Brambles Limited
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Brambles

20 August 2009

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

Via electronic lodgement

Dear Sir,

BRAMBLES DELIVERS REVENUE GROWTH AND STRONG CASH FLOW – WELL PLACED TO ACCELERATE FINANCIAL PERFORMANCE AS ECONOMIES RECOVER

In accordance with Listing Rule 4.3A, attached is the preliminary final report for the year ended 30 June 2009 for Brambles Limited.

Yours faithfully
Brambles Limited

Robert Gerrard
Company Secretary

Brambles

Results for announcement to the market

Brambles Limited

ABN 89 118 896 021

Appendix 4E

Preliminary final report
for the year ended 30 June 2009

Year ended 30 June	2009 US$m	2008 US$m	% change (actual fx rates)	% change (constant currency)
Continuing operations before Significant items:				
Sales revenue	**4,018.6**	4,358.6	(8%)	1%
Underlying profit	**900.6**	1,071.9	(16%)	(8%)
Profit after tax	**534.3**	640.0	(17%)	(9%)
Basic EPS (US cents)	**38.5**	45.4	(15%)	(7%)
Statutory results				
Continuing operations after Significant items:				
Sales revenue	**4,018.6**	4,358.6	(8%)	
Operating profit	**718.2**	1,030.6	(30%)	
Profit before tax	**597.3**	881.1	(32%)	
Profit after tax	**434.0**	646.9	(33%)	
Profit after tax - discontinued operations	**18.6**	1.8		
Profit attributable to members of the parent entity	**452.6**	648.7	(30%)	
Basic EPS (US cents)	**32.6**	46.0	(29%)	
Free cash flow after dividends	**141.9**	(32.2)		
Final dividend* (Australian cents)	**12.5**	17.5		

* The 2009 final dividend is 20% franked and its record date is 18 September 2009.

A commentary on these results is set out in Brambles' ASX & Media Release dated 20 August 2009.

Brambles

Preliminary final report
for the year ended 30 June 2009

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Consolidated financial statements

Brambles

Consolidated income statement
for the year ended 30 June 2009

	Note	**2009 US$m**	2008 US$m
Continuing operations			
Sales revenue	4	**4,018.6**	4,358.6
Other income	4	**96.7**	181.5
Operating expenses	4	**(3,402.1)**	(3,515.4)
Share of results of joint ventures	14	**5.0**	5.9
Operating profit		**718.2**	1,030.6
Finance revenue		**7.1**	10.5
Finance costs		**(128.0)**	(160.0)
Net finance costs		**(120.9)**	(149.5)
Profit before tax		**597.3**	881.1
Tax expense		**(163.3)**	(234.2)
Profit from continuing operations		**434.0**	646.9
Profit from discontinued operations	6	**18.6**	1.8
Profit for the year attributable to members of the parent entity		**452.6**	648.7
Earnings per share (cents)	9		
Total			
- basic		**32.6**	46.0
- diluted		**32.5**	45.7
Continuing operations			
- basic		**31.3**	45.9
- diluted		**31.2**	45.6

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		***900.6***	*1,071.9*
Significant items:			
- foreign exchange gain on capital repatriation	5	***77.3***	*-*
- restructuring costs	5	***(153.3)***	*(5.1)*
- Walmart transition impact	5	***(29.0)***	*(10.9)*
- USA pallet quality program costs	5	***(77.4)***	*(20.6)*
- adviser costs - share register activity	5	***-***	*(4.7)*
Operating profit		***718.2***	*1,030.6*

