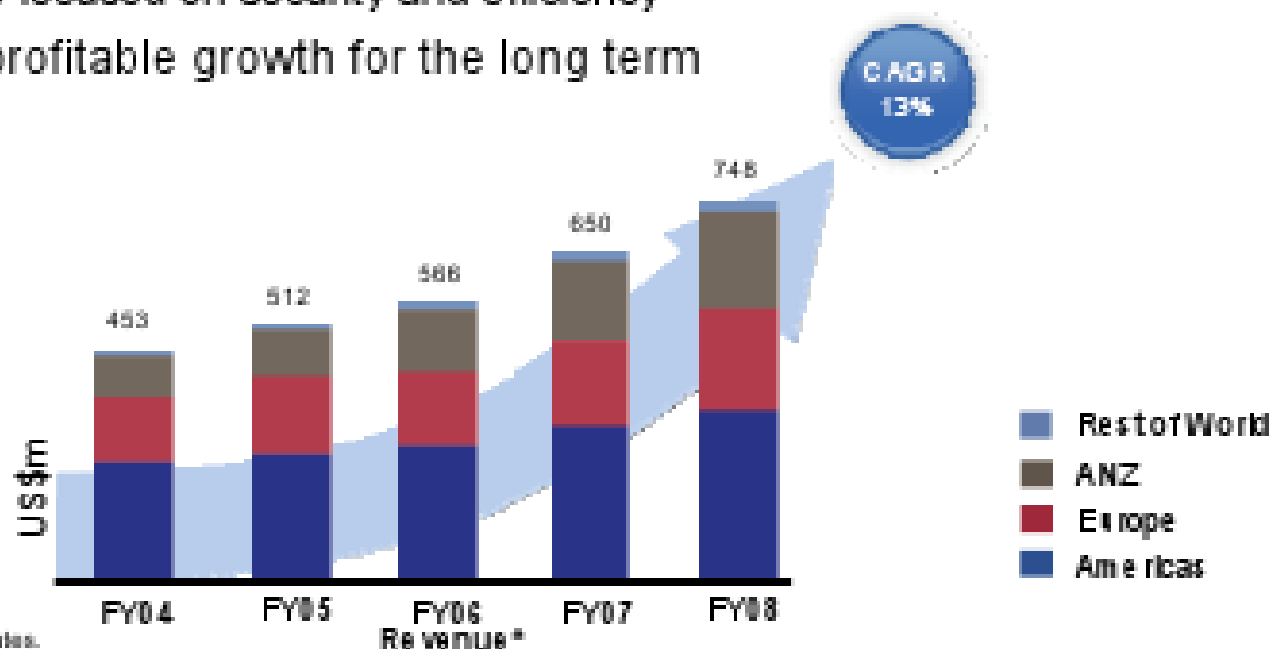
recall[™]

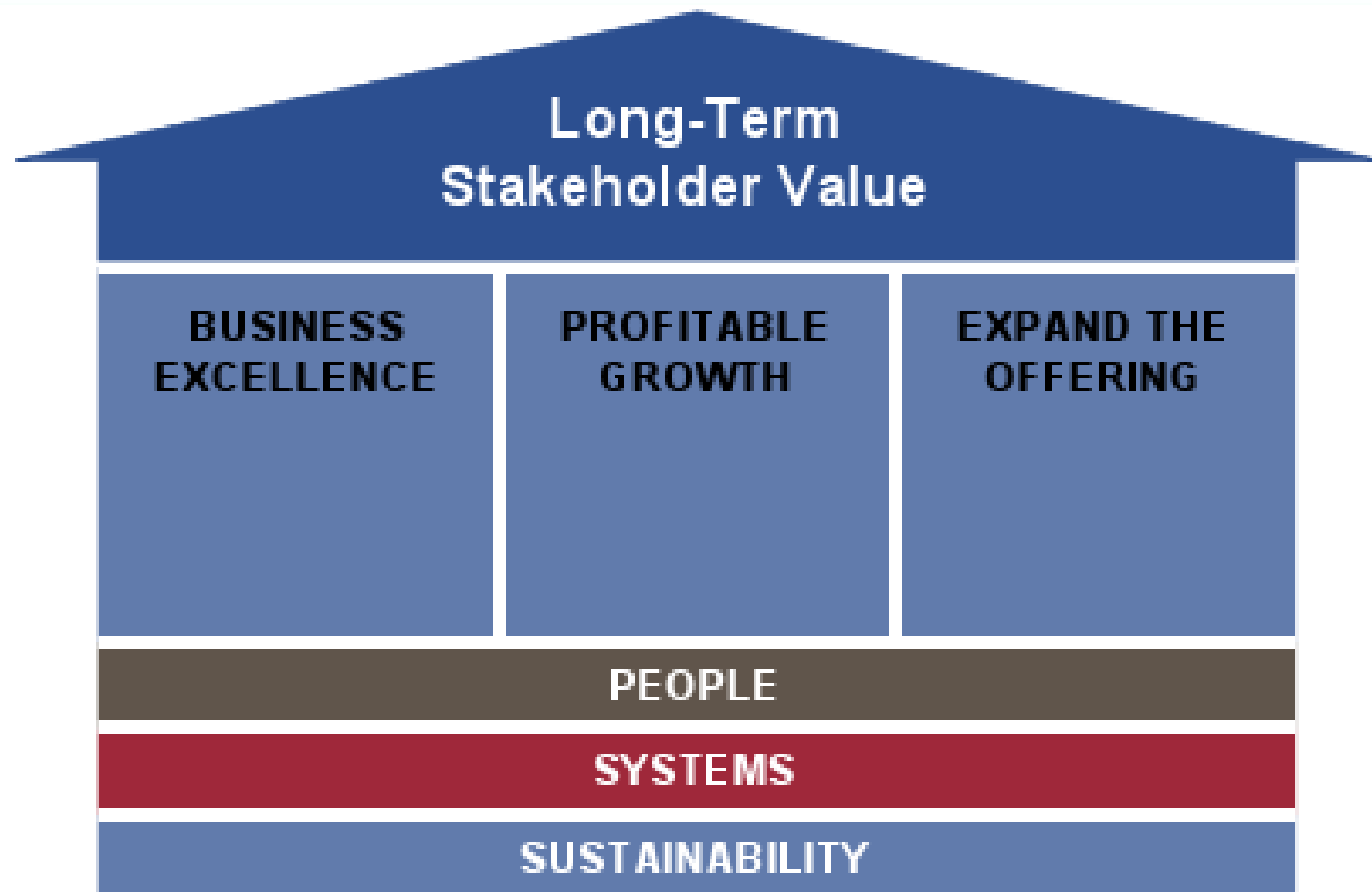
	Sales Revenue [*] 1H09 US\$m	YOY Growth % ^{**}	Sales Revenue [*] FY08 US\$m	YOY Growth % ^{**}
DMS-P	220.2	7%	458.1	5%
DMS-D	18.9	14%	38.8	11%
SDS	79.0	(5%)	176.8	11%
DPS	35.0	3%	74.6	2%
Total	353.1	4%	748.3	7%

