Brambles Limited
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17 February 2010

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 2009

Attached in accordance with Listing Rule 4.2A is the consolidated financial report for Brambles Limited for the half-year ended 31 December 2009.

Yours faithfully
Brambles Limited

Robert Gerrard
Group Company Secretary

{RNG 00057658}

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 2009

Six months ended 31 December	2009 US$m	2008 US$m	% change (actual fx rates)	% change (constant currency)
Statutory results				
Continuing operations after Significant items:				
Sales revenue	**2,086.1**	2,073.2	1%	(2%)
Operating profit	**338.1**	337.6	-	(3%)
Profit before tax	**284.1**	273.9	4%	-
Profit after tax	**206.7**	195.3	6%	2%
Profit after tax - discontinued operations	**0.4**	17.5		
Profit attributable to members of the parent entity	**207.1**	212.8	(3%)	(7%)
Basic EPS (US cents)	**14.8**	15.4	(4%)	(8%)
Free cash flow after dividends	**133.3**	(90.6)		
Continuing operations before Significant items:				
Sales revenue	**2,086.1**	2,073.2	1%	(2%)
Underlying profit	**340.2**	469.3	(28%)	(30%)
Profit after tax	**208.3**	270.5	(23%)	(26%)
Basic EPS (US cents)	**14.8**	19.5	(24%)	(27%)
Interim dividend* (Australian cents)	**12.5**	17.5		

* The 2010 interim dividend is 20% franked and its record date is 18 March 2010.

A commentary on these results is set out in Brambles' Securities Exchange & Media Release dated 17 February 2010.

Brambles

Consolidated financial report
for the half-year ended 31 December 2009

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Half-year consolidated financial statements

Brambles

Consolidated income statement
for the half-year ended 31 December 2009

	Note	First half 2010 US$m	First half 2009 US$m
Continuing operations			
Sales revenue	4	**2,086.1**	2,073.2
Other income	4	**38.2**	60.2
Operating expenses	4	**(1,788.9)**	(1,798.2)
Share of results of joint ventures	11	**2.7**	2.4
Operating profit		**338.1**	337.6
Finance revenue		**1.4**	4.8
Finance costs		**(55.4)**	(68.5)
Net finance costs		**(54.0)**	(63.7)
Profit before tax		**284.1**	273.9
Tax expense		**(77.4)**	(78.6)
Profit from continuing operations		**206.7**	195.3
Profit from discontinued operations	6	**0.4**	17.5
Profit for the period attributable to members of the parent entity		**207.1**	212.8
Earnings per share (cents)	7		
Total			
- basic		**14.8**	15.4
- diluted		**14.7**	15.3
Continuing operations			
- basic		**14.7**	14.1
- diluted		**14.7**	14.1

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		***340.2***	*469.3*
Significant items:			
- restructuring costs	5a	***(2.1)***	*(106.9)*
- foreign exchange gain on capital repatriation	5c	***-***	*29.9*
- Walmart transition impact	5d	***-***	*(20.2)*
*- USA pallet quality program costs**	5e	***-***	*(34.5)*
Operating profit		***338.1***	*337.6*

** In October 2009, CHEP USA launched its Better Everyday customer service and quality program, which is expected to result in ongoing net costs of approximately US$50 million per annum and additional costs totalling approximately US$110 million over three years for fast-tracking other elements of the program. In 1H10, spending under the Better Everyday program, together with the final US$37 million spending under the USA pallet quality program announced in February 2008, have been presented within Underlying profit. In prior years, USA pallet quality program costs were presented as Significant items. Comparatives have not been restated.*

Brambles

Consolidated statement of comprehensive income
for the half-year ended 31 December 2009

	First half 2010 US$m	First half 2009 US$m
Profit for the period	**207.1**	212.8
Other comprehensive income:		
Actuarial (losses)/gains on defined benefit pension plans	**(5.5)**	28.3
Exchange differences on translation of foreign operations	**81.4**	(307.8)
Cash flow hedges	**1.7**	(23.0)
Income tax on other comprehensive income	**1.3**	(0.1)
Other comprehensive income for the period	**78.9**	(302.6)
Total comprehensive income for the period attributable to members of the parent entity	**286.0**	(89.8)