Brambles

Consolidated balance sheet
as at 30 June 2009

	Note	**June 2009 US$m**	June 2008 US$m
ASSETS			
Current assets			
Cash and cash equivalents		**90.1**	104.8
Trade and other receivables		**653.6**	829.0
Inventories		**35.1**	45.1
Derivative financial instruments		**1.1**	4.4
Other assets		**72.2**	51.7
Total current assets		**852.1**	1,035.0
Non-current assets			
Other receivables		**8.1**	9.1
Investments		**13.8**	16.9
Property, plant and equipment		**3,441.6**	3,698.9
Goodwill		**612.3**	676.1
Intangible assets		**163.0**	186.9
Deferred tax assets		**7.0**	8.8
Derivative financial instruments		**-**	4.3
Other assets		**0.6**	0.8
Total non-current assets		**4,246.4**	4,601.8
Total assets		**5,098.5**	5,636.8
LIABILITIES			
Current liabilities			
Trade and other payables		**683.7**	850.7
Borrowings		**68.0**	91.5
Derivative financial instruments		**12.9**	6.0
Tax payable		**64.6**	54.9
Provisions		**93.6**	74.2
Total current liabilities		**922.8**	1,077.3
Non-current liabilities			
Borrowings		**2,165.5**	2,439.5
Derivative financial instruments		**5.8**	2.7
Provisions		**53.0**	49.8
Retirement benefit obligations		**50.8**	63.4
Deferred tax liabilities		**449.9**	443.5
Other liabilities		**21.4**	17.1
Total non-current liabilities		**2,746.4**	3,016.0
Total liabilities		**3,669.2**	4,093.3
Net assets		**1,429.3**	1,543.5
EQUITY			
Contributed equity	11	**13,847.6**	13,778.6
Unification reserve		**(15,385.8)**	(15,385.8)
Other reserves		**447.1**	714.3
Retained earnings		**2,520.1**	2,436.1
Parent entity interest		**1,429.0**	1,543.2
Minority interest		**0.3**	0.3
Total equity	12	**1,429.3**	1,543.5

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

Brambles

Consolidated statement of recognised income and expense
for the year ended 30 June 2009

	Note	**2009 US$m**	2008 US$m
Actuarial losses on defined benefit pension plans		**(2.9)**	(34.5)
Exchange differences on translation of foreign operations			
- foreign operations		**(262.6)**	263.5
- entities disposed taken to profit		**(0.6)**	-
Cash flow hedges:			
- losses taken to equity		**(27.9)**	(3.8)
- transferred to profit or loss		**13.7**	(0.1)
Income tax:			
- on items taken directly to or transferred directly from equity		**9.5**	9.1
- on items transferred to profit or loss		**(4.8)**	-
Net (expense)/income recognised directly in equity		**(275.6)**	234.2
Profit for the year		**452.6**	648.7
Total recognised income and expense for the year attributable to members of the parent entity	12	**177.0**	882.9
Adjustment to opening retained earnings for AASB 117: Leases	12	**-**	(2.5)

The consolidated statement of recognised income and expense should be read in conjunction with the accompanying notes.

Consolidated cash flow statement
for the year ended 30 June 2009

	Note	2009 US$m	2008 US$m
Cash flows from operating activities			
Receipts from customers		**4,575.7**	4,998.7
Payments to suppliers and employees		**(3,306.8)**	(3,467.9)
Cash generated from operations		**1,268.9**	1,530.8
Dividends received from joint ventures		**7.1**	5.2
Interest received		**8.0**	9.6
Interest paid		**(131.8)**	(146.4)
Income taxes paid on operating activities		**(129.2)**	(232.9)
Net cash inflow from operating activities	13d	**1,023.0**	1,166.3
Cash flows from investing activities			
Proceeds from disposal of businesses		**1.8**	6.6
Costs incurred on disposal of business		**(4.8)**	-
Acquisition of subsidiaries, net of cash acquired		**(0.1)**	(64.3)
Purchases of property, plant and equipment		**(683.8)**	(869.4)
Proceeds from sale of property, plant and equipment		**104.6**	133.8
Purchases of intangible assets		**(24.3)**	(18.4)
Loan inflows with associates		**-**	0.3
Net cash outflow from investing activities		**(606.6)**	(811.4)
Cash flows from financing activities			
Proceeds from borrowings		**1,404.2**	2,280.3
Repayments of borrowings		**(1,513.5)**	(2,010.6)
Net (outflow)/inflow from hedge borrowings		**(7.9)**	95.1
Proceeds from issue of ordinary shares		**0.8**	38.5
Buy-back of ordinary shares		**-**	(392.0)
Dividends paid, net of Dividend Reinvestment Plan		**(277.6)**	(444.8)
Net cash outflow from financing activities		**(394.0)**	(433.5)
Net increase/(decrease) in cash and cash equivalents		**22.4**	(78.6)
Cash and deposits, net of overdrafts, at beginning of the year		**68.1**	126.9
Effect of exchange rate changes		**(36.4)**	19.8
Cash and deposits, net of overdrafts, at end of the year	13a	**54.1**	68.1

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

Notes to and forming part of the preliminary final report
for the year ended 30 June 2009

Note 1. Basis of preparation

This preliminary final report presents the consolidated results of Brambles Limited (ACN 118 896 021) and its subsidiaries (Brambles or the Group) for the year ended 30 June 2009.