^{*}Based on actual reported figures.

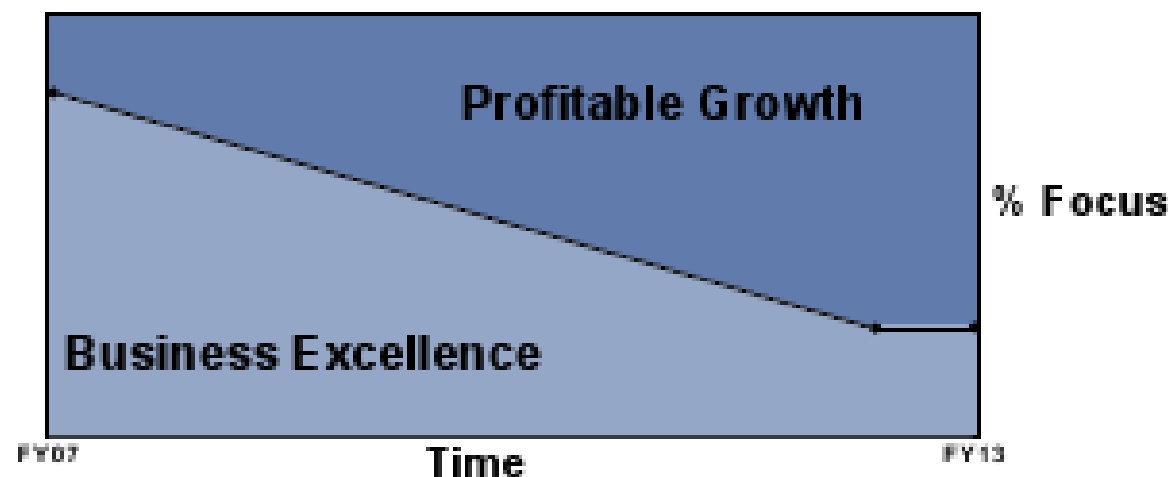
^{**}Based on constant currency.

- A strong business
 - Stable business characteristics with diverse recurring revenue streams
 - Relatively resilient to economic volatility
 - Consistently positive cash flow worldwide
- A disciplined approach to global management
 - Strong, experienced management team
 - Work force focused on security and efficiency
- Focused on profitable growth for the long term





- **Recall operates in an attractive, dynamic market space**
 - Total opportunity size ~US\$12b+
 - Substantial opportunity in unvended market segment
 - Mega trends (legislation, privacy) shaping demand
- **We are well-positioned for growth**
 - First or second among outsourced providers in majority of countries in which we operate
 - High customer satisfaction index
 - Cross-selling opportunities
- **We have a unified focus on our long-term strategy**



Europe

Trace Norton

- Strong geographic presence
- Established leaders in major geographies
- Business model adaptable to external factors
- Continued opportunity in existing and future market segment



- 9 countries
- 59 dedicated operation centres
- ~1,100 Team Members
- ~21,000 customers

