

Brambles

Operations Review

24 October 2007

Accelerating Growth:
Customers, Markets,
People

Mike Ihlein
Chief Executive Officer



2007 Operations Review - Introduction

- Welcome
- Major and successful transformation since last Operations Review (December 2005)
- Excellent performance throughout reorganisation
- Strong foundations
- Continuous improvement and leading-edge technology
- Well positioned to accelerate growth
- Customers, Markets, People

Major transformation since last Operations Review

- Unification of DLC
- Divestment program - focus on CHEP and Recall
 - US\$3.6 billion in gross proceeds
- US\$3.4 billion in capital management initiatives
 - On-market share buy-back program (US\$2.1 billion)
 - Cash alternative and special dividend (US\$1.3 billion)
- Ongoing capital management
 - Seeking shareholder approval at AGM in November to refresh
 - Investment grade credit
- Ongoing investment in the business for growth

Excellent performance since last Operations Review

- Sales up 7% per annum¹
- Comparable operating profit growth up 23% per annum¹
- Profit after tax up 38% per annum²
- Cash flow from operations up US\$138 million
- Earnings per share up 44% per annum²
- BVA up US\$293 million³

**STRONG FOUNDATIONS IN PLACE TO
SUPPORT ACCELERATED GROWTH**

1. Average calculated in constant currency
2. Average calculated for Continuing Operations before Special items
3. At Fixed June 2007 FX rates

Continuous improvement and leading-edge technology

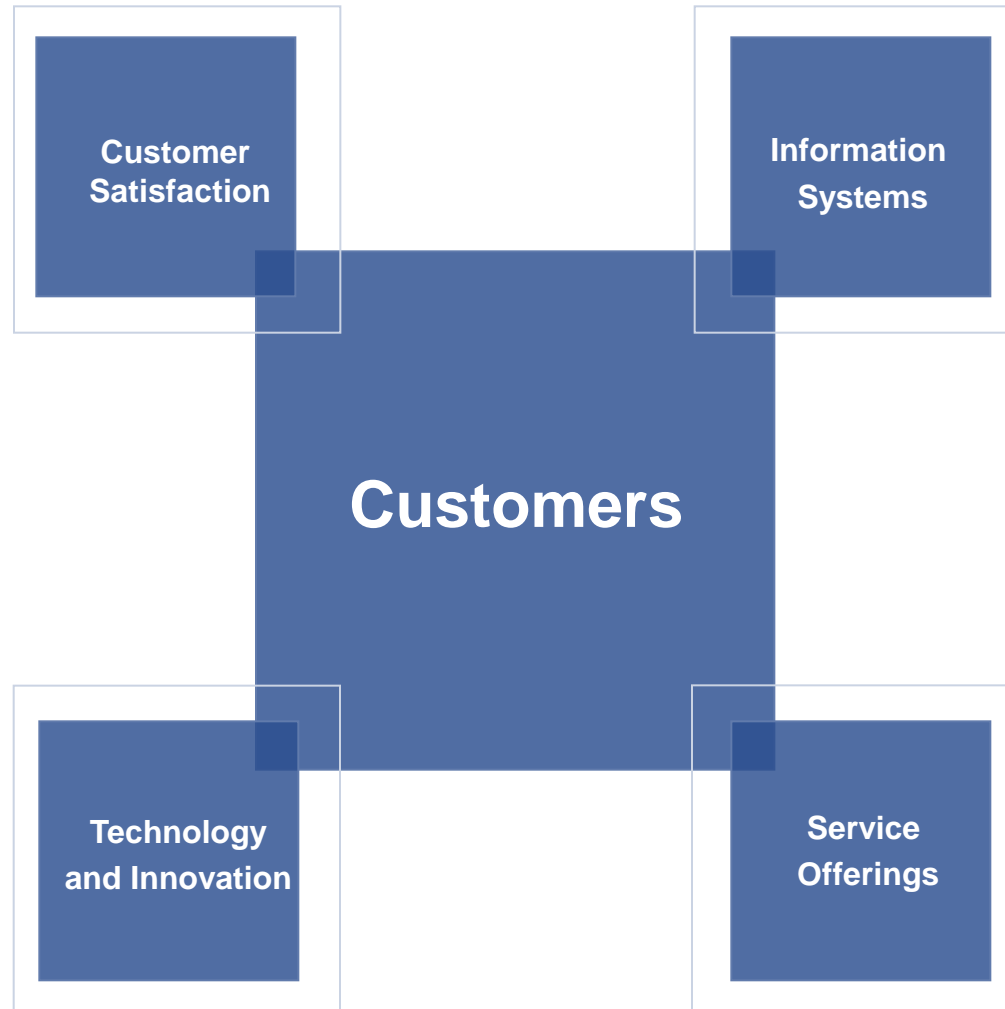
- Enhancing customer service offerings
 - Site visits (Costco – DTPM, Kraft – ETPM)
- Investing in world class information systems
 - Donna Slyster (Orlando)
- Optimising our network
 - Ramon Genemaras (Orlando), Carmelo Alonso (London)
- Leading in technology and innovation
 - Matt Phelps (Orlando)
- Leveraging global scale
 - Best practice

Well positioned to accelerate growth

- We are financially and operationally strong
- CHEP is an integral part of the supply chain – particularly FMCG
- Reorganisation required internal focus
- Energy and resources now dedicated to Customers, Markets, People
- We are in an excellent position to accelerate growth

Accelerating growth

Customers

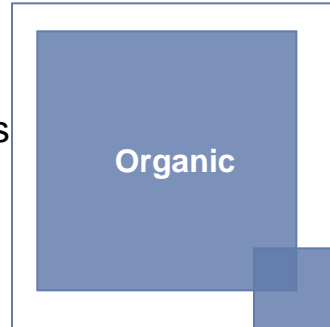


Accelerating growth

Markets

Existing geographies,
segments, customers

- new FMCG customers



Existing geographies,
new segments

- beverages USA
- private label
- food service



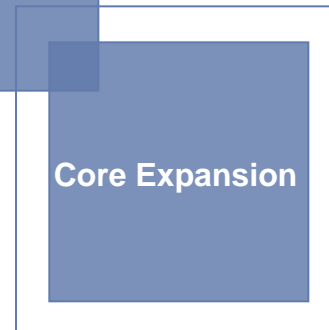
Markets

Acquisition of related
superior supply chain
solutions business



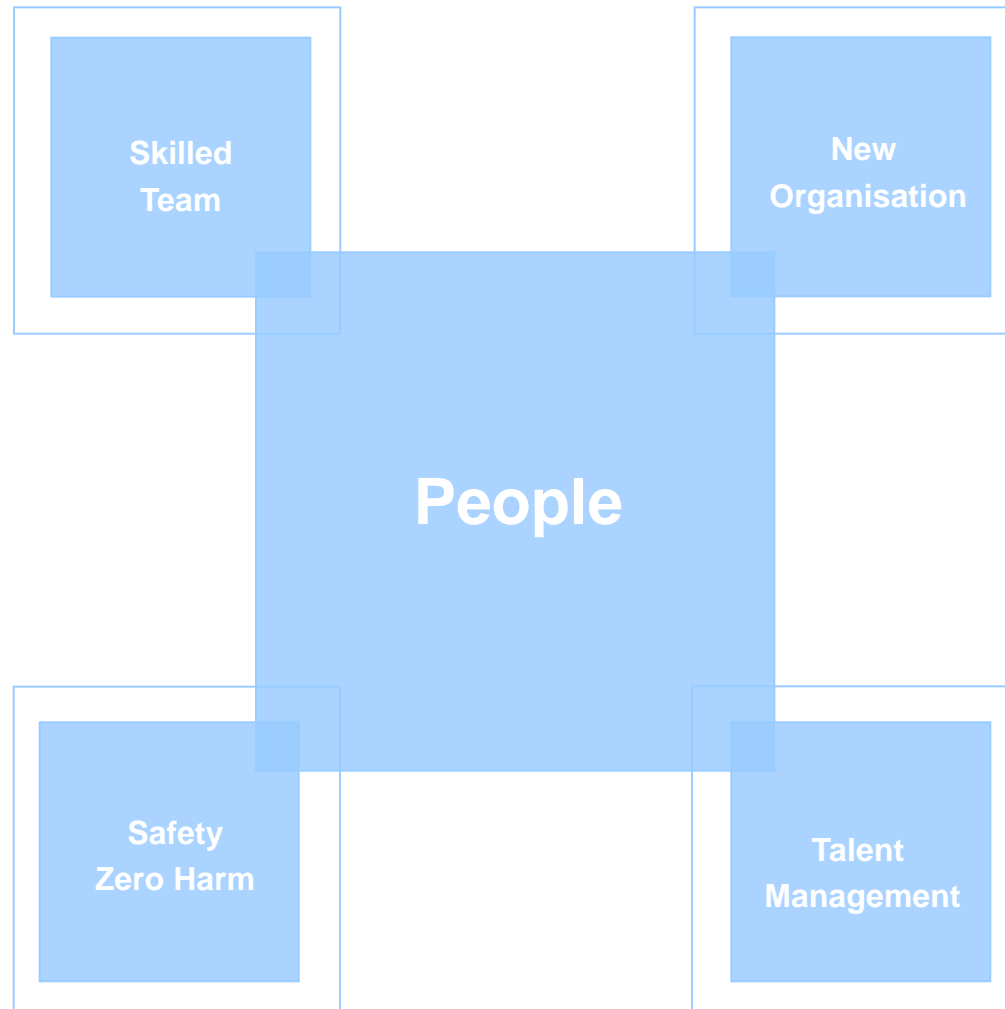
New geographies,
existing or new
segments

- Germany
- CEE
- China



Accelerating growth

People



Today's presenters



Dave Mezzanotte



Kevin Shuba



Matt Phelps



Miguel D'Cotta



Elton Potts

Brambles

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Customers, Markets,
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CHEP

DAVE MEZZANOTTE - CHIEF OPERATING OFFICER

24 October 2007



Brambles

AGENDA

Introduction

Strong foundations

Customer focus

Environmental sustainability

Drivers of excellent performance

Experienced leadership and team

Leveraging best practice globally

Accelerating growth

CHEP USA

Innovation and technology leadership

CHEP Europe

Summary

Dave Mezzanotte, Chief Operating Officer

Kevin Shuba, President, CHEP USA

Matt Phelps, SVP, Process Technology and Product Engineering

Miguel D'Cotta, President, CHEP Europe

Dave Mezzanotte, Chief Operating Officer

Site visits

DTPM (New Jersey)

ETPM (Virginia)

Information Systems (Orlando)

Supply Chain (Orlando)

Process Technology (Orlando)

Jon Jordan, VP, Distributor Sales, CHEP USA

Jim Jacoby, VP, On-Site and Asset Management, CHEP USA

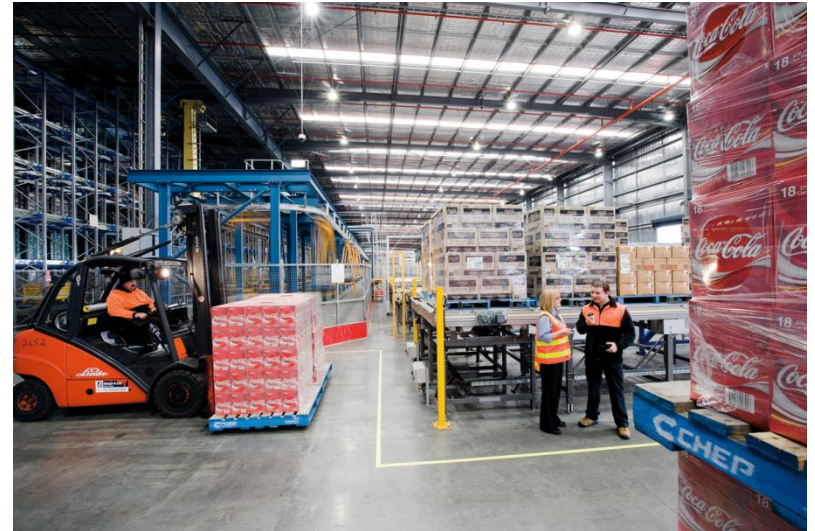
Donna Slyster, SVP and CIO

Ramon Genemaras, SVP, Supply Chain, CHEP USA

Matt Phelps, SVP, Process Technology and Product Engineering

STRONG FOUNDATIONS

- US\$3.2B sales
- 44 countries
- ~8,000 employees
- 285M pallets and containers
- 2.8M daily equipment movements
- 300,000 customer locations and growing