The consolidated financial statements on which this preliminary final report is based comply with International Financial Reporting Standards (IFRS) and have been prepared in accordance with Australian Equivalents to International Financial Reporting Standards (AIFRS) and the requirements of the Corporations Act 2001. They comply with applicable accounting standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Urgent Issues Group (UIG).

Note 2. Significant accounting policies

The consolidated financial statements and all comparatives have been prepared using consistent accounting policies, as set out in the Brambles 2008 Annual Report, except as set out at Notes 2a and 2b below.

a) Significant items and Underlying profit

To assist users of the financial statements in understanding Brambles' business results, Brambles now discloses Significant items as a footnote to its income statement. Previously Brambles presented Special items in a separate column in its income statement.

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.

Underlying profit has been introduced as a non-statutory profit measure. It is profit from continuing operations before finance costs, tax and Significant items.

Comparative figures have been provided for both Significant items and Underlying profit.

b) Early adoption of standards

Brambles has elected to prospectively apply AASB 2008-7: Amendments to Australian Accounting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate to annual reporting periods commencing on or after 1 July 2008. The impact of this change in policy is that all dividends received from investments in subsidiaries, joint ventures and associates can be recognised as revenue, even if they are paid out of pre-acquisition profits. However the investments may need to be tested for impairment following the dividend receipt.

c) Foreign currency

The principal exchange rates affecting Brambles were:

		US$:A$	US$:€	US$:£
Average	2009	0.7479	1.3822	1.6103
	2008	0.9040	1.4835	2.0111
Year end	30 June 2009	0.8114	1.4106	1.6637
	30 June 2008	0.9629	1.5793	1.9936

d) Rounding of amounts

As Brambles Limited is a company of a kind referred to in ASIC Class Order 98/0100, relevant amounts in the preliminary final report have been rounded to the nearest hundred thousand US dollars or, in certain cases, to the nearest thousand US dollars.

References to 2009 and 2008 are to the financial years ending on 30 June 2009 and 30 June 2008 respectively.

Note 3. Business segment analysis

Brambles' continuing business segments are CHEP (pallet and container pooling) and Recall (information management). Discontinued operations primarily comprise the Cleanaway businesses (waste management), which were divested in 2006 and 2007.

Intersegment revenue during the year was immaterial.

	Total income		Sales revenue	
	2009 US$m	2008 US$m	**2009 US$m**	2008 US$m
By business segment				
CHEP Americas	**1,615.4**	1,713.5	**1,556.9**	1,581.3
CHEP EMEA	**1,479.7**	1,678.3	**1,452.6**	1,642.1
CHEP Asia-Pacific	**332.6**	398.7	**323.4**	386.9
Total CHEP	**3,427.7**	3,790.5	**3,332.9**	3,610.3
Recall	**687.6**	749.6	**685.7**	748.3
Total	**4,115.3**	4,540.1	**4,018.6**	4,358.6
By geographic origin				
Americas	**1,929.3**	2,047.8	**1,870.2**	1,914.7
Europe	**1,559.8**	1,768.7	**1,537.1**	1,737.2
Australia/New Zealand	**477.8**	580.1	**468.8**	568.2
Rest of World	**148.4**	143.5	**142.5**	138.5
Total	**4,115.3**	4,540.1	**4,018.6**	4,358.6

	Operating profit [1]		Significant items before tax [2]		Underlying profit [2]	
	2009 US$m	2008 US$m	**2009 US$m**	2008 US$m	**2009 US$m**	2008 US$m
By business segment						
CHEP Americas	**229.0**	452.3	**(205.4)**	(31.5)	**434.4**	483.8
CHEP EMEA	**286.5**	396.5	**(41.0)**	-	**327.5**	396.5
CHEP Asia-Pacific	**57.9**	95.9	**(3.2)**	-	**61.1**	95.9
Total CHEP	**573.4**	944.7	**(249.6)**	(31.5)	**823.0**	976.2
Recall	**95.9**	121.9	**(8.4)**	(0.5)	**104.3**	122.4
Brambles HQ	**48.9**	(36.0)	**75.6**	(9.3)	**(26.7)**	(26.7)
Continuing operations	**718.2**	1,030.6	**(182.4)**	(41.3)	**900.6**	1,071.9
Discontinued operations	**15.2**	1.2	**15.2**	1.2		
Total	**733.4**	1,031.8	**(167.2)**	(40.1)		