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

Brambles

Consolidated balance sheet
as at 31 December 2009

	Note	December 2009 US$m	June 2009 US$m
ASSETS			
Current assets			
Cash and cash equivalents		**117.9**	90.1
Trade and other receivables		**681.8**	653.6
Inventories		**42.6**	35.1
Derivative financial instruments		**0.8**	1.1
Other assets		**64.4**	72.2
Total current assets		**907.5**	852.1
Non-current assets			
Other receivables		**8.5**	8.1
Investments		**14.2**	13.8
Property, plant and equipment		**3,445.8**	3,441.6
Goodwill		**636.9**	612.3
Intangible assets		**169.9**	163.0
Deferred tax assets		**19.5**	7.0
Derivative financial instruments		**1.5**	-
Other assets		**0.7**	0.6
Total non-current assets		**4,297.0**	4,246.4
Total assets		**5,204.5**	5,098.5
LIABILITIES			
Current liabilities			
Trade and other payables		**680.5**	683.7
Borrowings		**66.4**	68.0
Derivative financial instruments		**14.1**	12.9
Tax payable		**65.4**	64.6
Provisions		**74.9**	93.6
Total current liabilities		**901.3**	922.8
Non-current liabilities			
Borrowings		**2,079.9**	2,165.5
Derivative financial instruments		**3.8**	5.8
Provisions		**46.1**	53.0
Retirement benefit obligations		**55.4**	50.8
Deferred tax liabilities		**459.9**	449.9
Other liabilities		**20.7**	21.4
Total non-current liabilities		**2,665.8**	2,746.4
Total liabilities		**3,567.1**	3,669.2
Net assets		**1,637.4**	1,429.3
EQUITY			
Contributed equity	9	**13,912.4**	13,847.6
Unification reserve	10	**(15,385.8)**	(15,385.8)
Other reserves	10	**534.7**	447.1
Retained earnings		**2,575.8**	2,520.1
Parent entity interest		**1,637.1**	1,429.0
Minority interest		**0.3**	0.3
Total equity		**1,637.4**	1,429.3

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

Brambles

Consolidated cash flow statement
for the half-year ended 31 December 2009

	First half 2010 US$m	First half 2009 US$m
Cash flows from operating activities		
Receipts from customers	**2,338.9**	2,323.2
Payments to suppliers and employees	**(1,750.5)**	(1,757.5)
Cash generated from operations	**588.4**	565.7
Dividends received from joint ventures	**2.8**	4.1
Interest received	**1.5**	5.8
Interest paid	**(50.9)**	(70.5)
Income taxes paid on operating activities	**(81.2)**	(61.8)
Net cash inflow from operating activities	**460.6**	443.3
Cash flows from investing activities		
Purchases of property, plant and equipment	**(254.6)**	(400.1)
Proceeds from sale of property, plant and equipment	**43.6**	41.2
Purchases of intangible assets	**(15.0)**	(11.8)
Proceeds from disposal of businesses	**1.5**	0.9
Costs incurred on disposal of business	**-**	(5.2)
Acquisition of subsidiaries, net of cash acquired	**-**	(0.1)
Net cash outflow from investing activities	**(224.5)**	(375.1)
Cash flows from financing activities		
Proceeds from borrowings	**1,334.7**	758.2
Repayments of borrowings	**(1,449.3)**	(553.2)
Net inflow/(outflow) from hedge borrowings	**12.9**	(17.7)
Proceeds from issue of ordinary shares	**1.0**	0.8
Dividends paid, net of Dividend Reinvestment Plan	**(101.3)**	(163.2)
Net cash (outflow)/inflow from financing activities	**(202.0)**	24.9
Net increase in cash and cash equivalents	**34.1**	93.1
Cash and deposits, net of overdrafts, at beginning of the period	**54.1**	68.1
Effect of exchange rate changes	**4.7**	(60.1)
Cash and deposits, net of overdrafts, at end of the period	**92.9**	101.1