STRONG FOUNDATIONS

“BLUE CHIP” customers



STRONG FOUNDATIONS

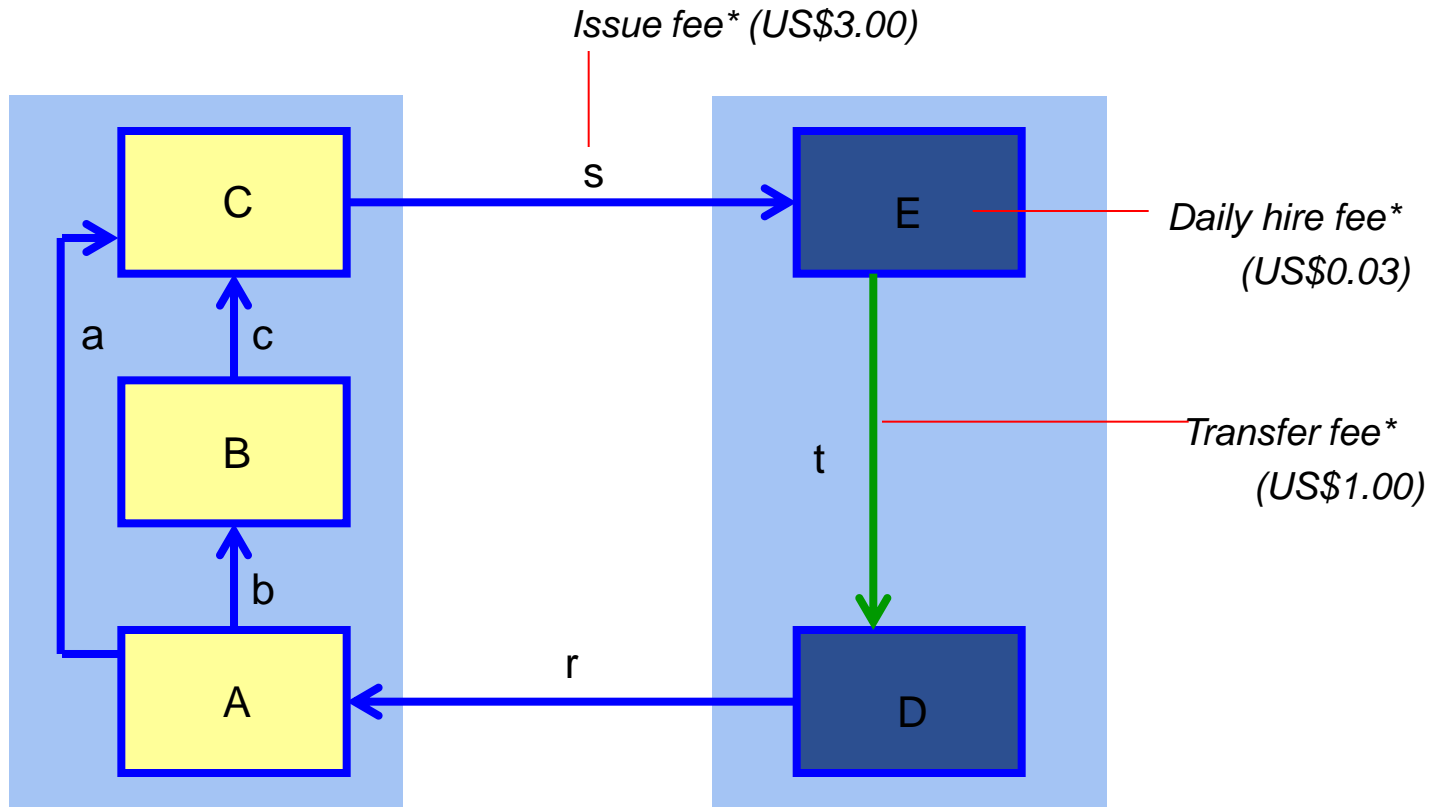
Customer commitment

- Customer Satisfaction has improved four years in a row
 - On-time delivery
 - Responsiveness
 - Account management
- Established broader relationship with customer leadership
- On-site management
 - ETPM
 - DTPM
 - Managed Recovery

Aim to improve ease of doing business

STRONG BUSINESS MODEL

Activity Based Pricing > One-way Trip



*Indicative USA pricing and does not include up-charges for NPD channels or sales allowances

MARKET ALTERNATIVES



One Way or Pallet Exchange White Wood Pallets



Pooled Pallets

STRONG BUSINESS MODEL

CHEP pooling proposition adds value

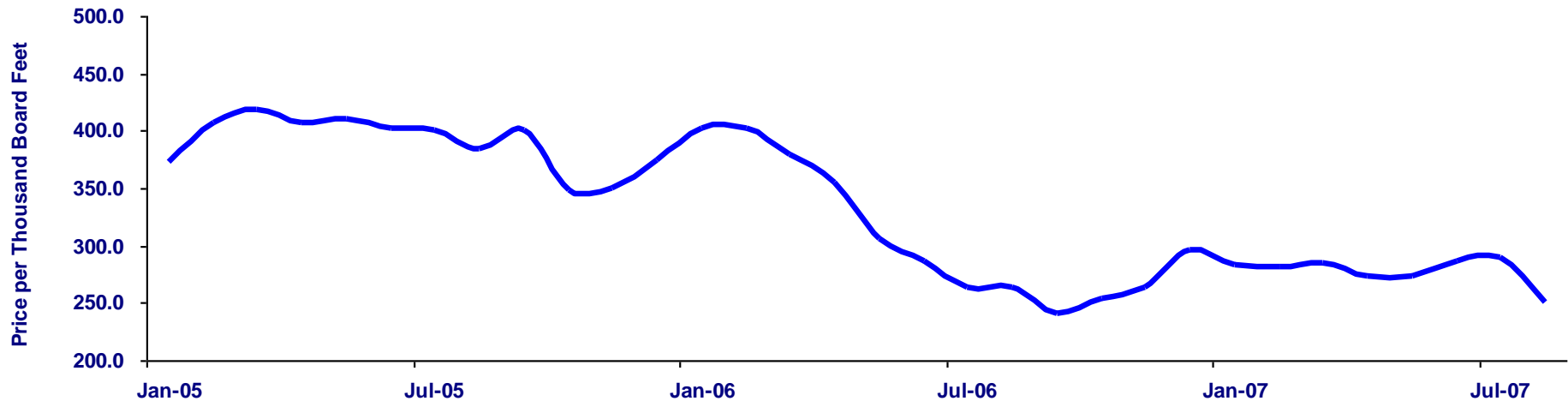
- Consistent, high quality pallet
- Lower supply chain costs
- Reduced product damage
- Lower transport costs for Es
- Faster loading and unloading
- Lower disposal costs for Ds
- On-site management
- Environmental sustainability

CHEP is US\$1.50 to US\$2.00 lower on average per pallet movement as compared to white wood pallets

STRONG BUSINESS MODEL

Limited sensitivity to USA lumber prices

RANDOM LENGTHS INDEX FOR SELECT COMPONENTS



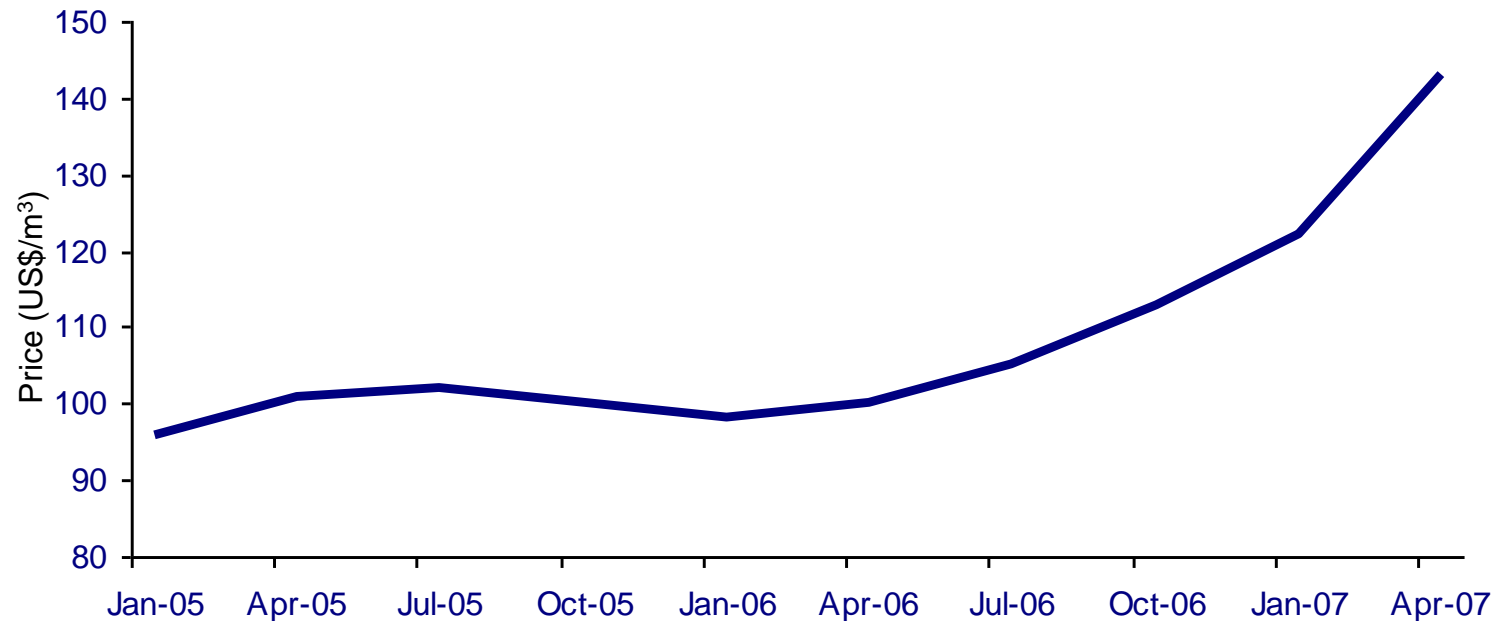
Source: Random Lengths

Dual lumber sourcing strategy has stabilized lumber costs

STRONG BUSINESS MODEL

European lumber prices enhance value proposition

CONIFER SAWLOG PRICE: CENTRAL & WESTERN EUROPE



Source: Wood Resource Quarterly – Volume 20

ENVIRONMENTAL SUSTAINABILITY



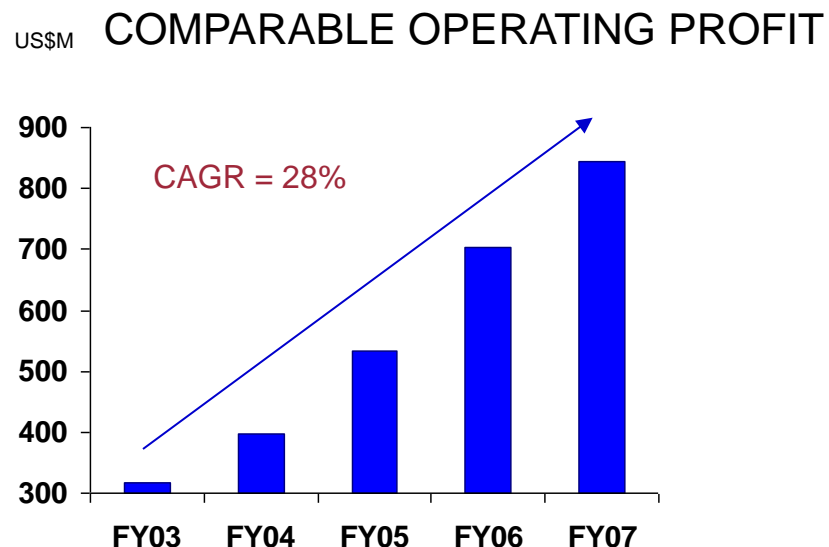
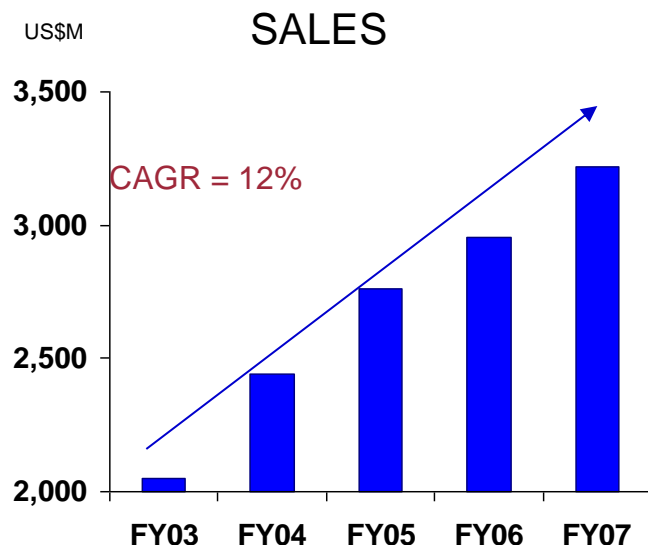
- In addition to the financial benefits of using the CHEP system, customers recognise the environmental sustainability benefits delivered by CHEP
- In the USA alone, the use of CHEP pallets saves approximately 6 million trees per annum
- In Europe, in particular, customers prefer suppliers that deliver environmental sustainability benefits

DRIVERS OF STRONG FINANCIAL PERFORMANCE



Brambles

EXCELLENT RESULTS

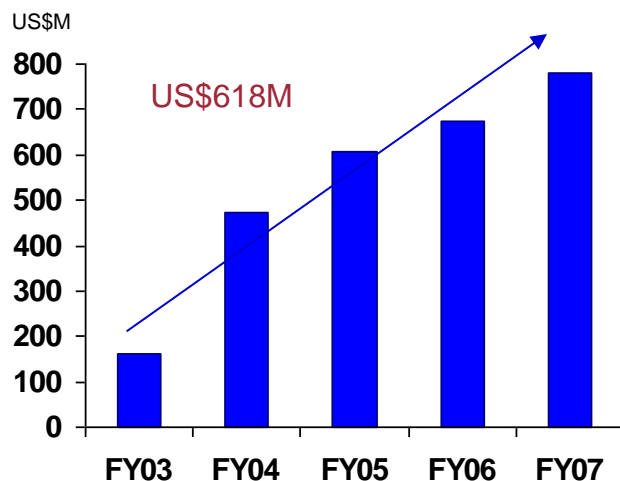


- 12% CAGR Sales Growth
- Margin Expansion
 - Perfect Trip Initiative
 - Perfect Plant Initiative
 - Network Optimization
 - Total Pallet Management

• FY03 and FY04 are reported under UKGAAP. FY05, FY06 and FY07 are reported under AIFRS.