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

2 Underlying profit is profit from continuing operations before finance costs, tax and Significant items. Refer Note 5.

Notes to and forming part of the preliminary final report
for the year ended 30 June 2009 - *continued*

Note 3. Business segment analysis - *continued*

	Capital expenditure (including acquisitions)		Depreciation and amortisation	
	2009 US$m	2008 US$m	**2009 US$m**	2008 US$m
By business segment				
CHEP Americas	**312.6**	375.2	**173.3**	173.3
CHEP EMEA	**223.6**	340.4	**168.5**	193.8
CHEP Asia-Pacific	**93.0**	95.1	**36.5**	43.2
Total CHEP	**629.2**	810.7	**378.3**	410.3
Recall	**59.0**	88.1	**46.0**	47.8
Brambles HQ	**5.4**	0.3	**0.3**	0.5
Total	**693.6**	899.1	**424.6**	458.6
By geographic origin				
Americas	**338.2**	411.6		
Europe	**207.7**	339.5		
Australia/New Zealand	**83.0**	73.2		
Rest of World	**64.7**	74.8		
Total	**693.6**	899.1		

	Segment assets		Segment liabilities	
	2009 US$m	2008 US$m	**2009 US$m**	2008 US$m
By business segment				
CHEP Americas	**1,739.5**	1,838.6	**241.6**	270.8
CHEP EMEA	**1,752.1**	2,051.9	**360.3**	402.2
CHEP Asia-Pacific	**430.4**	449.5	**72.3**	94.4
Total CHEP	**3,922.0**	4,340.0	**674.2**	767.4
Recall	**1,020.1**	1,129.8	**167.7**	179.7
Brambles HQ	**11.0**	18.5	**79.3**	116.8
Segment assets and liabilities	**4,953.1**	5,488.3	**921.2**	1,063.9
Cash and borrowings	**90.1**	104.8	**2,233.5**	2,531.0
Current tax balances	**34.5**	18.0	**64.6**	54.9
Deferred tax balances	**7.0**	8.8	**449.9**	443.5
Equity-accounted investments	**13.8**	16.9	**-**	-
Total assets and liabilities	**5,098.5**	5,636.8	**3,669.2**	4,093.3
Segment assets by geographic origin				
Americas	**2,196.5**	2,329.1		
Europe	**1,901.7**	2,275.7		
Australia/New Zealand	**616.7**	700.2		
Rest of World	**238.2**	183.3		
Total	**4,953.1**	5,488.3		

Note 4. Profit from ordinary activities - continuing operations

	2009 US$m	2008 US$m
a) Revenue and other income - continuing operations		
Sales revenue	**4,018.6**	4,358.6
Net gains on disposals of property, plant and equipment	**11.9**	46.4
Other operating income	**84.8**	135.1
Other income	**96.7**	181.5
Total income	**4,115.3**	4,540.1
b) Operating expenses - continuing operations		
Employment costs	**778.2**	787.9
Service suppliers:		
- transport	**758.5**	813.2
- repairs and maintenance	**353.4**	294.9
- subcontractors and other service suppliers	**434.1**	501.5
Raw materials and consumables	**181.1**	195.7
Occupancy	**254.3**	217.3
Depreciation of property, plant and equipment [1]	**391.3**	414.0
Impairment of pooling equipment (refer Note 5)	**33.6**	-
Irrecoverable pooling equipment provision expense	**97.8**	91.2
Amortisation:		
- software [2]	**22.8**	34.5
- acquired intangible assets (other than software)	**6.6**	6.5
- deferred expenditure	**3.9**	3.6
Other [3]	**86.5**	155.1
	3,402.1	3,515.4

1 During 2009, a residual value was applied to plastic pooling equipment within certain CHEP business units to ensure uniform treatment of regrind proceeds throughout CHEP. The effect in the current period was a decrease in depreciation expense of US$10.3 million.