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 2009

	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 2008						
Opening balance		13,778.6	(14,671.5)	2,436.1	0.3	1,543.5
Total comprehensive income		-	(323.0)	233.2	-	(89.8)
Share-based payments:						
- expense recognised		-	7.2	-	-	7.2
- shares issued		-	(5.0)	-	-	(5.0)
- equity component of related tax		-	(0.8)	-	-	(0.8)
Transactions with owners in their capacity as owners:						
- dividends declared		-	-	(208.9)	-	(208.9)
- issues of ordinary shares, net of transaction costs		5.7	-	-	-	5.7
Closing balance		13,784.3	(14,993.1)	2,460.4	0.3	1,251.9
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	9	**5.6**	**-**	**-**	**-**	**5.6**
- issues of ordinary shares under Dividend Reinvestment Plan	9	**59.2**	**-**	**-**	**-**	**59.2**
Closing balance		**13,912.4**	**(14,851.1)**	**2,575.8**	**0.3**	**1,637.4**

1 Refer Note 10 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 2009

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 2009.

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' 2009 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' 2009 Annual Report, except for segment reporting.

a) Segment reporting

Brambles has applied AASB 8: Operating Segments from 1 July 2009. AASB 8 requires adoption of a management approach when reporting segment performance. The information presented is based on Brambles' internal management reporting to the Chief Executive Officer (CEO), being the chief operating decision-maker, and reflects what the CEO uses when evaluating segment performance and deciding how to allocate resources to operating segments.

There have been no changes to the definition of operating segments, however additional disclosures are now included in the financial statements. Geographic disclosures now present Australia separately. Comparative figures have been provided.

b) Foreign currency

The principal exchange rates affecting Brambles were:

		US$:A$	US$:€	US$:£
Average	First half 2010	0.8765	1.4570	1.6328
	First half 2009	0.7759	1.4180	1.7166
Period end	31 December 2009	0.8987	1.4416	1.6129
	30 June 2009	0.8114	1.4106	1.6637

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 or, in certain cases, to the nearest thousand US dollars.

References to 2010 and 2009 are to the financial years ending on 30 June 2010 and 30 June 2009 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 and a reconciliation between Underlying profit and operating profit is set out below.

Segment sales revenue is measured on the same basis as in the income statement. Intersegment revenue during the period 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 2010 US$m	First half 2009 US$m	**First half 2010 US$m**	First half 2009 US$m	**First half 2010 US$m**	First half 2009 US$m
By operating segment						
CHEP Americas	**756.9**	792.5	**139.8**	116.9	**9.4**	83.1
CHEP EMEA	**770.1**	761.0	**202.7**	137.1	**69.9**	82.5
CHEP Asia-Pacific	**195.0**	166.6	**35.7**	(22.8)	**7.8**	11.3
Total CHEP	**1,722.0**	1,720.1	**378.2**	231.2	**87.1**	176.9
Recall	**364.1**	353.1	**45.9**	22.0	**(6.5)**	(7.1)
Brambles HQ	**-**	-	**(23.8)**	(32.4)	**(9.6)**	(18.4)
Total	**2,086.1**	2,073.2	**400.3**	220.8	**71.0**	151.4
By geographic origin						
Americas	**918.8**	953.7				
Europe	**801.6**	807.1				
Australia	**251.3**	219.1				
Other	**114.4**	93.3				
Total	**2,086.1**	2,073.2				

	Operating profit [3]		Significant items before tax [4]		Underlying profit [4]	
	First half 2010 US$m	First half 2009 US$m	**First half 2010 US$m**	First half 2009 US$m	**First half 2010 US$m**	First half 2009 US$m
By operating segment						
CHEP Americas	**108.6**	79.6	**-**	(153.7)	**108.6**	233.3
CHEP EMEA	**159.3**	166.2	**(2.1)**	(4.7)	**161.4**	170.9
CHEP Asia-Pacific	**32.5**	28.4	**-**	(0.5)	**32.5**	28.9
Total CHEP	**300.4**	274.2	**(2.1)**	(158.9)	**302.5**	433.1
Recall	**52.5**	49.5	**-**	(1.0)	**52.5**	50.5
Brambles HQ	**(14.8)**	13.9	**-**	28.2	**(14.8)**	(14.3)
Continuing operations	**338.1**	337.6	**(2.1)**	(131.7)	**340.2**	469.3
Discontinued operations	**0.5**	16.3	**0.5**	16.3		
Total	**338.6**	353.9	**(1.6)**	(115.4)		