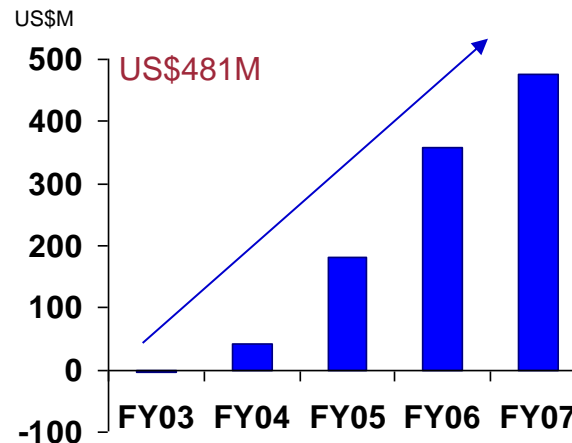
EXCELLENT RESULTS

CASH FLOW FROM OPERATIONS



- Improved Asset Productivity
 - Lower Plant Stocks
 - Lower Cycle Time
- Improved Asset Recovery
- Lower Pallet Cost (USA)

BVA (Fixed June 06 FX rates)



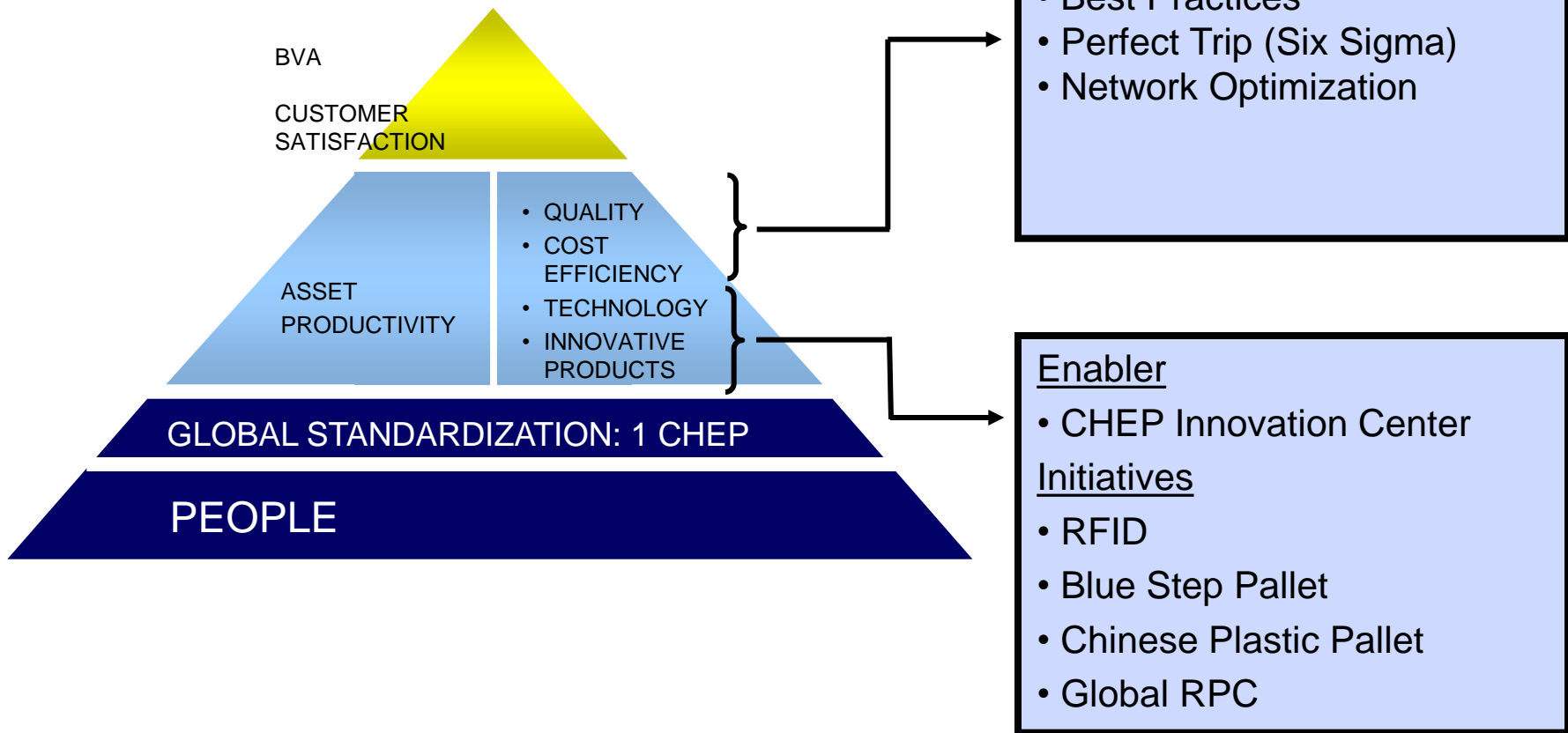
- Improved Capital Productivity
- Operating Efficiency

• FY03 and FY04 are reported under UKGAAP. FY05, FY06 and FY07 are reported under AIFRS.
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CONTINUOUS IMPROVEMENT

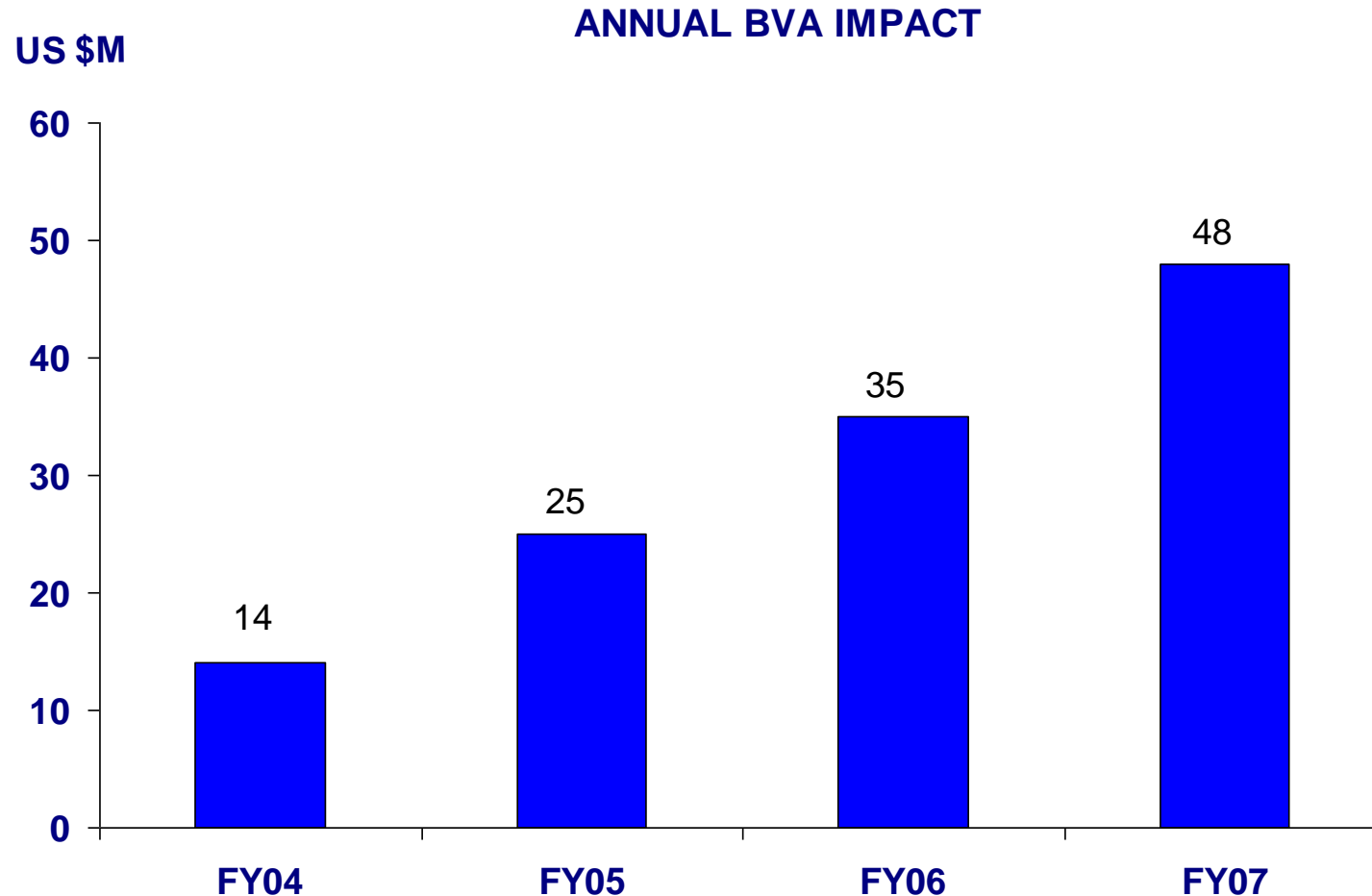
Embedded into Culture

CHEP STRATEGY PYRAMID



CONTINUOUS IMPROVEMENT

Perfect Trip (Six Sigma/Lean) drives productivity



PEOPLE

Experienced Leadership

REGION LEADERSHIP

AMERICAS

EMEA

ASIA-PACIFIC

CHEP USA	CHEP LATIN AMERICA	CHEP CANADA	CHEP EUROPE	CHEP AFRICA AND MIDDLE EAST	CHEP ASIA-PACIFIC	CHEP CHINA
KEVIN SHUBA	ARTURO CABRERA	MIKE DIMOND	MIGUEL D'COTTA	JURIE WELMAN	HOWARD WIGHAM	JOHN WAN
PRESIDENT	PRESIDENT	PRESIDENT	PRESIDENT	PRESIDENT	PRESIDENT	PRESIDENT
11 YEARS	11 YEARS	24 YEARS	16 YEARS	7 YEARS	8 YEARS	>1 YEAR

GLOBAL FUNCTION LEADERSHIP

INFORMATION SYSTEMS	MARKETING AND BUSINESS DEVELOPMENT	PROCESS TECHNOLOGY AND PRODUCT ENGINEERING
DONNA SLYSTER	BRIAN BEATTIE	MATT PHELPS
SVP, CIO	SVP	SVP
8 YEARS	10 YEARS	5 YEARS

PEOPLE

Talent Management

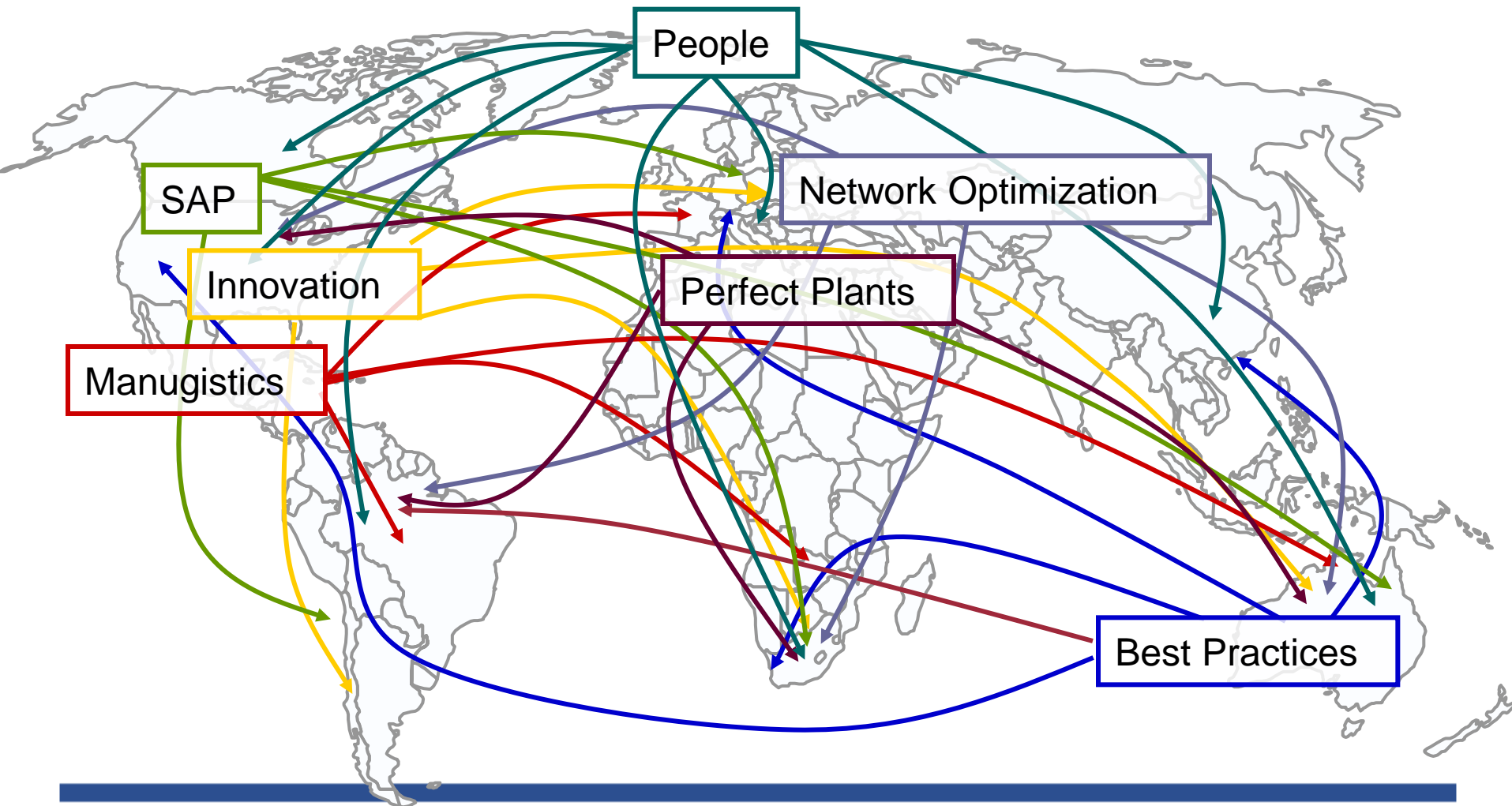
Training

- Strategic Selling and Large Account Management
- Ongoing Lean and Six Sigma skill development
- Investing in Leadership development

Building the Bench

- Continuous Graduate and MBA recruiting
 - Targeted Universities
 - Skill diversity

LEVERAGING GLOBAL SCALE



A world map with a light blue background. Dark blue regions are highlighted, including North America, South America, Europe, Africa, Australia, and parts of Asia and the Middle East. A horizontal light blue band across the center contains the text.