2 During 2009, the estimated useful life of certain customised software in the CHEP business was revised from seven years to ten years to reflect the extended utilisation of the software. The effect in the current period was a decrease in amortisation expense of US$10.5 million.

c) Net foreign exchange gains and losses - continuing operations

	2009 US$m	2008 US$m
Net gains/(losses) included in operating profit [3]	**75.5**	(1.4)
Net gains/(losses) included in net finance costs	**0.1**	(12.0)
	75.6	(13.4)

3 Includes a US$77.3 million foreign exchange gain on capital repatriation from an overseas subsidiary during 2009. 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.

		2009 US$m	
	Before tax	**Tax**	**After tax**
Items outside the ordinary course of business			
- restructuring costs [1]	**(153.3)**	**47.0**	**(106.3)**
- reset of tax cost bases and other Unification tax matters [2]	**-**	**(6.5)**	**(6.5)**
- foreign exchange gain on capital repatriation [3]	**77.3**	**-**	**77.3**
Items within ordinary activities, but unusual due to size and nature			
- Walmart transition impact [4]	**(29.0)**	**11.3**	**(17.7)**
- USA pallet quality program costs [5]	**(77.4)**	**30.3**	**(47.1)**
Significant items from continuing operations	**(182.4)**	**82.1**	**(100.3)**

		2008 US$m	
	Before tax	Tax	After tax
Items outside the ordinary course of business			
- restructuring costs [6]	(5.1)	4.2	(0.9)
- reset of tax cost bases and other Unification tax matters [2]	-	31.6	31.6
- adviser costs - share register activity [7]	(4.7)	0.2	(4.5)
Items within ordinary activities, but unusual due to size and nature			
- Walmart transition impact [4]	(10.9)	4.2	(6.7)
- USA pallet quality program costs [5]	(20.6)	8.0	(12.6)
Significant items from continuing operations	(41.3)	48.2	6.9

[1] On 16 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 have been booked against surplus pallets within the CHEP USA pool. Redundancy and plant closure expenses estimated to cost US$60–US$70 million will be incurred in various countries, of which US$54.3 million (including US$2.4 million depreciation expense) was booked in 2009.

[2] In 2008, following receipt of a private ruling from the Australian Taxation Office, a tax benefit of US$31.6 million was recognised on the reset of Australian tax cost bases as a result of Unification. A net adjustment of US$(6.5) million was made to tax cost bases and other Unification tax matters in 2009.

[3] During 2009, capital of €460 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$77.3 million foreign exchange gain.

[4] During 2009, non-recurring transition costs of US$29.0 million (2008: US$10.9 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.

Note 5. Significant items - continuing operations - *continued*

5 In February 2008, Brambles announced a two year program under which CHEP would invest over US$100 million in operational and capital initiatives focused on quality improvement and innovation. During 2009, costs of US$77.4 million (2008: US$20.6 million) were incurred within CHEP USA on the pallet quality program. As advised in February 2009, this program is expected to be completed by December 2009 with total operational and capital spending now estimated at US$160 million.

6 During 2008, Brambles incurred further employment-related and other costs of US$5.1 million (US$0.9 million after tax) in relation to restructuring and Unification.

7 As a consequence of the share register activity first disclosed to the Australian Securities Exchange on 8 August 2007, Brambles incurred advisers' fees of US$4.7 million during 2008.

Note 6. Discontinued operations

a) Description

There were minor disposals in 2009 and 2008, with immaterial impact.

b) Income statement and cash flow information - discontinued operations

	2009 US$m	2008 US$m
Total revenue	**-**	-
Operating expenses	**-**	-
Profit before tax and Significant items	**-**	-
Significant items:		
- gain recognised on completed disposals [1]	**15.2**	1.2
Profit before tax from discontinued operations	**15.2**	1.2
Tax benefit:		
- on profit before tax and Significant items	**-**	-
- on Significant items	**3.4**	0.6
Total tax benefit from discontinued operations	**3.4**	0.6
Profit for the year from discontinued operations	**18.6**	1.8
Net cash outflow from operating activities	**(2.2)**	(4.7)
Net cash outflow from investing activities	**-**	-
Net cash outflow from financing activities	**-**	-
Net decrease in cash from discontinued operations	**(2.2)**	(4.7)

1 In 2009, net favourable provision adjustments of US$15.2 million (2008: US$1.2 million) were recognised in respect of divestments completed in 2007 and prior years which were outside the ordinary course of business.