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2009 - *continued*

Note 3. Segment information - *continued*

	Capital expenditure (including acquisitions)		Depreciation and amortisation	
	First half 2010 US$m	First half 2009 US$m	**First half 2010 US$m**	First half 2009 US$m
By operating segment				
CHEP Americas	**106.6**	172.0	**85.1**	88.1
CHEP EMEA	**85.9**	126.1	**87.3**	87.1
CHEP Asia-Pacific	**28.0**	62.5	**25.5**	17.8
Total CHEP	**220.5**	360.6	**197.9**	193.0
Recall	**26.0**	24.5	**23.7**	23.5
Brambles HQ	**1.0**	2.0	**0.3**	0.1
Total	**247.5**	387.1	**221.9**	216.6

	Segment assets		Segment liabilities	
	December 2009 US$m	June 2009 US$m	**December 2009 US$m**	June 2009 US$m
By operating segment				
CHEP Americas	**1,725.4**	1,739.5	**214.3**	241.6
CHEP EMEA	**1,748.4**	1,752.1	**361.9**	360.3
CHEP Asia-Pacific	**467.4**	430.4	**78.1**	72.3
Total CHEP	**3,941.2**	3,922.0	**654.3**	674.2
Recall	**1,056.7**	1,020.1	**154.5**	167.7
Brambles HQ	**28.3**	11.0	**86.6**	79.3
Total segment assets and liabilities	**5,026.2**	4,953.1	**895.4**	921.2
Cash and borrowings	**117.9**	90.1	**2,146.3**	2,233.5
Current tax balances	**26.7**	34.5	**65.4**	64.6
Deferred tax balances	**19.5**	7.0	**459.9**	449.9
Equity-accounted investments	**14.2**	13.8	**-**	-
Total assets and liabilities	**5,204.5**	5,098.5	**3,567.1**	3,669.2

Non-current assets by geographic origin [5]		
Americas	**1,948.4**	1,952.9
Europe	**1,502.8**	1,532.3
Australia	**533.1**	488.1
Other	**291.7**	266.1
Total	**4,276.0**	4,239.4

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 2009 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. Refer Note 5.

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

Brambles

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2009 - *continued*

Note 4. Profit from ordinary activities - continuing operations

	First half 2010 US$m	First half 2009 US$m
a) Revenue and other income - continuing operations		
Sales revenue	**2,086.1**	2,073.2
Net gains on disposals of property, plant and equipment	**4.7**	5.4
Other operating income	**33.5**	54.8
Other income	**38.2**	60.2
Total income	**2,124.3**	2,133.4
b) Operating expenses - continuing operations		
Employment costs	**398.5**	390.3
Service suppliers:		
- transport	**371.2**	400.6
- repairs and maintenance	**189.0**	168.4
- subcontractors and other service suppliers	**233.8**	241.7
Raw materials and consumables	**96.6**	87.4
Occupancy	**134.7**	129.1
Depreciation of property, plant and equipment	**205.0**	199.5
Impairment of pooling equipment (refer Note 5a)	**-**	33.6
Irrecoverable pooling equipment provision expense	**60.2**	36.5
Amortisation:		
- software	**11.5**	11.7
- acquired intangible assets (other than software)	**3.5**	3.5
- deferred expenditure	**1.9**	1.9
Other [1]	**83.0**	94.0
	1,788.9	1,798.2
c) Net foreign exchange gains and losses - continuing operations		
Net (losses)/gains included in operating profit [1]	**(0.2)**	28.4
Net gains included in net finance costs	**1.3**	0.2
	1.1	28.6

1 First half 2009 includes a US$29.9 million foreign exchange gain on capital repatriation from an overseas subsidiary. Refer Note 5 for further details.

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.