ACCELERATING PROFITABLE GROWTH

ACCELERATING GROWTH

Americas – USA and Canada

USA

- Deeper penetration into FMCG
- New market segments (Organic “Plus”)
- US\$3.5B on 48x40



Canada

- Continued penetration of FMCG
- Organic “Plus” for pallets
- Automotive containers

ACCELERATING GROWTH

Americas - Latin America

- Organic and Organic “Plus” growth
 - Mexico, Argentina, Brazil, Chile
- Core Expansion
 - Guatemala, Honduras, Costa Rica, El Salvador, Nicaragua



ACCELERATING GROWTH

EMEA

- Organic and Organic “Plus” Growth
- Core Expansion in Europe
 - Germany (US\$0.5B opportunity)
 - Central and Eastern Europe (US\$0.5B opportunity)
- Gulf Cooperative States (US\$0.1B opportunity)
 - Launched with Panda in Saudi Arabia
 - Preparing to expand into Kuwait and UAE
- Africa
 - International movements of automotive containers



ACCELERATING GROWTH

Asia–Pacific

Australia and New Zealand

- Strong positions across all service lines
- Australia sales growing at 8%
- Multiple platforms offered:
 - Pallets
 - Automotive Containers
 - Intermediate Bulk Containers (IBC)
 - Reusable Plastic Containers (RPC)
- Pursuing growth opportunities in
 - Cross-selling current platforms to existing customers
 - RPCs



ACCELERATING GROWTH

Asia-Pacific

Asia

- Existing countries

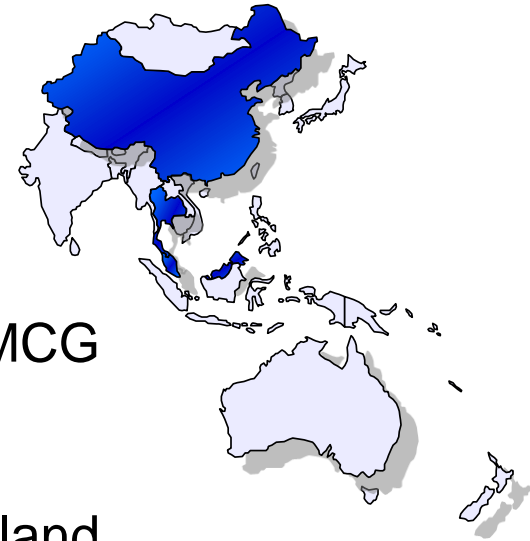
Malaysia, Thailand, Singapore, Hong Kong

- Pallets in Malaysia industry verticals beyond FMCG
- Expand to alternative platforms, e.g. RPCs
- Recent launch of automotive operations in Thailand

- New countries

- China – Building momentum in pallets / automotive
- Other countries (e.g. India, Japan) under investigation

- Significant variation in stage of development

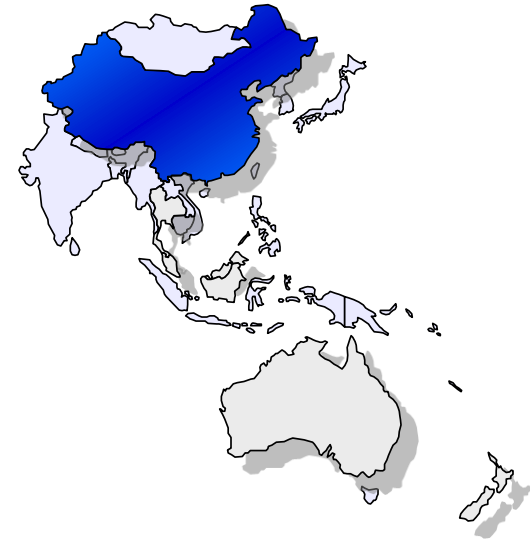


ACCELERATING GROWTH

China – Building momentum

In 12 months we have:

- Implemented operating structure
 - 51 staff (as at 30/9/07)
 - 25 staff in Sales/Marketing
- Developed tailored IS solutions
- Designed and launched
 - 1210 plastic RFID enabled pallet
- Local and international customers
 - Converted 5 x FMCG (inc. Coke), 2 x Automotive (inc. Futuris)
 - Others currently trialling CHEP pallets and automotive solutions
 - Supply chain analyses being undertaken with many potential customers
 - Discussions in progress with several major Distributors



KEY POINTS

- Strong foundations
- Excellent performance
- Commitment to customer service excellence
- Culture of continuous improvement
- Accelerating growth globally

Q & A



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CHEP USA

KEVIN SHUBA - PRESIDENT, CHEP USA



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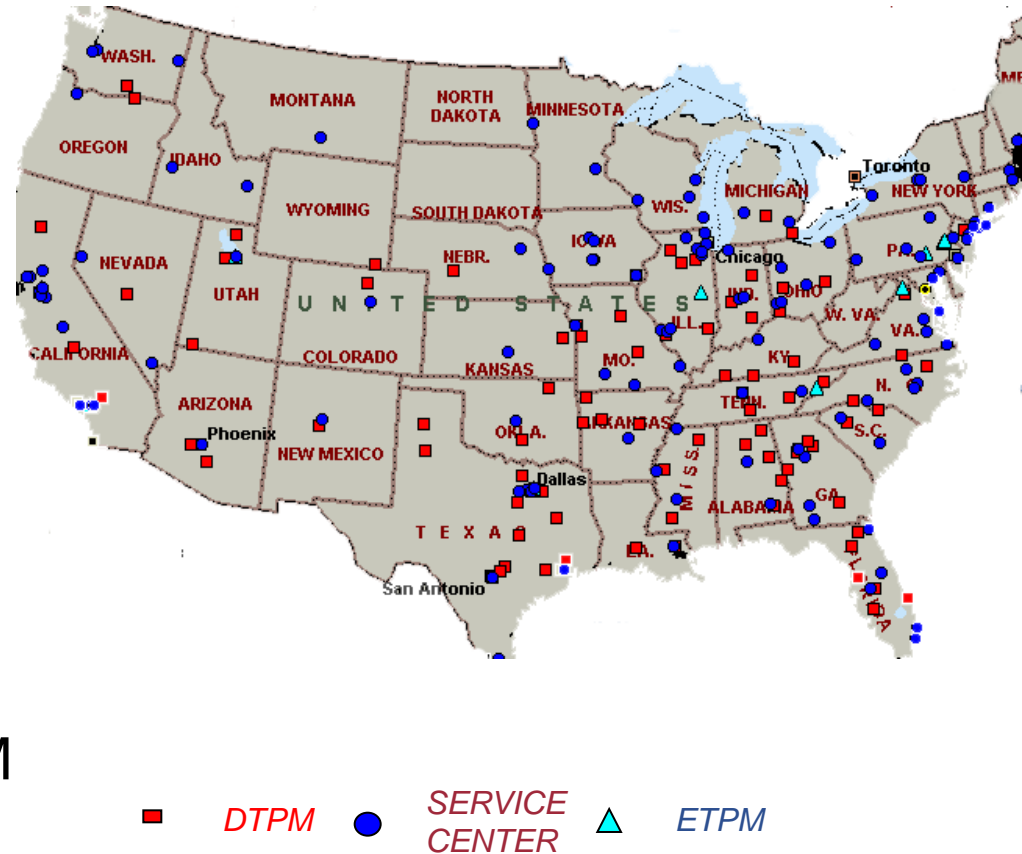
AGENDA

- Strong Foundations
- Driving Customer Satisfaction
- Supply Chain Excellence
- Growth

STRONG FOUNDATIONS

Overview

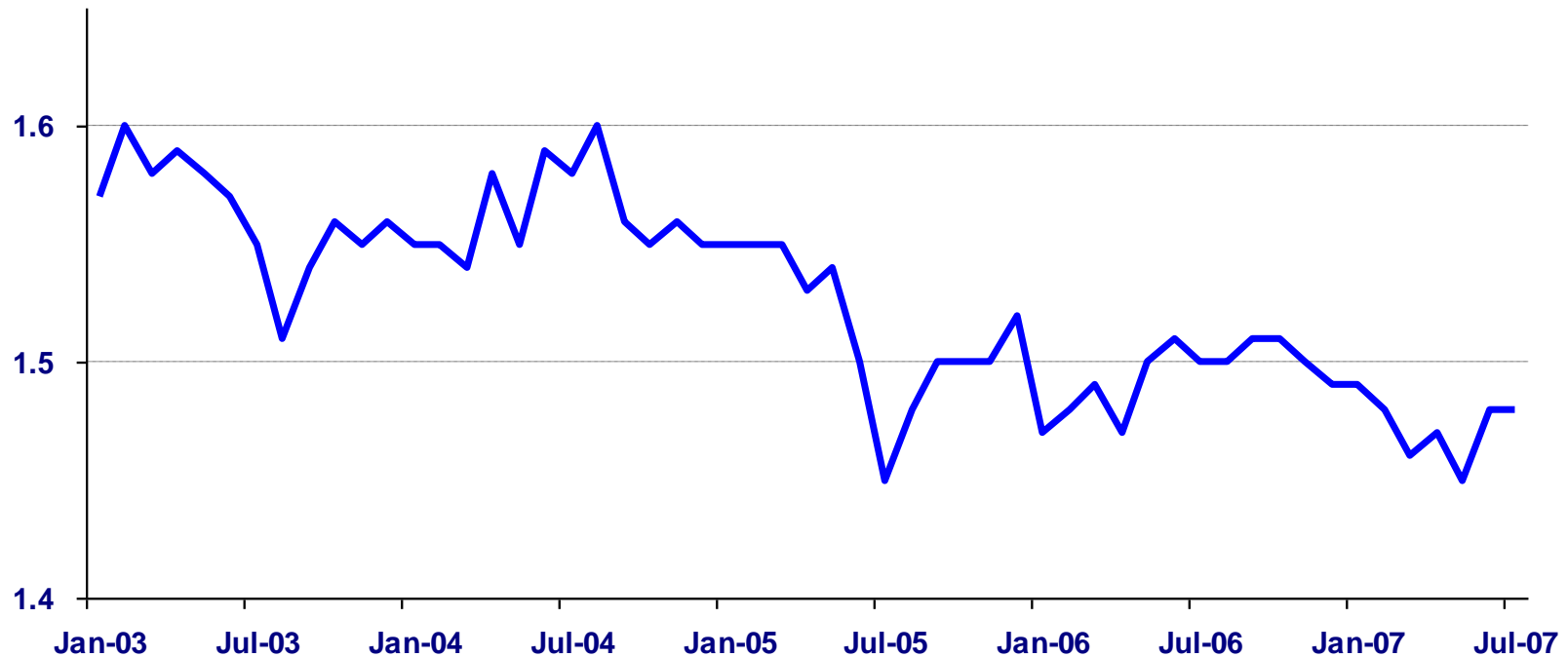
- 76 million pallets and containers
- 0.7 million movements per day
- 4,100 customers
- 21,000 customer locations
- 800 employees
- 195 Service center and TPM locations