Competitive landscape: DMS-P

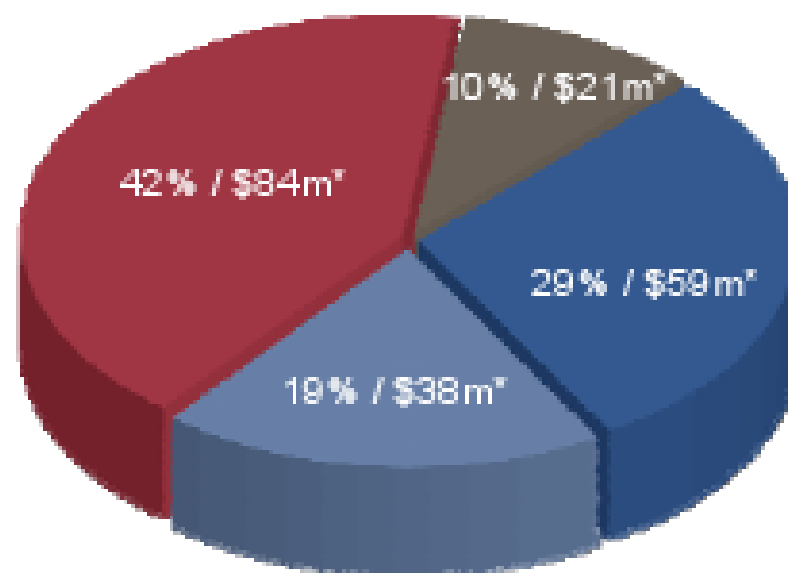
Country	Position*
Denmark	First
Finland	First
France/Belgium	First
Norway	First
Spain	First
Sweden	First
Germany	Third
United Kingdom	Third

- Value to Stakeholders
 - Operational consistency
 - Ease of doing business
 - Flexibility of solutions
 - Strong cash flow
 - High return on capital
 - Wholly owned and operated
 - Industry leading security
 - Focus on sustainability
 - Significant unvented opportunity

*Estimated position within the vended market.