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

	Before tax	First half 2009 US$m Tax	After tax
Items outside the ordinary course of business:			
- restructuring costs [a]	(106.9)	40.9	(66.0)
- reset of tax cost bases on Unification [b]	-	(5.7)	(5.7)
- foreign exchange gain on capital repatriation [c]	29.9	-	29.9
Items within ordinary activities, but unusual due to size and nature:			
- Walmart transition impact [d]	(20.2)	7.8	(12.4)
- USA pallet quality program costs [e]	(34.5)	13.5	(21.0)
Significant items from continuing operations	(131.7)	56.5	(75.2)

a In February 2009, Brambles announced a restructure of its operations, estimated to cost US$159–US$169 million before tax, as a response to the effects of the global economic crisis on its businesses. An impairment charge of US$33.6 million, a US$61.6 million charge for storage and scrapping costs and US$3.8 million depreciation expense were booked in first half 2009 against surplus pallets within the CHEP USA pool. Redundancy and plant closure expenses of US$56.4 million have been incurred in various countries, of which US$2.1 million was booked in first half 2010 (first half 2009: US$7.9 million; second half 2009: US$46.4 million).

b During first half 2009, a net adjustment of US$(5.7) million was made to tax cost bases and other Unification tax matters.

c During first half 2009, capital of €250 million was repatriated to Australia from an overseas subsidiary. As required by AASB 121: The Effects of Changes in Foreign Exchange Rates, a portion of the accumulated foreign currency translation reserve previously held in relation to the overseas subsidiary was recognised in the income statement, resulting in a US$29.9 million foreign exchange gain.

d During first half 2009, non-recurring transition costs of US$20.2 million due to loss of white wood revenue and net additional operational costs were incurred within CHEP USA as a result of Walmart's decision to modify management of pallet flows within its network in the USA.

e Costs of US$34.5 million and US$42.9 million were incurred within CHEP USA on the pallet quality program and reported as Significant items in first and second half 2009 respectively. In October 2009, CHEP USA launched its Better Everyday customer service and quality program, which is expected to result in ongoing net costs of approximately US$50 million per annum and additional costs totalling approximately US$110 million over three years for fast-tracking other elements of the program. In 1H10, spending under the Better Everyday program, together with the final US$37 million spending under the USA pallet quality program announced in February 2008, have been presented within Underlying profit.

Note 6. Discontinued operations

a) Description

In first half 2010, net favourable provision adjustments of US$0.5 milllion (first half 2009: US$16.3 million) were recognised in respect of divestments completed in 2007 and prior years which were outside the ordinary course of business.

b) Income statement and cash flow information - discontinued operations

	First half 2010 US$m	First half 2009 US$m
Total revenue	**-**	-
Operating expenses	**-**	-
Profit before tax and Significant items	**-**	-
Significant items:		
- gain recognised on completed disposals	**0.5**	16.3
Profit before tax from discontinued operations	**0.5**	16.3
Tax (expense)/benefit:		
- on profit before tax and Significant items	**-**	-
- on Significant items	**(0.1)**	1.2
Total tax (expense)/benefit from discontinued operations	**(0.1)**	1.2
Profit for the period from discontinued operations	**0.4**	17.5
Net cash outflow from operating activities	**-**	(0.5)
Net cash outflow from investing activities	**-**	-
Net cash outflow from financing activities	**-**	-
Net decrease in cash from discontinued operations	**-**	(0.5)

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2009 - *continued*

Note 7. Earnings per share

	First half 2010 US cents	First half 2009 US cents
Earnings per share		
- basic	**14.8**	15.4
- diluted	**14.7**	15.3
From continuing operations		
- basic	**14.7**	14.1
- diluted	**14.7**	14.1
- basic, on Underlying profit after finance costs and tax	**14.8**	19.5
From discontinued operations		
- basic	**0.1**	1.3
- diluted	**-**	1.2

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 2010 million	First half 2009 million
a) Weighted average number of shares during the period		
Used in the calculation of basic earnings per share	**1,403.8**	1,383.8
Adjustment for share options and rights	**3.9**	4.6
Used in the calculation of diluted earnings per share	**1,407.7**	1,388.4