STRONG FOUNDATIONS

Supply chain velocity

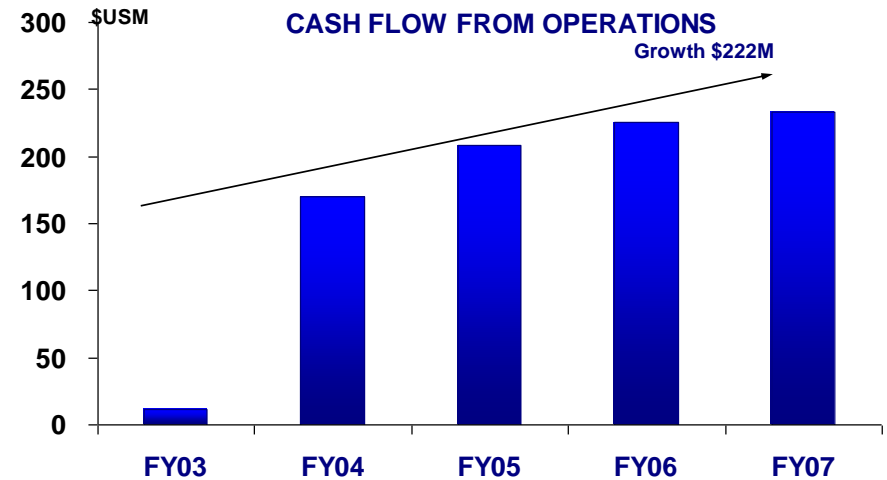
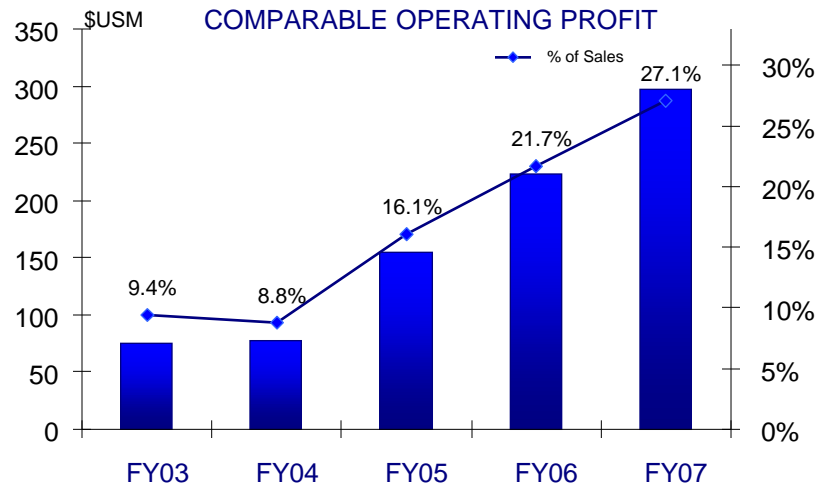
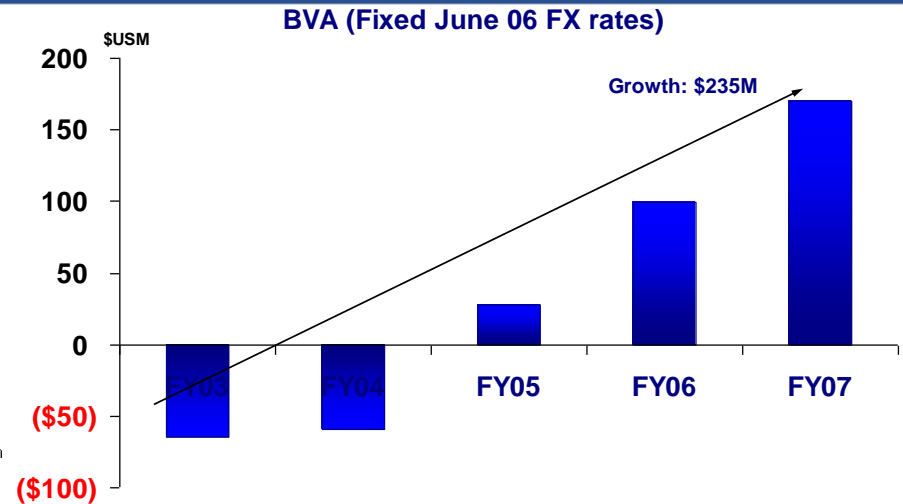
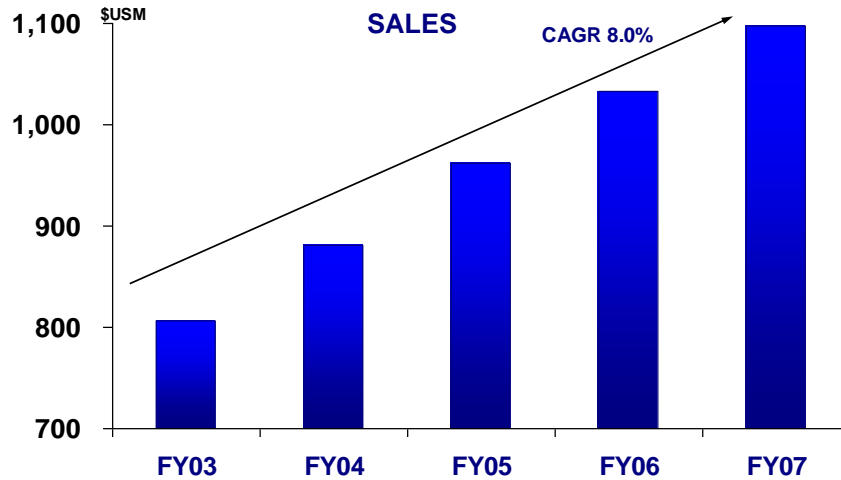
RETAIL INVENTORY TO SALES RATIO



Higher supply chain velocity increases asset productivity

STRONG FOUNDATIONS

Excellent results

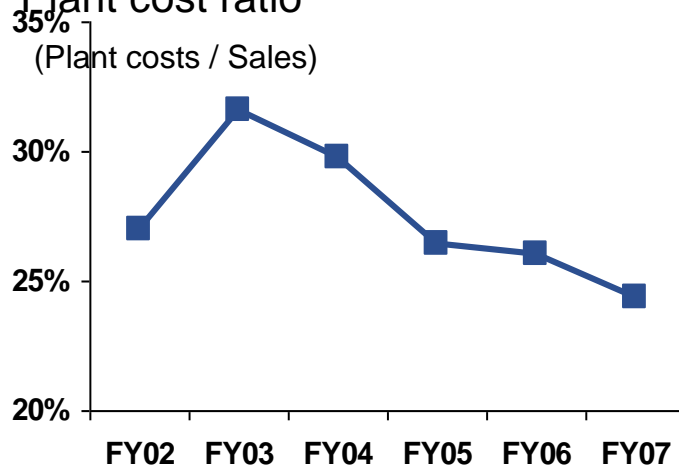


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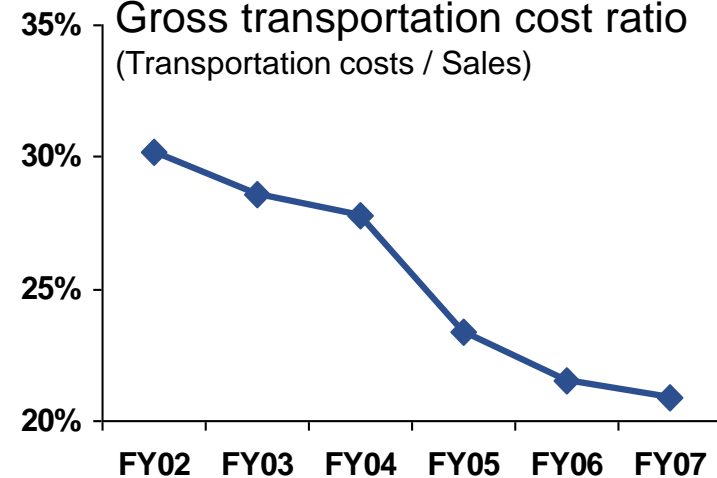
STRONG FOUNDATIONS

Performance Key Metrics

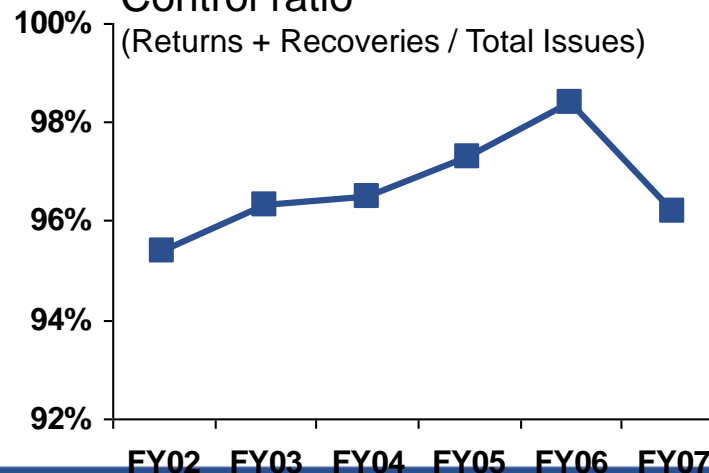
Plant cost ratio
(Plant costs / Sales)



Gross transportation cost ratio
(Transportation costs / Sales)



Control ratio
(Returns + Recoveries / Total Issues)



KEY PERFORMANCE DRIVERS

SALES GROWTH

Expansion in Core FMCG Segment

*Distributor recognition of
CHEP Value Proposition*

*Continued growth with new
customers*

*Enhanced Service offerings
(DTPM, ETPM, Customer Portal)*

OPERATING PROFIT

Total Pallet Management (TPM)

Network Optimization

Perfect Trip Initiatives

Asset Recovery Program

MARKET TRENDS SUPPORT CHEP VALUE

MARKET TREND

ISSUES

Automation

Distributors Implementing Automated Storage and Retrieval Systems

Emitters Further Automating, Increasing Line Speeds

Product Damage

Focus on Condition of Goods Received

Joint Industry Initiatives to Lower Unsaleables

Environmental Sustainability

Solid Waste Reduction From Packaging

Less Primary and Secondary Packaging

Green House Gas Emissions

Diminishing Landfill Availability

CUSTOMER SATISFACTION Framework

- RFID
- Blue Step
- Manugistics
- SAP

TECHNOLOGY

QUALITY

- Perfect Plants
- Quality Teams
- On-time delivery
- Pallet hygiene

CUSTOMER
SATISFACTION

- On-site Management
- Innovation Center
- Sustainability

CUSTOMER
SERVICE
DIFFERENTIATION

EASE OF
DOING
BUSINESS

- Customer Scorecard
- Customer portals
- Account Management
- Simplified invoicing
- Network scale

CUSTOMER SATISFACTION

Quality initiatives

Organization

- Director of Quality
- 4 Regional Quality Managers
- 26 Quality Representatives at select Service Centers
 - CHEP on-site person responsible for Plant Quality
 - Trained quality professionals with process control capabilities
- Alignment of Operations and Customer Service Process
- CHEP Quality certification program
- Application Engineers to work with Customer Automation
- Improve inspection consistency
 - Automatic Digital Inspection (ADI) deployment

RESPONDING TO CUSTOMER NEEDS

Blue Step pallet

- Innovative new design
 - CHEP patent-pending
- Improved Customer Satisfaction
 - Stronger leadboards/blocks
 - Greater nail retention
 - Smaller inter-board gaps
 - Greater product protection
- Reduces Pallet Damage/Repair Costs
 - Substantially lowers damage rate
 - » Shock absorbing connector boards
 - » Stronger leadboards
 - » Nail plates
 - Similar capital cost to current pallet



RESPONDING TO CUSTOMER NEEDS

Blue Step pallet

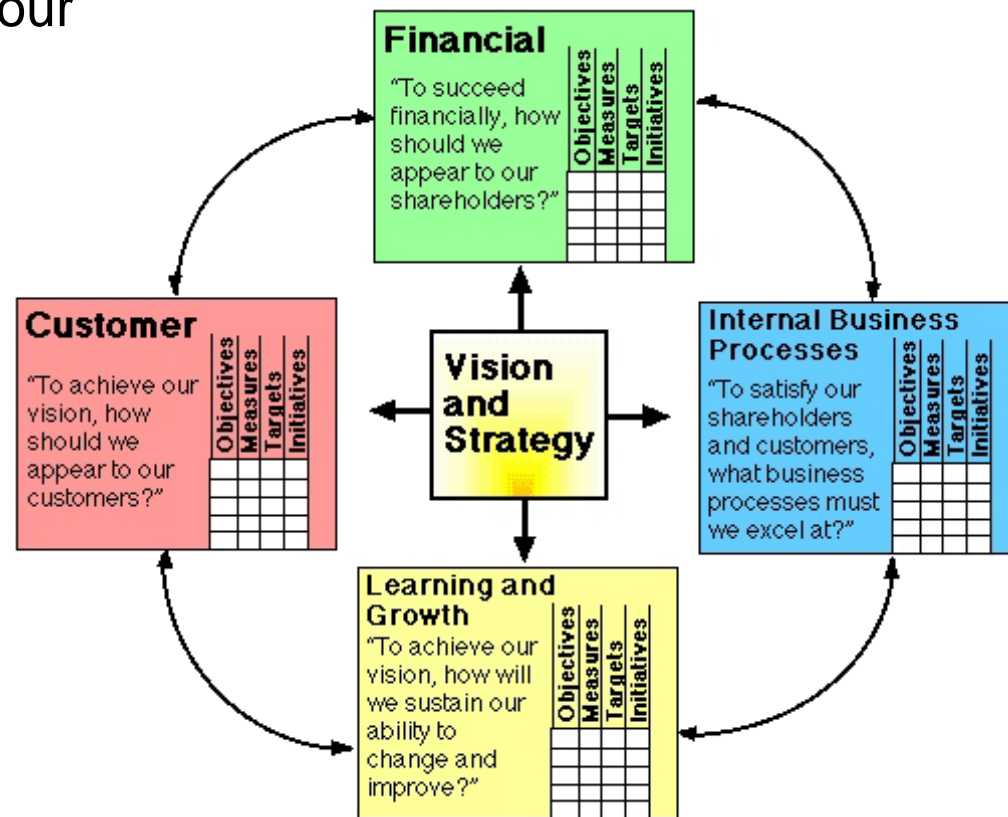
- US assembly tooling complete
- LOI in progress for 3-year block production
- US production start scheduled for 2008
- Rollout planning started for all block pallet markets
 - Europe
 - Latin America
 - South Africa
- Technology transfers to repair of current pallets