Notes to and forming part of the preliminary final report
for the year ended 30 June 2009 *- continued*

Note 7. Income tax

	2009 US$m	2008 US$m
Amounts recognised in the income statement		
Current income tax - continuing operations:		
- income tax charge	**147.3**	222.7
- prior year adjustments	**(18.1)**	(26.8)
	129.2	195.9
Deferred tax - continuing operations:		
- origination and reversal of temporary differences	**29.1**	44.6
- previously unrecognised tax losses	**(9.4)**	(15.6)
- prior year adjustments	**14.4**	9.3
	34.1	38.3
Tax expense - continuing operations	**163.3**	234.2
Tax benefit - discontinued operations (Note 6b)	**(3.4)**	(0.6)
Tax expense recognised in the income statement	**159.9**	233.6
Amounts recognised in the statement of recognised income and expense		
- on actuarial losses on defined benefit pension plans	**0.2**	(7.4)
- on losses on revaluation of cash flow hedges	**(4.9)**	(1.7)
Tax benefit recognised directly in the statement of recognised income and expense	**(4.7)**	(9.1)
Reconciliation between tax expense and accounting profit before tax		
Profit before tax - continuing operations	**597.3**	881.1
Tax at 30% (2008: 30%)	**179.2**	264.3
Effect of tax rates in overseas jurisdictions	**(3.6)**	8.1
Prior year adjustments	**(3.7)**	(17.5)
Current year tax losses not recognised	**14.6**	6.8
Prior year tax losses recouped/recognised	**(9.4)**	(15.6)
Foreign withholding tax provided	**9.4**	13.5
Changes in tax rates	**(1.1)**	(15.9)
Non-deductible expenses	**6.1**	20.0
Other	**(28.2)**	(29.5)
Tax expense - continuing operations	**163.3**	234.2
Tax benefit - discontinued operations (Note 6b)	**(3.4)**	(0.6)
Total income tax expense	**159.9**	233.6

Note 8. Business combination

On 4 March 2008, Brambles announced it had agreed to purchase 100% of the issued share capital of LeanLogistics, Inc, a leading provider of technology-based transport and supply chain solutions in the USA. Change of control was effective on 7 March 2008.

For the period from 7 March 2008 to 30 June 2008, LeanLogistics contributed revenue of US$3.3 million and incurred a loss after tax of US$1.2 million. These results are included within the CHEP Americas business segment. If the acquisition had occurred on 1 July 2007, Brambles' revenue for 2008 would have been US$7.6 million higher and profit after tax for 2008 US$0.6 million lower after allowing for finance costs.

The fair value of the LeanLogistics assets acquired, liabilities assumed and goodwill were as follows:

	2008 US$m
Cash paid	44.7
Direct costs relating to the acquisition	2.4
Total purchase consideration	47.1
Fair value of net identifiable assets acquired	13.8
Goodwill	33.3

The goodwill acquired is attributable to the profitability of the acquired business and anticipated synergies with CHEP's existing operations. The fair values of assets and liabilities acquired, including intangibles such as customer contracts, were established using professional valuers, where relevant.

On acquisition of LeanLogistics, assets acquired and liabilities assumed were:

	Acquiree's carrying amount US$m	Fair value US$m
Cash and cash equivalents	0.9	0.9
Trade and other receivables	1.6	1.6
Other current assets	0.1	0.1
Property, plant and equipment	0.3	0.3
Intangible assets	1.0	17.5
Current and deferred tax assets	2.7	2.8
	6.6	23.2
Trade and other payables	(2.7)	(2.7)
Borrowings	(0.3)	(0.3)
Current and deferred tax liabilities	-	(6.4)
	(3.0)	(9.4)
Net assets	3.6	13.8

Cash outflow on acquisition of LeanLogistics was as follows:	2008 US$m
Cash and cash equivalents acquired	0.9
Cash consideration	(47.1)
Net cash outflow	(46.2)

In addition to the LeanLogistics acquisition, there were minor acquisitions in 2009 and 2008, with immaterial impact.

Notes to and forming part of the preliminary final report
for the year ended 30 June 2009 *- continued*

Note 9. Earnings per share

	2009 US cents	2008 US cents
Earnings per share		
- basic	**32.6**	46.0
- diluted	**32.5**	45.7
From continuing operations		
- basic	**31.3**	45.9
- diluted	**31.2**	45.6
- basic, on Underlying profit after finance costs and tax	**38.5**	45.4
From discontinued operations		
- basic	**1.3**	0.1
- diluted	**1.3**	0.1

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.