	First half 2010 US$m	First half 2009 US$m
b) Reconciliation of profits used in EPS calculations		
Statutory profit		
Profit from continuing operations	**206.7**	195.3
Profit from discontinued operations	**0.4**	17.5
Profit used in calculating basic and diluted EPS	**207.1**	212.8
Underlying profit after finance costs and tax		
Underlying profit (Note 3)	**340.2**	469.3
Net finance costs	**(54.0)**	(63.7)
Underlying profit before tax	**286.2**	405.6
Tax expense on Underlying profit	**(77.9)**	(135.1)
Underlying profit after finance costs and tax	**208.3**	270.5
which reconciles to statutory profit:		
Underlying profit after finance costs and tax	**208.3**	270.5
Significant items after tax (Note 5)	**(1.6)**	(75.2)
Profit from continuing operations	**206.7**	195.3

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2009 - *continued*

Note 8. Dividends

a) Dividends declared and paid during the period

	Interim 2009	Final 2009
Dividend per share (in Australian cents)	17.5	12.5
Franked amount at 30% tax (in Australian cents)	1.75	2.50
Cost (in US$ million)	176.3	160.5
Payment date	9 April 2009	8 October 2009

b) Dividend declared after reporting date

	Interim 2010
Dividend per share (in Australian cents)	12.5
Franked amount at 30% tax (in Australian cents)	2.5
Cost (in US$ million)	156.9
Dividend record date	18 March 2010
Payment date	8 April 2010

As this dividend had not been declared at the reporting date, it is not reflected in the financial statements.

Note 9. Issued and quoted securities

	Options	**Ordinary securities**	
	Number	**Number**	**US$m**
At 1 July 2009	**9,170,399**	**1,401,869,039**	**13,847.6**
Issued during the period	**3,845,886**	**10,386,399**	**64.8**
Exercised during the period	**(1,116,508)**	**-**	**-**
Lapsed during the period	**(1,466,657)**	**-**	**-**
At 31 December 2009	**10,433,120**	**1,412,255,438**	**13,912.4**

Notes to and forming part of the consolidated financial statements
for the half-year ended 31 December 2009 *- continued*

Note 10. 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 2008						
Opening balance	(0.2)	65.8	481.4	(15,385.8)	167.3	(14,671.5)
FCTR released to profits during the period	-	-	(29.9)	-	-	(29.9)
Foreign exchange differences	-	-	(277.9)	-	-	(277.9)
Cash flow hedges:						
- fair value losses	(26.4)	-	-	-	-	(26.4)
- tax on fair value losses	9.1	-	-	-	-	9.1
- transfers to net profit	3.4	-	-	-	-	3.4
- tax on transfers to net profit	(1.3)	-	-	-	-	(1.3)
Share-based payments:						
- expense recognised during the period	-	7.2	-	-	-	7.2
- shares issued	-	(5.0)	-	-	-	(5.0)
- equity component of related tax	-	(0.8)	-	-	-	(0.8)
Closing balance	(15.4)	67.2	173.6	(15,385.8)	167.3	(14,993.1)
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)**

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 10. 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 11. 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 2009	December 2008
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 2010 US$m	First half 2009 US$m
Profit from ordinary activities before tax	**3.2**	2.9
Tax expense on ordinary activities	**(0.5)**	(0.5)
Profit for the period	**2.7**	2.4

Note 12. Net tangible asset backing

	First half 2010 US cents	First half 2009 US cents
Net tangible assets backing based on 1,412.3 million shares (First half 2009: 1,384.8 million shares)	**58.8**	37.5

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 13. Contingent liabilities

There have been no material changes in Brambles' contingent liabilities as set out in Brambles' 2009 Annual Report.

Note 14. Events after balance sheet date

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 2009 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 17 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 2009 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
17 February 2010

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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 2009, 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 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 and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 2009 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.

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Independent auditors' review report to the members of Brambles Limited (continued)

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.

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 2009 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
17 February 2010

M Dow
Partner

Sydney
17 February 2010

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 2009 (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) (appointed 1 December 2009)
G J Hayes (Executive Director, CFO) (appointed 1 December 2009)
A G Froggatt (Non-executive Director)
D P Gosnell (Non-executive Director) (will retire 31 March 2010)
S P Johns (Non-executive Director)
S C H Kay (Non-executive Director)
C L Mayhew (Non-executive Director)
J P Mullen (Non-executive Director) (appointed 1 November 2009)
B M Schwartz AM (Non-executive Director)
M E Doherty (Executive Director, CFO) (resigned 16 November 2009)
M F Ihlein (Executive Director, CEO) (retired 1 November 2009)

Review of operations
Group sales revenue was US$2,086.1 million, down 2% in constant currency (up 1% actual currency). The lower sales revenue was predominantly a result of the subdued business conditions in some of Brambles' largest markets: the USA, the UK and Spain.