CUSTOMER SATISFACTION

Ease of doing business with CHEP

- Customer scorecard
 - Platform for externalizing our internal KPI focus and Six Sigma methodologies
- Helps ensure we meet our customers' requirements
- KPIs jointly selected
- Drives us to consistently meet our internal KPIs



CUSTOMER SATISFACTION

Customer Service Differentiation

On-Site Management (TPM)

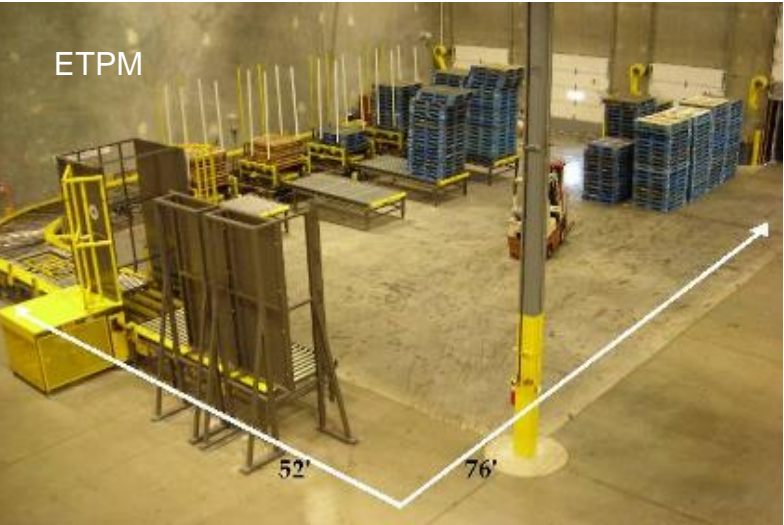
- Optimizing transport activity and equipment moves within the network
- Possibility to reduce empty hauls between specific Distributors and Emitters
- Improved communication and coordination between Customer and CHEP
- Ensured on time delivery and supply
- Reduction in daily inventory carried
- Eliminates administration associated with pallets

On-site Management offers:

*Customer Productivity,
Quality, and
Customer Satisfaction*

CUSTOMER SATISFACTION

Dn-Site Management initiatives

STRATEGIC INITIATIVES	KEY DELIVERABLES
<i>Tool to assist Account Management</i>	<i>On-line view of supply chain demand</i>
<i>Improve visibility</i>	<i>Leverage Real Time Integration with systems</i>
<i>Embedded services model</i>	<i>Joint Web Services Integration with CHEP Customers (SAP to SAP)</i>
	<i>Vendor Managed Inventory / Replenishment</i>
	<i>Real Time Transaction Reconciliation / Exception Handling</i>
	<i>Financial Payment / Settlement Reconciliation</i>
	<i>Instant distribution of CHEP Customer Codes</i>

Customer Satisfaction

Sustainability of CHEP versus Alternatives



ONE-WAY	PALLET EXCHANGE	SLIP SHEET
<i>Produces ~20 times more solid waste</i>	<i>Produces ~7.5 times more solid waste</i>	<i>Produces ~2.6 times more solid waste</i>
<i>Consumes ~125% more total energy</i>	<i>Consumes ~28% more total energy</i>	<i>Consumes ~18% more total energy</i>
<i>Produces ~128% more environmental emissions</i>	<i>Produces ~30% more environmental emissions</i>	<i>Produces ~1% more environmental emissions</i>

Sustainability Calculator Developed to Quantify CHEP Customer Benefits

Source: Franklin Associates, "Solid Waste Analysis And Life Cycle Inventory Of Pallet Systems", 2006 Update

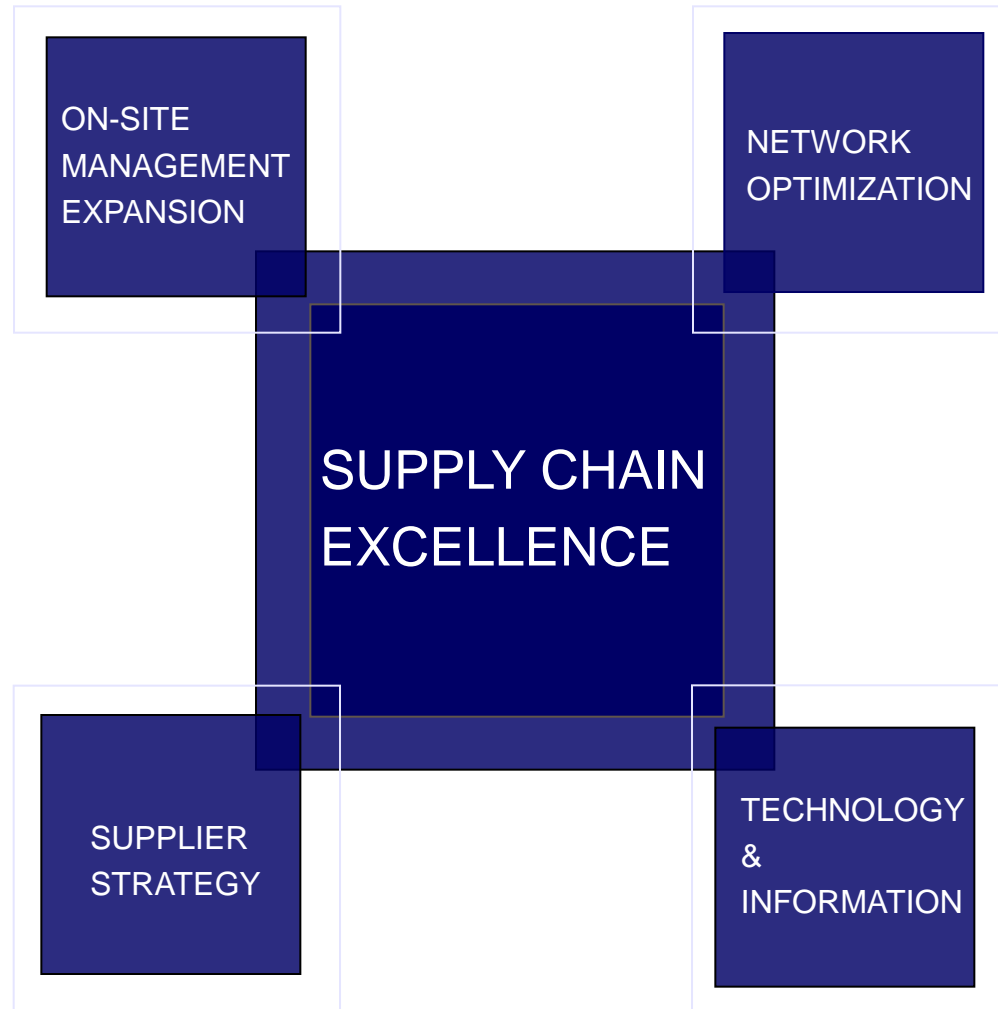
SUPPLY CHAIN EXCELLENCE

Market Overview

TECHNOLOGY:	TRANSPORT:	TRADE FLOW IMBALANCE:	ENVIRONMENTAL:
<i>Real time demand fulfillment</i>	<i>Fuel rates driving costs > revenue growth</i>	<i>Increased security with port system</i>	<i>Pressure to control transport emissions</i>
<i>Data collaboration and integration</i>	<i>Reduced capacities</i>	<i>Distributors opening major DCs adjacent to key ports</i>	<i>Market pressure to augment "corporate social responsibility" efforts</i>
<i>Supply chain visibility</i>	<i>Emphasis on network optimization; including mode</i>	<i>Capacity tightening into Mid-west</i>	

SUPPLY CHAIN EXCELLENCE

Best practice



SUPPLY CHAIN EXCELLENCE

Network Optimization

STRATEGIC INITIATIVES

Develop a flexible, real-time Optimization Model solving for new nodes

Develop flexible site rationalization solution

Fully integrate network optimization within our customer base

KEY DELIVERABLES

Operate US as one single integrated network

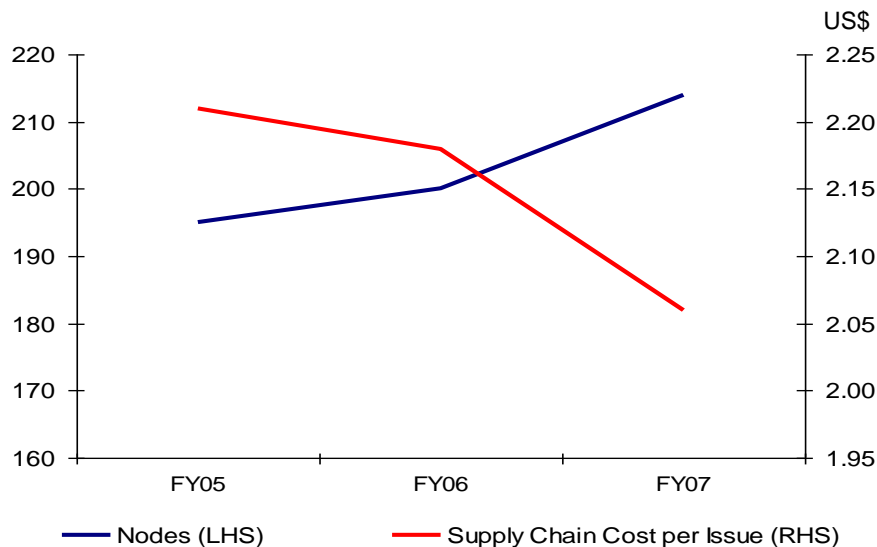
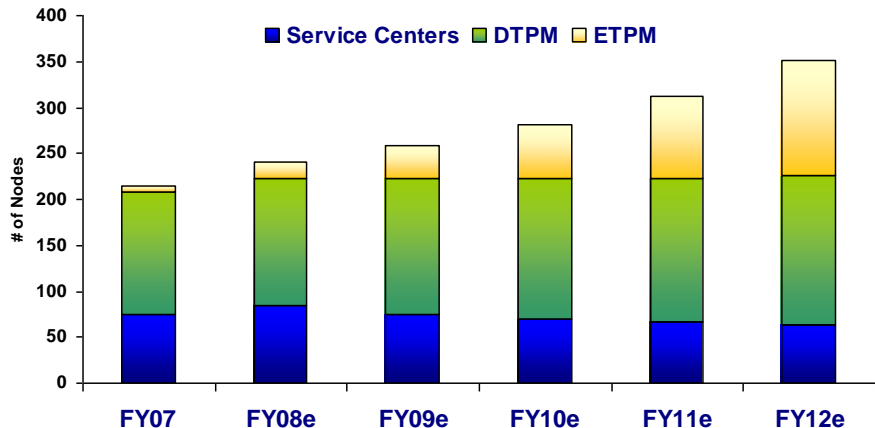
Visibility to network solution and YOY growth

Strategically grow TPM business reducing fixed and variable costs

Network transition highly complex to execute

SUPPLY CHAIN EXCELLENCE

Network Optimization

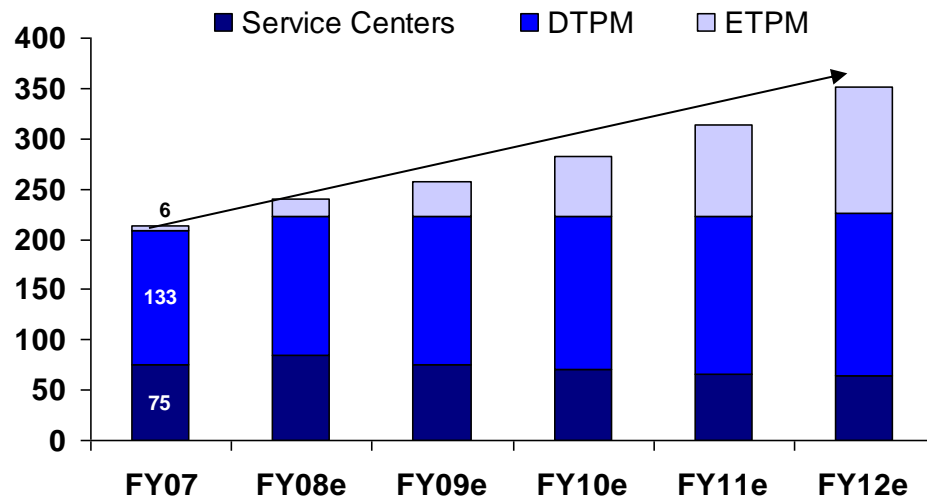


- Integrated planning and network optimization drive cost reduction
- Migration from full Service Center activities to repair facility bias
- Reduces the fixed cost component of network service centers
- Collaboration with customers vital to reduce demand variability