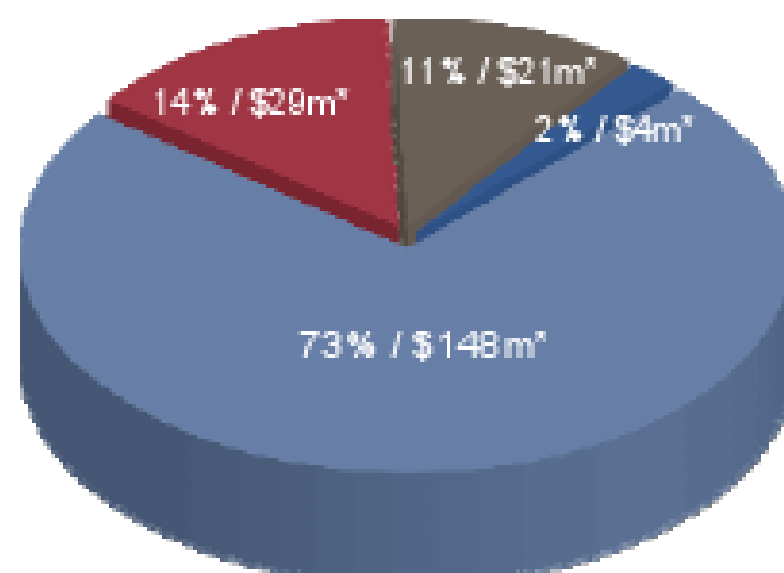
Europe overview

FY08 Country Revenue



- Spain
- France
- United Kingdom
- Rest of Europe

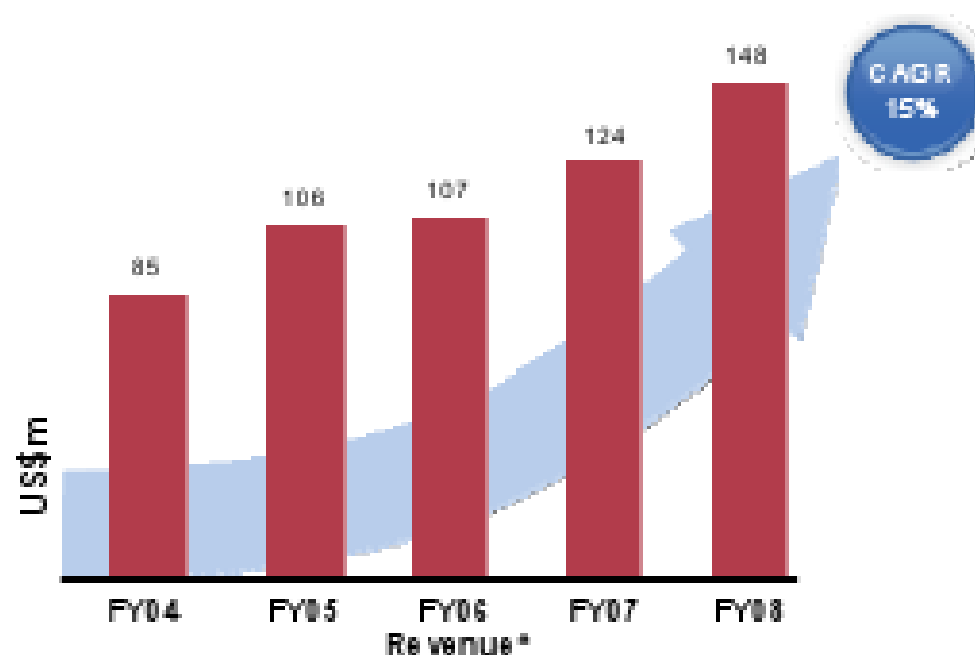
FY08 Service Line Revenue



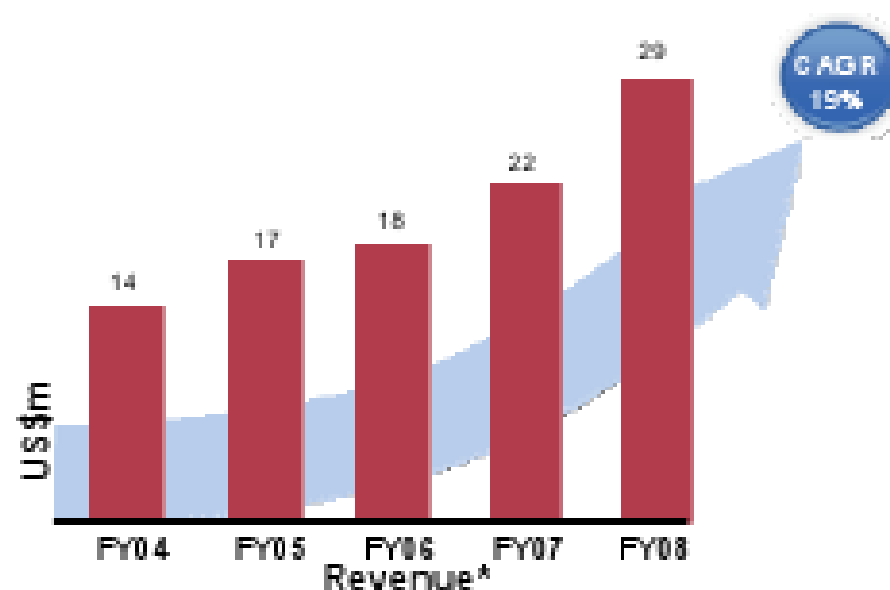
- Secure Destruction Services
- Data Protection Services
- Document Management Solutions – Physical
- Document Management Solutions – Digital

* Figures represent actual reported rates, USD currency standard.

- Solid foundation to develop digital business
- Retention rates remain strong despite external factors
- Continued growth expected despite increase in digital



- Key piece of Europe business
- Aligned with industry trends
- Complementary to physical management offering
- Proven customer value



* Based on actual reported rates.

- Business trends moving towards tape retention / data back-up
- Increased focus on comprehensive management throughout information lifecycle
- Strong synergies between Recall and existing client base
- Rapid adoption of global best practices
- FY04 – FY08 CAGR of 29%



- Recognized industry leader
- National coverage
 - 24 Information Centres
 - 14 Cities
 - ~350 Team Members



* Based on actual reported sales.

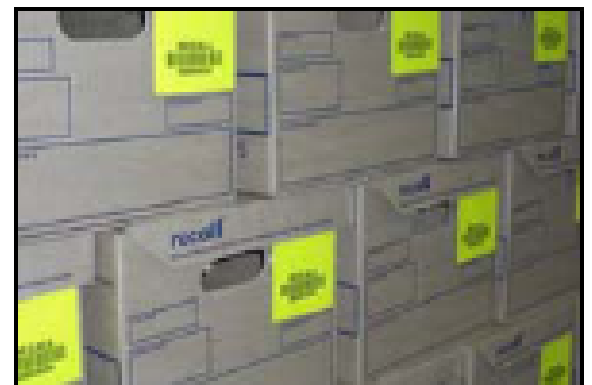
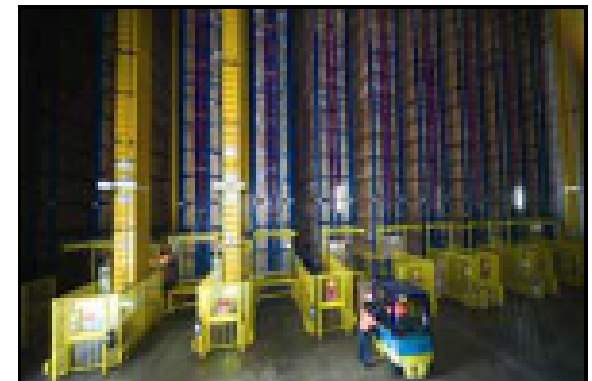


- Customer Satisfaction
- Security
- Efficiency
- Sustainability

- Annual third-party measurement
- Recall ranks in top 1/3 (of 450,000 global service provider surveys) in 4 critical customer areas
 - Overall rating
 - Competitive advantage
 - Likelihood to recommend
 - Likelihood to repurchase
- Leadership in key areas of customer value
 - Professionalism
 - Service quality
 - Ease of doing business
 - Secure management of information
 - Relationship management