Statutory operating profit was US$338.1 million, down 3% in constant currency (flat at actual currency). Profit after tax from continuing operations was US$206.7 million, up 2% in constant currency (up 6% actual currency).

Underlying profit was US$340.2 million, down 30% in constant currency (down 28% actual currency). Underlying profit was impacted by the rollout of the Better Everyday program in CHEP USA. Underlying profit after finance costs and tax was US$208.3 million, down 26% in constant currency (down 23% actual currency).

Earnings per share (EPS) were down 8% to 14.8 US cents in constant currency (down 4% actual currency).

Cash flow from operations was US$400.3 million, up US$179.5 million reflecting significant reduction in capital expenditure and an improved working capital outcome. This occurred while the company continued to invest in initiatives that will underpin its long-term profitable growth. Brambles' free cash flow after dividends was US$133.3 million, a US$223.9 million improvement on the prior corresponding period.

Brambles' balance sheet remains strong. Net debt at 31 December 2009 was US$2,028.4 million, down US$115.0 million on 30 June 2009. Undrawn committed credit facilities were US$1,317.2 million, providing ample scope to meet organic investment and growth requirements.

Business unit performance:

- CHEP Americas' sales revenue was US$756.9 million, down 5% in constant currency (down 4% actual currency). The largest impact was a 7% reduction in sales revenue in CHEP USA resulting from lower organic issue volumes; the impact of net business losses; and changes in pricing and sales mix. Statutory operating profit increased 36% to US$108.6 million but Underlying profit was down 54% at constant currency (down 53% actual currency). This difference reflects CHEP Americas' recognition in the prior corresponding period of US$153.7 million Significant items. In the first half of the 2010 financial year, CHEP Americas did not recognise any Significant items. CHEP Americas has included in Underlying profit its expenditure on quality initiatives of US$64.8 million, comprising the Better Everyday program and the balance of the USA pallet quality program.

- CHEP Europe, Middle East & Africa (EMEA) sales revenue was down 1% in constant currency to US$770.1 million (up 1% actual currency) as a result of slower economic conditions. Pallet issue volumes in Europe were in line with the prior corresponding period as new business wins in less mature CHEP markets such as Italy and Central & Eastern Europe offset a 1% reduction in organic volumes. Statutory operating profit was US$159.3 million, down 8% in constant currency (down 4% actual currency) and Underlying profit was US$161.4 million, down 9% in constant currency (down 6% actual currency). Higher storage and handling costs and irrecoverable pooling equipment provision expense impacted profit, partially offset by the benefits of restructuring undertaken in the 2009 financial year.
- CHEP Asia-Pacific delivered sales revenue growth of 4% to US$195.0 million (up 17% actual currency). CHEP Australia offset the impact of a weak automotive sector and lower pallet hire balances from supply chain destocking with greater diversification of its revenue streams, notably through growth in reusable plastic containers and plastic display pallets. Statutory operating profit was 6% lower at constant currency (up 14% actual currency) and Underlying profit was down 7% at constant currency to US$32.5 million (up 12% actual currency). Impacts on profit included the subdued conditions in the Australian automotive sector; depreciation expense on new pooling assets purchased last year; and lower pallet hire balances.
- Recall's sales revenue was 1% lower in constant currency at US$364.1 million (up 3% actual currency), reflecting lower paper prices and volumes in the Secure Destruction Services (SDS) service line. Carton volumes in the Document Management Solutions (DMS) service line increased 5%. Statutory operating profit was in line with the prior corresponding period at US$52.5 million (up 6% actual currency). Underlying profit was down 2% at constant currency (up 4% actual currency).

Principal risks

Because of its secondary listing on the London Stock Exchange, Brambles is required to disclose in its half-yearly report a description of its principal risks and uncertainties for the second half of the financial year.