SUPPLY CHAIN EXCELLENCE

On-Site Management Expansion

NETWORK TRANSITION



STRATEGIC INITIATIVES

Implement rapid growth model for ETPM, taking advantage of network optimization opportunity

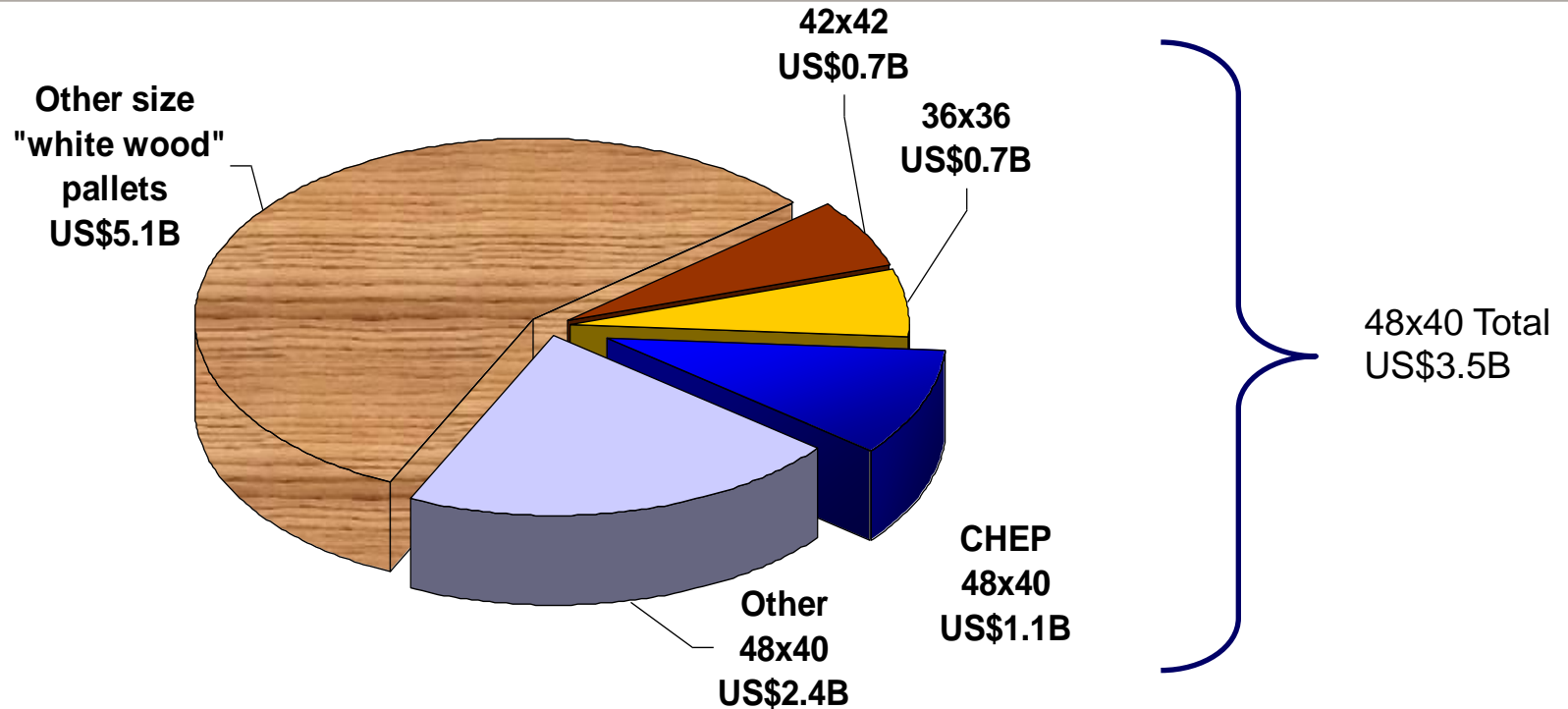
Build out DTPM with key regional distributors

Develop expanded service model

TPM Delivers Growth, Customer Quality, Retention and Lower Network Costs

ACCELERATING GROWTH Opportunities

TOTAL USA PALLET OPPORTUNITY – US\$10 BILLION



- Industry is approximately 40% new, 45% recycled and 15% pooled

ACCELERATING GROWTH

Organic Opportunities

		OPPORTUNITY
ORGANIC	~40% of FMCG in USA	US\$2B
ORGANIC "PLUS"	Beverages <i>alcoholic and non-alcoholic</i>	US\$0.6B
	Food Service <i>broadline distributors; system speciality distributors</i>	US\$0.3B
	Other Segments <i>home improvement; office supplies; pet supplies</i>	US\$0.4B

1. Total opportunity, including CHEP's current volume. These opportunities may overlap and therefore are not additive

2. Based on assumed penetration of 40% within the FMCG/grocery segment in the USA addressable with the existing 48x40 pallet platform

ACCELERATING GROWTH

Organic FMCG Opportunities

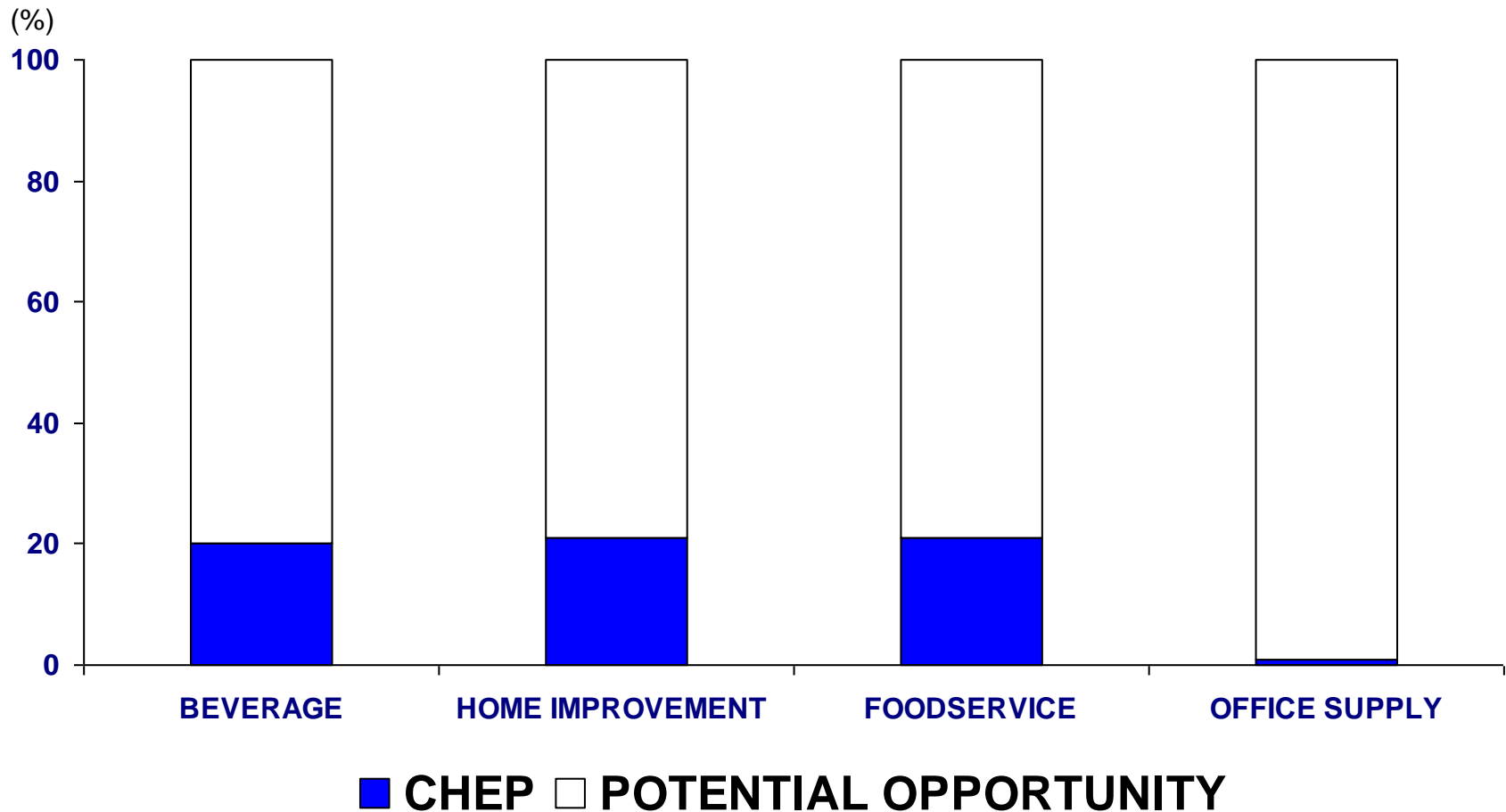
- Canned Goods
- Confectionery
- Dairy
- Paper Products
- Dry Food
- Health & Beauty
- Meat / Seafood
- Fresh Produce

Continued Penetration in Target Categories

ACCELERATING GROWTH

Organic “Plus” Opportunities

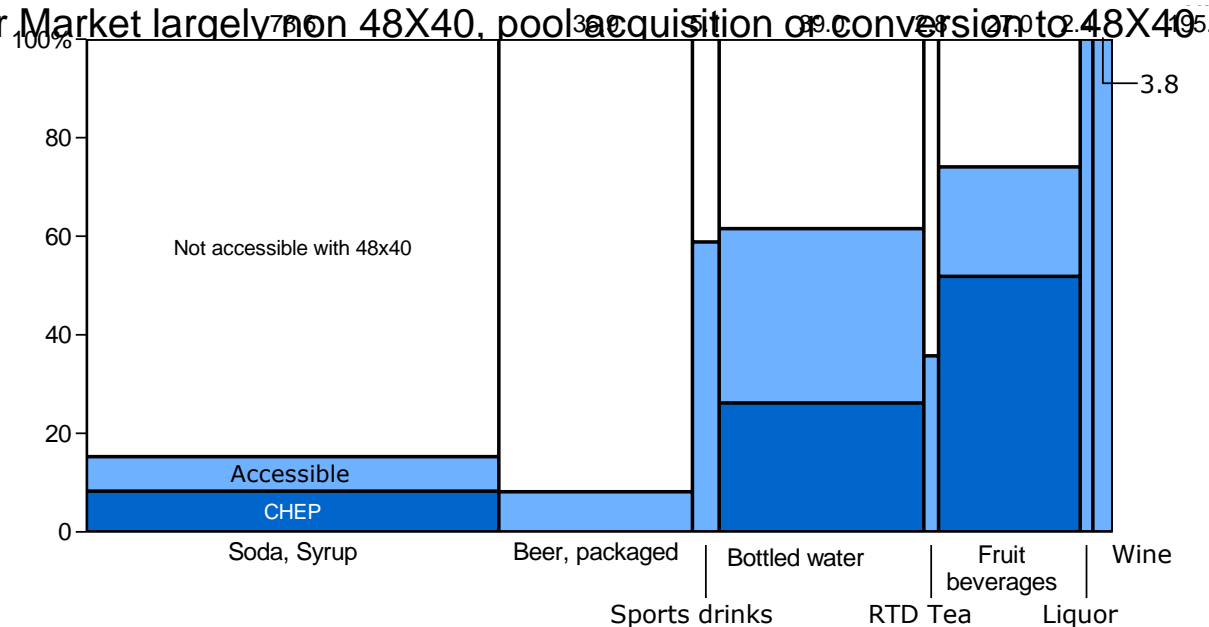
300 million movements



ACCELERATING GROWTH

Beverages

- Bottled Water – Standard CHEP value proposition and pricing model used with push/pull strategy
- Soda, Syrup – Pool conversion (to 48x40) or acquisition
- Alcoholic Beverages
 - Roll out new pricing/distribution solution to convert Middle Tier Beverage Distributors.
 - Beer Market largely non 48X40, pool acquisition or conversion to 48X40.