	2009 million	2008 million
a) Weighted average number of shares during the year		
Used in the calculation of basic earnings per share	**1,388.3**	1,409.2
Adjustment for share options and rights	**4.4**	8.9
Used in the calculation of diluted earnings per share	**1,392.7**	1,418.1

	2009 US$m	2008 US$m
b) Reconciliation of profits used in EPS calculations		
Statutory profit		
Profit from continuing operations	**434.0**	646.9
Profit from discontinued operations	**18.6**	1.8
Profit used in calculating basic and diluted EPS	**452.6**	648.7
Underlying profit after finance costs and tax		
Underlying profit (Note 3)	**900.6**	1,071.9
Net finance costs	**(120.9)**	(149.5)
Underlying profit before tax	**779.7**	922.4
Tax expense on Underlying profit	**(245.4)**	(282.4)
Underlying profit after finance costs and tax	**534.3**	640.0
which reconciles to statutory profit:		
Underlying profit after finance costs and tax	**534.3**	640.0
Significant items after tax (Note 5)	**(100.3)**	6.9
Profit from continuing operations	**434.0**	646.9

Note 10. Dividends

a) Dividends declared and paid during the year

	Interim 2009	Final 2008
Dividend per share (in Australian cents)	17.5	17.5
Franked amount at 30% tax (in Australian cents)	1.75	1.75
Cost (in US$ million)	176.3	163.2
Payment date	9 April 2009	9 October 2008

b) Dividend declared after reporting date

	Final 2009
Dividend per share (in Australian cents)	12.5
Franked amount at 30% tax (in Australian cents)	2.5
Cost (in US$ million)	144.4
Dividend record date	18 September 2009
Payment date	8 October 2009

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

Notes to and forming part of the preliminary final report
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Note 11. Issued and quoted securities

	Options Number	Ordinary securities Number	Ordinary securities US$m
At 1 July 2008	**10,527,492**	**1,383,550,886**	**13,778.6**
Issued during the year	**4,251,970**	**18,318,153**	**69.0**
Exercised during the year	**(1,739,525)**	**-**	**-**
Lapsed during the year	**(3,869,538)**	**-**	**-**
At 30 June 2009	**9,170,399**	**1,401,869,039**	**13,847.6**

Note 12. Changes in equity

	2009 US$m	2008 US$m
Total equity at 1 July	**1,543.5**	1,422.7
Adjustment to opening retained earnings for AASB 117: Leases [1]	**-**	(2.5)
Total restated equity as at 1 July	**1,543.5**	1,420.2
Total recognised income and expense	**177.0**	882.9
Share-based payments:		
- expense recognised	**14.5**	14.8
- shares issued	**(6.3)**	(13.9)
- equity component of related tax	**(2.9)**	3.3
Transactions with equity holders in their capacity as equity holders:		
- dividends declared and paid	**(365.5)**	(424.1)
- issues of ordinary shares, net of transaction costs	**7.1**	52.3
- issues of ordinary shares under Dividend Reinvestment Plan	**61.9**	-
- shares purchased on-market and cancelled	**-**	(392.0)
Total equity at 30 June	**1,429.3**	1,543.5

[1] During 2008, an adjustment was made to amortise fixed rental increases on operating leases on a straight line basis over the life of the lease. The effect of this adjustment was to increase other liabilities by US$4.1 million, increase deferred tax assets by US$1.6 million and decrease opening retained earnings by US$2.5 million.

Note 13. Cash flow statement - additional information

a) Reconciliation of cash

	2009 US$m	2008 US$m
Cash at bank and in hand	**55.0**	62.8
Short term deposits	**35.1**	42.0
Bank overdrafts	**(36.0)**	(36.7)
	54.1	68.1

b) Borrowing facilities and credit standby arrangements

	2009 US$m	2008 US$m
Total facilities:		
- commited borrowing facilities	**2,845.3**	3,647.5
- loan notes	**535.0**	425.0
- credit standby/uncommitted arrangements	**129.6**	162.0
	3,509.9	4,234.5
Facilities used at reporting date:		
- commited borrowing facilities	**1,647.5**	2,018.9
- loan notes	**535.0**	425.0
- credit standby/uncommitted arrangements	**43.5**	61.3
	2,226.0	2,505.2
Facilities available at reporting date:		
- commited borrowing facilities	**1,197.8**	1,628.6
- credit standby/uncommitted arrangements	**86.1**	100.7
	1,283.9	1,729.3

c) Non-cash financing or investing activities

As shown in Note 12, dividends of US$61.9 million were satisfied by the issue of shares under the Dividend Reinvestment Plan. There were no other financing or investing transactions during the year which have had a material effect on the assets and liabilities of Brambles that did not involve cash flows.