- Global leadership and oversight by industry experts
- Stringent minimum security standards worldwide
- Facility security standards
 - Biometric access
 - Fire detection and suppression systems
 - Electronic firewalls
- Vehicles
 - Advanced vehicle alarm programs
 - Satellite navigation systems (GPS)
- People
 - Maximum background and security checks permissible by local law
 - Ongoing safety and security training programs
 - Safety and security adherence measurement
 - Cultural focus on safety and security

- Six Sigma
 - Significant DSO improvement achieved in four countries
- Lean/Kaizen approach to continuous improvement
 - UK facility productivity improvement of 40%
- Benchmarking and best practice adaptation
 - Sales force activity measured by individual, by country
- RFID
 - Patented three-way tag
 - Increased speed, accuracy and efficiency of audits

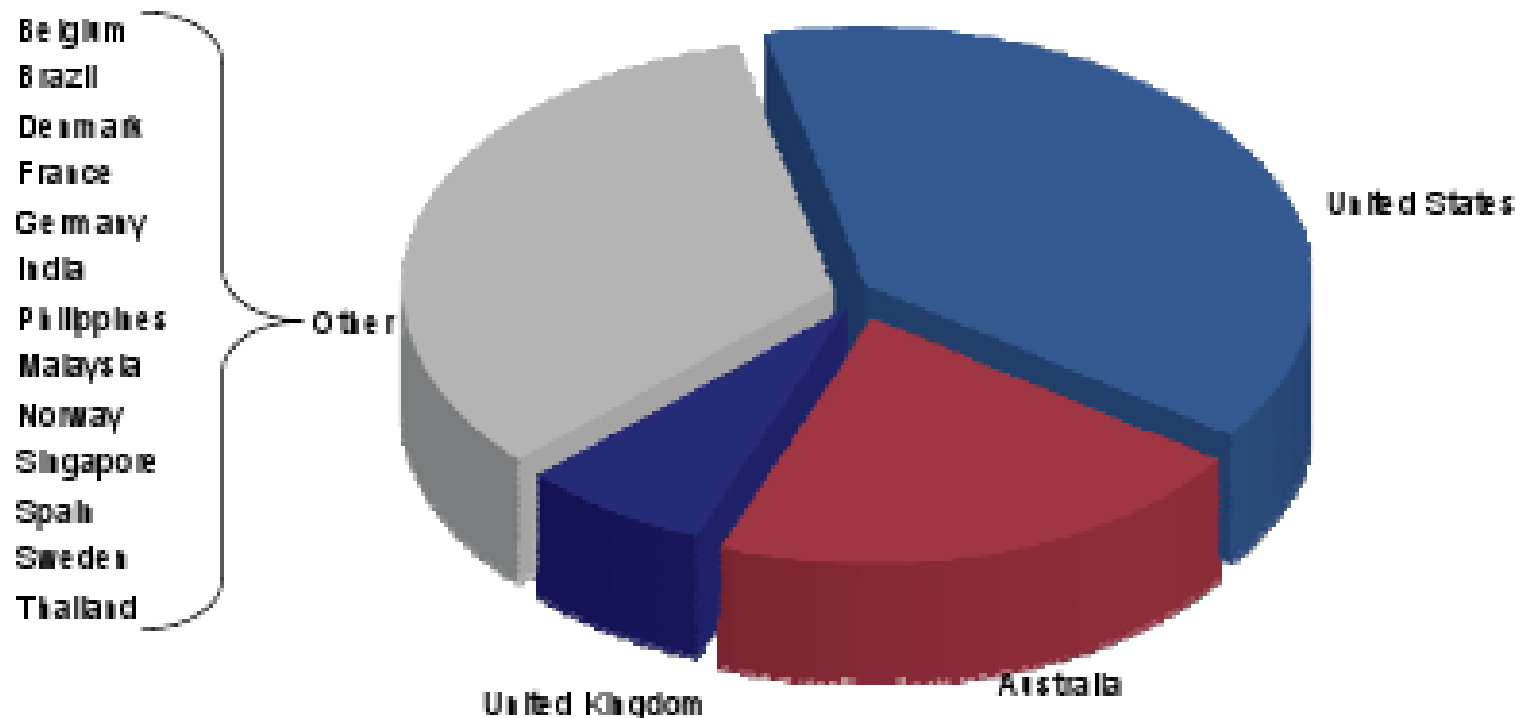


- London Mega Centre (LMC)
 - Site consolidation
 - B31 rated Energy Emission Control
 - Modular design for growth-driven expansion
- Canly, France
 - Natural landscape-driven design
 - Rainwater collected for facility usage
 - Natural light optimization
 - Solar powered heating
- Pan-European sustainable carton supply
- Recycled paper equivalent to 1 million trees*



*Source: *Recycled Paper: The essential Guide*; Cambridge, MA, 1992.