A description of such risks and uncertainties is set out below:

- Economic cycle – Brambles has operations spread across a diverse range of countries and territories. It is subject to risks related to global economic and business conditions. These may affect, among other things, profitability, demand for Brambles' services and solvency of counterparties.
- Business environment changes – Brambles has operations spread across a diverse range of countries and territories. It is subject to risks related to rapid and sustained changes in the business environment, which may invalidate aspects of its current business models. These changes could include fuel prices, lumber supply and the structure of customers' supply chains. These may affect, among other things, profitability and demand for Brambles' services.
- Regulatory compliance – Material changes in the regulatory and legal environments in which Brambles' businesses operate may give rise to the risk of an adverse impact on aspects of its current business models. These may affect, among other things, licences to operate, profitability and a reduced ability to control costs. Material changes in Brambles' ability to comply with the regulatory environment, including competition laws, could give rise to litigation and, in turn, affect reputation, profitability and licences to operate.
- Competition and retention of major customers – Brambles operates in a competitive environment. Many of the markets in which Brambles operates are served by numerous competitors and are subject to the threat of new entrants. In addition, the concentration of distributors in certain areas could lead to shifts in bargaining position and intensity of competition. The above risks could have an impact on market structure, market penetration, revenue, profitability, economies of scale and the value of existing assets.
- Insufficient growth – Brambles is subject to the risk of not selecting the optimal corporate strategy, business model, financial structure or capital allocation, including the pace of expansion into emerging markets. As these are central to the value of shareholders' investment and protection of Brambles' assets, Brambles may be unable to capture the full value of its growth opportunities.
- Innovation – Brambles is subject to the risk of not being able to optimise innovations in its services, products, processes and commercial solutions, including capturing the full value of any innovations that support its growth opportunities. This could have an impact on revenue, profitability, economies of scale and the value of existing assets.

- Operational improvement – Brambles is subject to the risk that it may be unable to capture the full value of operational improvement opportunities. This could result in a reduced ability to control costs or a reduction in control of CHEP's equipment pool.
- Equipment quality – Satisfaction of CHEP customers may fluctuate with the customers' perceived views of equipment quality which, in turn, is influenced by the effectiveness of the quality standards that CHEP employs in its equipment pool. Brambles is subject to the risk that it may not optimise these standards, thereby adversely affecting customer satisfaction with the CHEP service offering and/or the operating and capital costs of the equipment pool.
- People capability – Brambles is subject to the risk of not attracting, developing and retaining high performing individuals in the optimum organisational structure, which could result in it not having sufficient quality and quantity of people to meet its growth and business objectives.
- Market communication – Brambles is subject to risks relating to market expectations, which may lead to a loss of investor confidence in the business and its management.
- Systems and technology – Brambles relies on the continuing operation of its information technology and communications systems, including those in CHEP's Global Data Centre. Failure to optimise these systems, or an extended systems interruption event, could impair Brambles' ability to provide its services effectively. This could damage its reputation and, in turn, have an adverse effect on its ability to attract and retain customers.
- Force majeure – Brambles is subject to the risk of strikes, terrorism, war, fire, flood, earthquakes and other acts of God and other acts outside its control. Whilst Brambles maintains appropriate insurances and fire protection controls, some of these force majeure risks may be uninsurable or exceed the level or scope of Brambles' insurance.
- Safety – Brambles is subject to various operational hazards, including industrial, road traffic or transportation accidents that could potentially result in injury or fatality to employees, contractors or the public. Brambles has adopted a Zero Harm policy to manage its safety risks.

Responsibility statement
For the purposes of compliance with the UK Disclosure and Transparency Rules (DTR), the Directors confirm that, to the best of their knowledge, the interim management report (being this Directors' Report) includes a fair review of the information required by DTR 4.2.7 R (an indication of important events that have occurred during the half-year and their impact on the financial statements; and a description of the principal risks and uncertainties for the second half of the financial year). There is no disclosure to make under DTR 4.2.8 R (related parties transactions that have taken place in the half-year and that have materially affected the financial position or the performance of the company during that period; and any changes in the related parties transactions described in the Brambles 2009 Annual Report that could have a material effect on the financial position or performance of the company in the half-year).

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
17 February 2010

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Auditors' independence declaration

As lead auditor for the review of Brambles Limited for the half-year ended 31 December 2009, 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
17 February 2010