Notes to and forming part of the preliminary final report
for the year ended 30 June 2009 *- continued*

Note 13. Cash flow statement - additional information *- continued*

d) Reconciliation of profit after tax to net cash flows from operating activities	**2009 US$m**	2008 US$m
Profit after tax	**452.6**	648.7
Adjustments for:		
- depreciation and amortisation	**424.6**	458.6
- irrecoverable pooling equipment provision expense	**97.8**	91.2
- net gains on disposals of property, plant and equipment	**(11.9)**	(46.4)
- impairment of pooling equipment	**33.6**	-
- foreign exchange gain on capital repatriation	**(77.3)**	-
- other valuation adjustments	**(1.9)**	(1.0)
- net gains on disposal of businesses and investments	**(0.6)**	(1.2)
- net gains after tax on completed disposals of discontinued operations	**(17.0)**	(2.6)
- joint ventures	**2.1**	(0.6)
- equity-settled share-based payments	**14.5**	14.8
- finance costs	**(3.0)**	12.7
Movements in operating assets and liabilities, net of acquisitions and disposals:		
- decrease in trade and other receivables	**56.3**	35.9
- (increase)/decrease in prepayments	**(6.0)**	1.9
- decrease/(increase) in inventories	**7.3**	(9.7)
- decrease in deferred tax	**49.7**	39.3
- decrease in trade and other payables	**(31.9)**	(2.1)
- decrease in tax payables	**(19.0)**	(38.8)
- increase/(decrease) in provisions	**53.5**	(30.3)
- other	**(0.4)**	(4.1)
Net cash inflow from operating activities	**1,023.0**	1,166.3

e) Reconciliation of movement in net debt

Net debt at beginning of the year	**2,426.2**	1,996.9
Net cash inflow from operating activities	**(1,023.0)**	(1,166.3)
Net cash outflow from investing activities	**606.6**	811.4
Net outflow/(inflow) from hedge borrowings	**7.9**	(95.1)
Proceeds from issue of ordinary shares	**(0.8)**	(38.5)
Buy-back of ordinary shares	**-**	392.0
Dividends paid, net of Dividend Reinvestment Plan	**277.6**	444.8
Increase on business acquisitions and disposals	**-**	0.3
Interest accruals, finance leases and other	**(7.5)**	3.1
Foreign exchange differences	**(143.6)**	77.6
Net debt at end of the year	**2,143.4**	2,426.2
Being:		
Current borrowings	**68.0**	91.5
Non-current borrowings	**2,165.5**	2,439.5
Cash and cash equivalents	**(90.1)**	(104.8)
Net debt at end of the year	**2,143.4**	2,426.2

Notes to and forming part of the preliminary final report
for the year ended 30 June 2009 - *continued*

Note 14. Equity-accounted investments

a) Joint ventures

Brambles has investments in the following joint ventures, both of which are 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 2009	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

	2009 US$m	2008 US$m
Continuing operations		
Profit from ordinary activities before tax	**6.0**	6.9
Tax expense on ordinary activities	**(1.0)**	(1.0)
Profit for the year	**5.0**	5.9

Note 15. Net tangible asset backing

	2009 US cents	2008 US cents
Net tangible assets backing based on 1,401.9 million shares (2008: 1,383.6 million shares)	**46.7**	49.2

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 year end.

Note 16. Contingent liabilities

There have been no material changes in Brambles' contingent liabilities as set out in the 2008 Annual Report.

Note 17. Events after balance sheet date

Except as outlined in this preliminary final report, there have been no other events that have occurred subsequent to 30 June 2009 that have had a material impact on Brambles' financial performance or position.

Brambles

Statement of compliance

This report is based upon financial statements which have been audited.

The audit report, which is unqualified, will be made available with the Brambles 2009 Annual Report.

Robert Gerrard
Company Secretary

20 August 2009