- Continuous investment in safety and security training
- Employment satisfaction measured globally
- Diversity amongst leadership and throughout the organisation



- A robust service model delivering solid growth
- Solutions aligning with customer and industry trends
- Continued opportunities in existing and future geographies
- Focus on continued growth over the long term

Profitable Growth

Christian Coenen

- Market trends and our business focus are aligned
- Our approach to profitable growth
 - Organic growth through business excellence
 - New business in selected and tested geographies and vertical industries
 - Develop business solutions based on innovative capabilities
- Market research confirms our sales approach

- Legislation
 - Increased oversight
 - Companies increasingly attuned to cost of non-compliance
- Privacy
- Outsourcing
 - Overhead reduction
 - Risk mitigation
 - Industry expertise
 - Focus on core competencies
- Information and business process outsourcing (BPO)

External Factors

- Global standardisation
- Financial responsibility
- Increasing regulatory governance
- Corporate sustainability

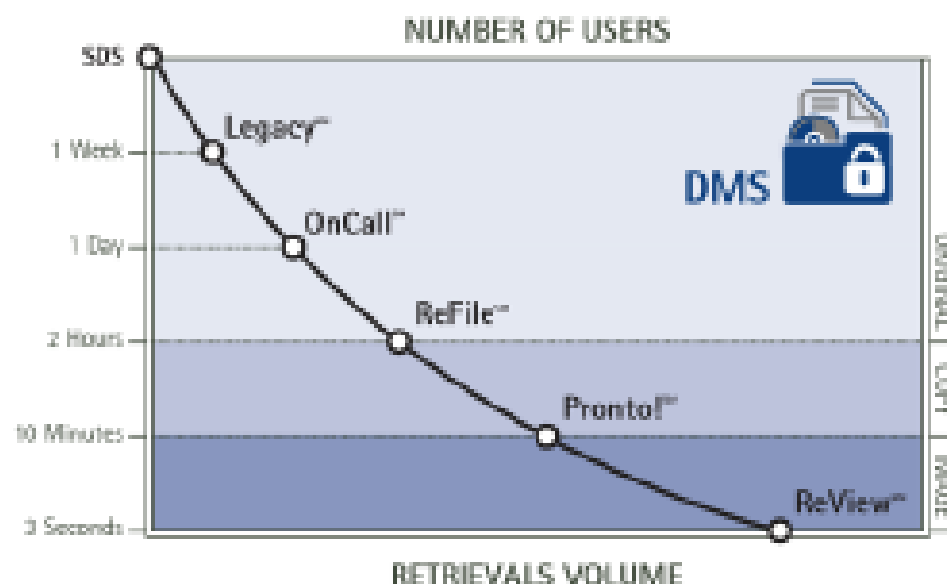


Recall

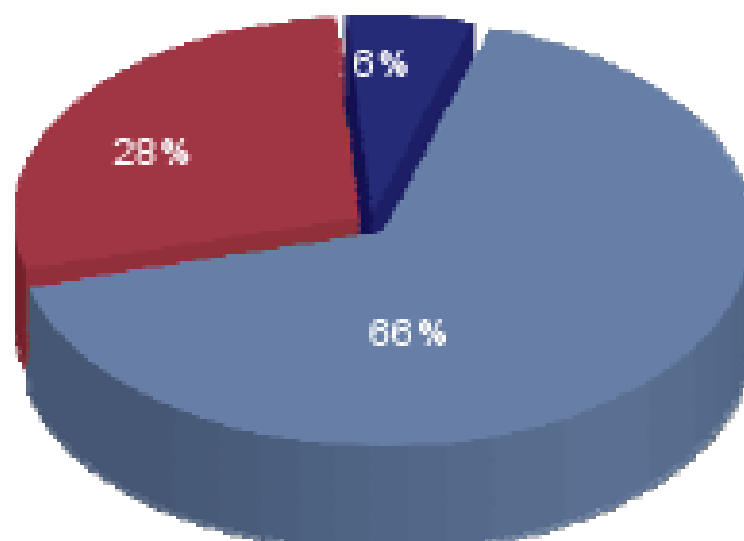
- Operational consistency
- Disciplined management
- Dedicated operating centers
- Outsourcing partner
- Industry expertise
- Financial strength and stability
- Environmental conservation

- Multi-national customers
- Cross-selling programs
- Capitalise on unvended segment through sales efficiency
- Provide flexibility through innovation
 - Common operating platform
 - Menu of services
 - Standard operating procedures (SOP's)
- Best practice identification and duplication

- Reasons for outsourcing
 - Free up space and internal resources constraints
 - Tracking and higher security
 - Regulatory compliance
- Importance of services
 - Retrieval of specific file(s) at any time
 - Security and digital storage
 - On-site carton collection
- Importance when selecting vendor
 - Ability to retrieve file(s) and destroy at end of lifecycle
 - Security procedures
 - Ability to manage information throughout the lifecycle

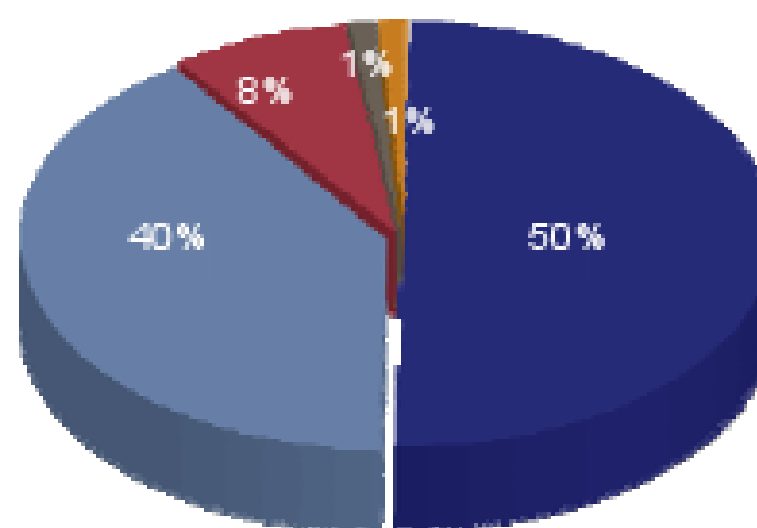


Total Opportunity*



■ Recall
■ Unvended
■ Other Vended

Recall Position per Country**



■ Leader
■ #2
■ #3
■ #4
■ #5

*Source: Boston Consulting Group, 2008.

**Estimated position within the vended market.

SUSPECTS

- ↳ Total Available Market
- ↳ Selected Available Market
- ↳ Market Platform
- ↳ Market Platform Visit

Available
Market

PIPELINE

Prospect

Qualification

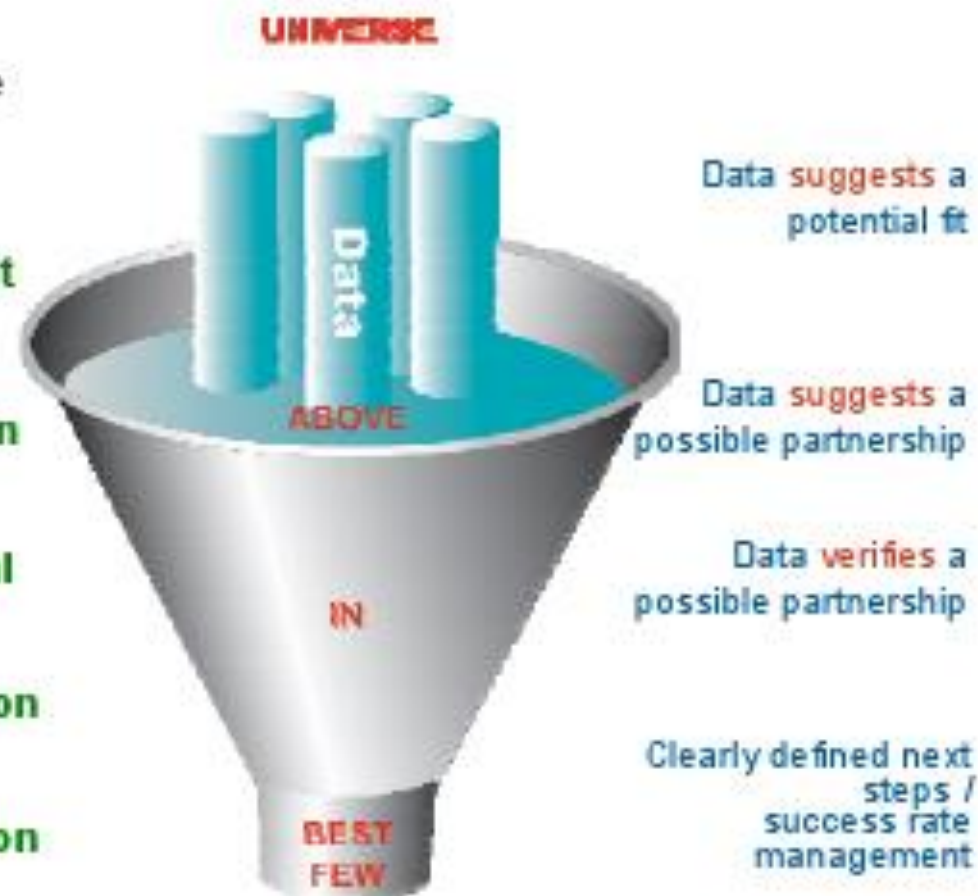
Develop
Solution
Plan

Proposal

Negotiation

Conclusion

Account Management



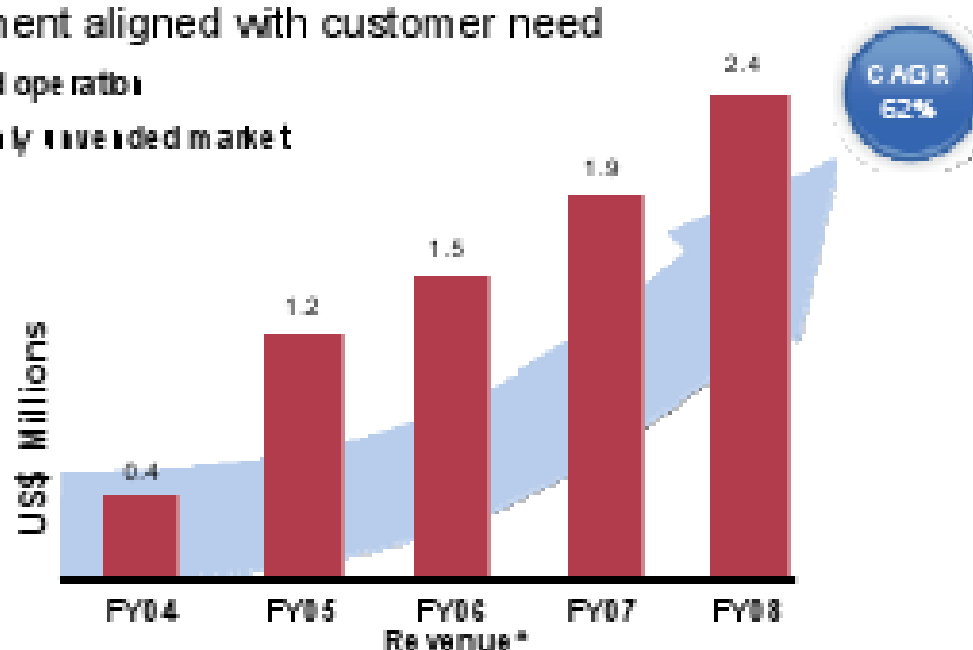
Business Vertical

- Finance and Banking
- Legal
- Insurance
- Healthcare
- Government
- Media
- Retail
- Professional services

Business Footprint

- Global companies
- International corporations
- Regional businesses
- Sole proprietorships
- Emerging markets

- Currently present in Mumbai, Chennai, Bangalore, Delhi
 - 5 fully dedicated operations centres
 - Expansion for national coverage under way
 - Wholly owned operations since late 2007, lifting pre-existing JV restrictions
- Steady growth in all business lines
 - BPO focus aligned with market movement towards outsourcing
- Capital investment aligned with customer need
 - Wholly owned operations
 - Leverage highly rewarded market



* Based on actual reported rates.

- Recall anticipates needs in the global marketplace
- Agility
 - Long-term customer solutions
 - Sustainable partnerships
 - Innovation
 - Performance measurement
 - Continuous improvement
- Recall provides solutions for – and grows with – a diverse customer base

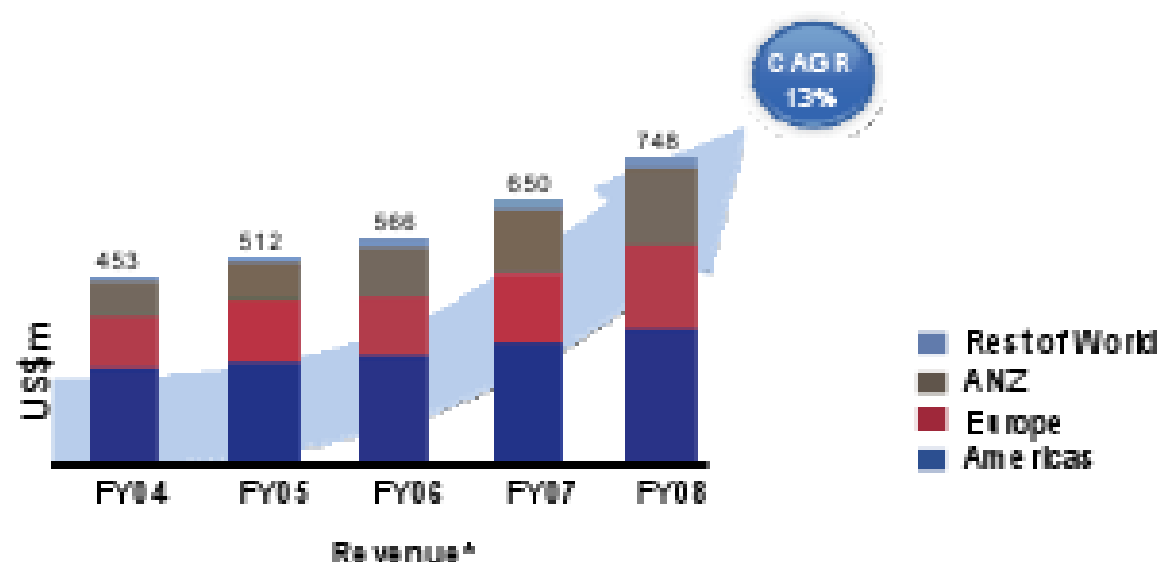
Globally focused on profitable growth

Recall Overview

Elton Potts

- Solid profit and cash flow despite external factors
- Disciplined approach to fiscal management
- Flexible business model
 - Expansion
 - Investments
 - Partnering with customers
- Cash flow from operations provides sufficient funds for capital expenditure to support planned growth

- A strong business
- A disciplined approach to global management



Profitable growth through multiple revenue sources

* Based on actual reported rates.

Q&A