ACCELERATING GROWTH

Food Service

BROADLINE

- *Leverage and Expand TPM*
- *Managed Return Program*
- *Tailored Pricing to meet customer needs*

SYSTEM / SPECIALTY

- *System Business Model Study*
- *Channel Pricing for Cross-over Distribution*



ACCELERATING GROWTH

New Segments

HOME IMPROVEMENT

Expansion with current 48x40 customer base

Scope opportunity for non-48x40 pallets in segment

OFFICE SUPPLY

Complete Supply Chain study

Develop value proposition for distributors and emitters

PET PRODUCTS

Complete Supply Chain study

Develop value proposition for distributors and emitters

AUTO AFTERMARKET

Conduct Supply Chain studies

Scope opportunity in segment

SUMMARY CHEP USA

CUSTOMER
SATISFACTION

SUPPLY
CHAIN
EXCELLENCE

ACCELERATED
GROWTH

ONGOING REVIEW AND OPTIMIZATION OF OUR BUSINESS MODEL

DELIVERS SUPERIOR RETURNS

Q & A



Brambles

CHEP EUROPE

MIGUEL D'COTTA - PRESIDENT, CHEP EUROPE

24 OCTOBER 2007



Brambles

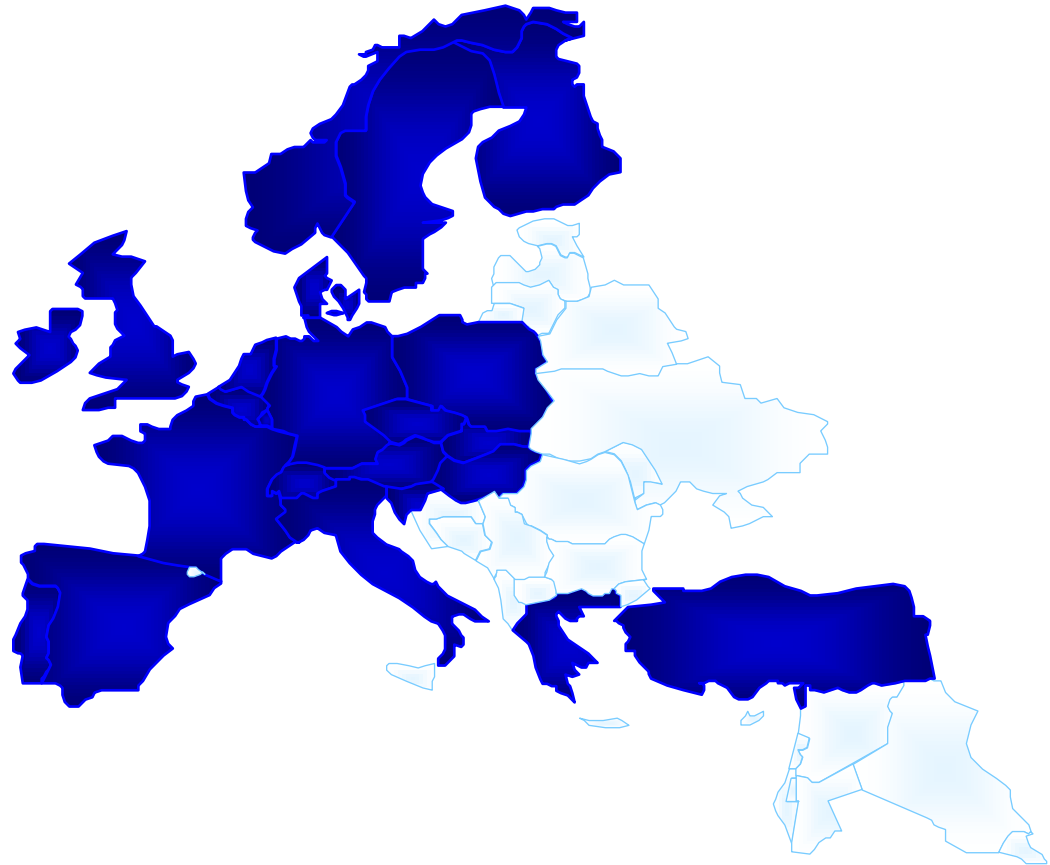
AGENDA

- Strong Foundations
- Operational Excellence
- Customer Satisfaction
- Accelerating Growth
- Summary

STRONG FOUNDATIONS

Market Overview

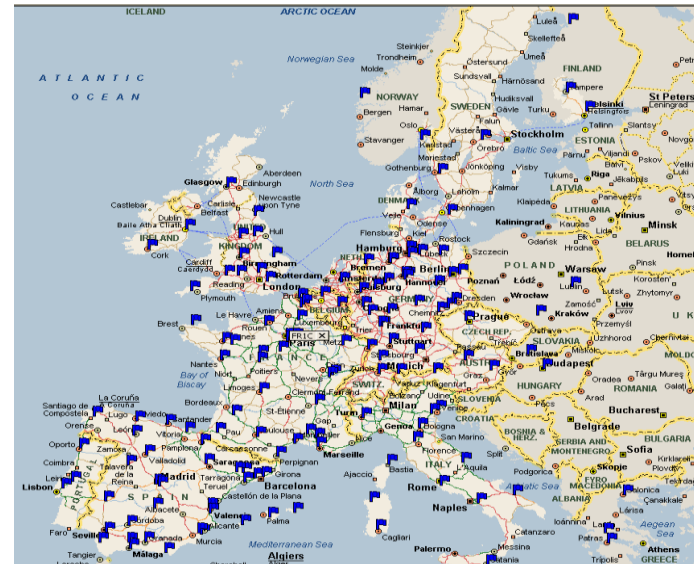
1974 - UK
1977 - Belgium
1978 - Ireland
1978 - Luxemburg
1979 - The Netherlands
1980 - France
1985 - Germany
1987 - Spain
1991 - Italy
1993 - Portugal
1995 - Austria
1997 - Norway
1997 - Sweden
1997 - Finland
1997 - Denmark
1998 - Switzerland
1998 - Greece
1999 - Poland
1999 - Czech Republic
1999 - Hungary
2002 - Slovakia
2005 - Turkey
2006 - Slovenia



STRONG FOUNDATIONS

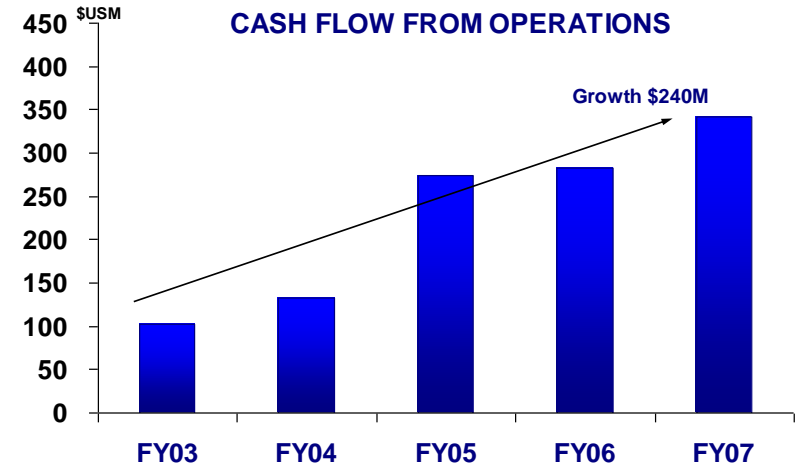
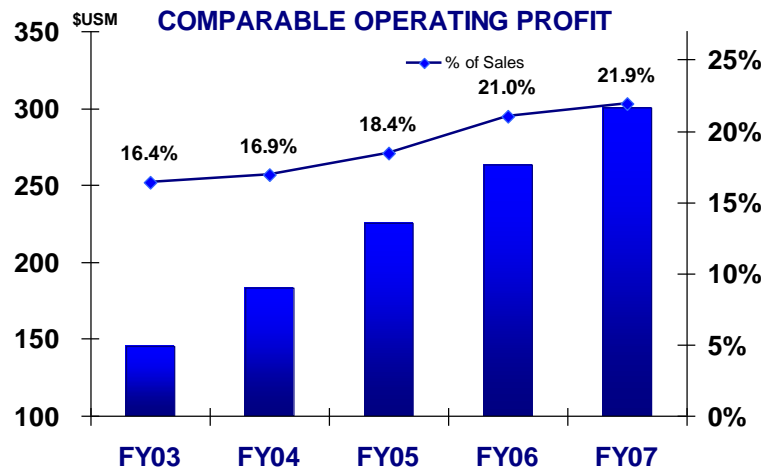
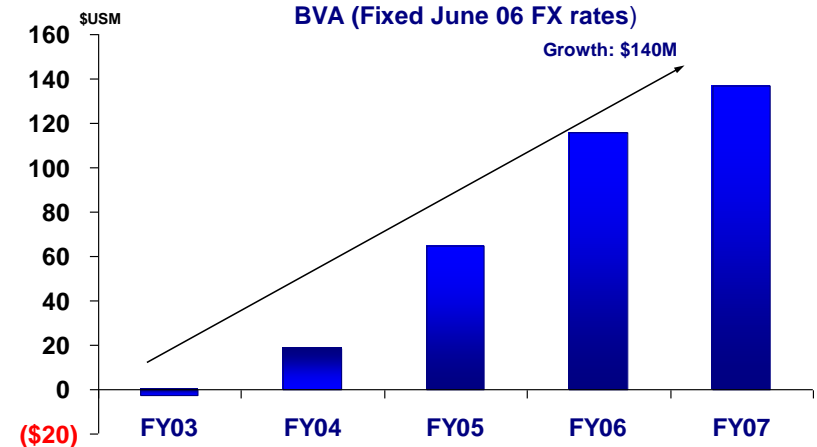
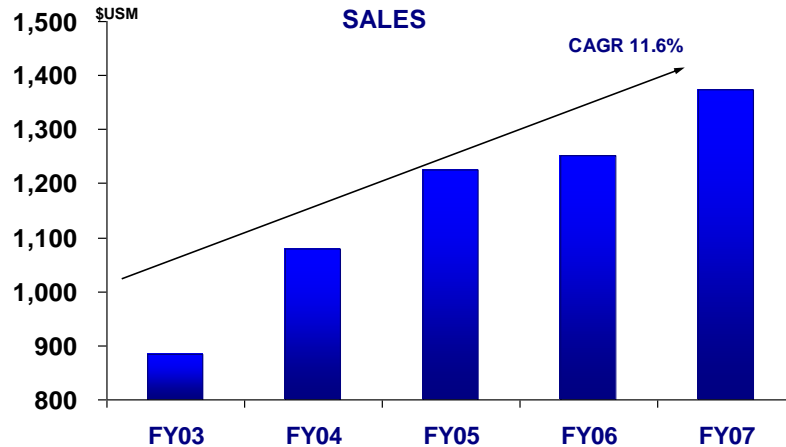
Market Overview

- More than 165 million pallets and containers
- Over 1.2 million pallet and container issues per day
- More than 240,000 customer locations
- 1,500 staff employees and 1,200 in Service Centres
- 170 Service Centre and TPM/TCM locations
- 23 countries



STRONG FOUNDATIONS

Excellent results

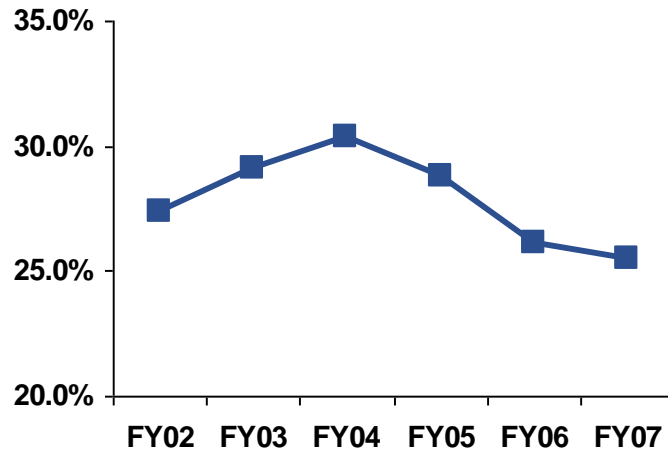


- FY03 and FY04 are reported under UKGAAP. FY05, FY06 and FY07 are reported under AIFRS.
- Cash Flow from Operations for FY03 and FY04 includes exceptional items. Cash Flow from Operations for FY05, FY06 and FY07 is shown before special items.

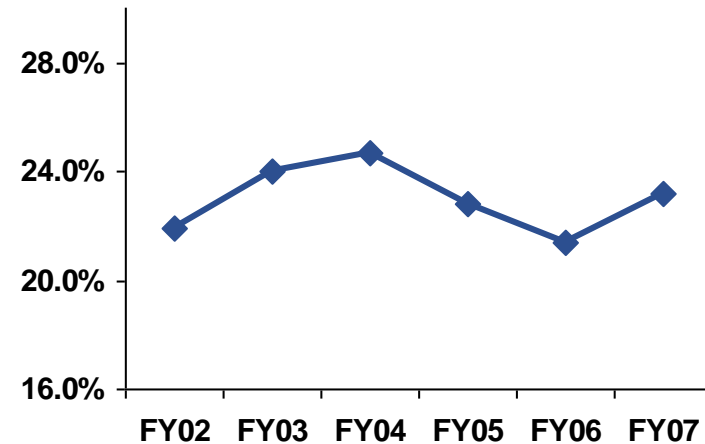
STRONG FOUNDATIONS

Performance Key Metrics

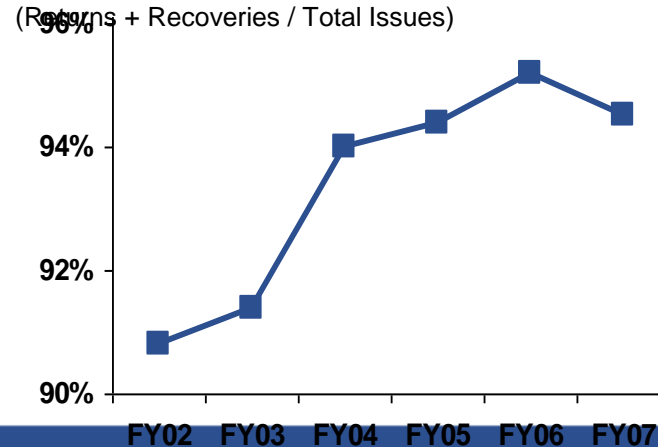
Plant cost ratio
(Plant costs / Sales)



Gross transportation cost ratio
(Transportation costs / Sales)



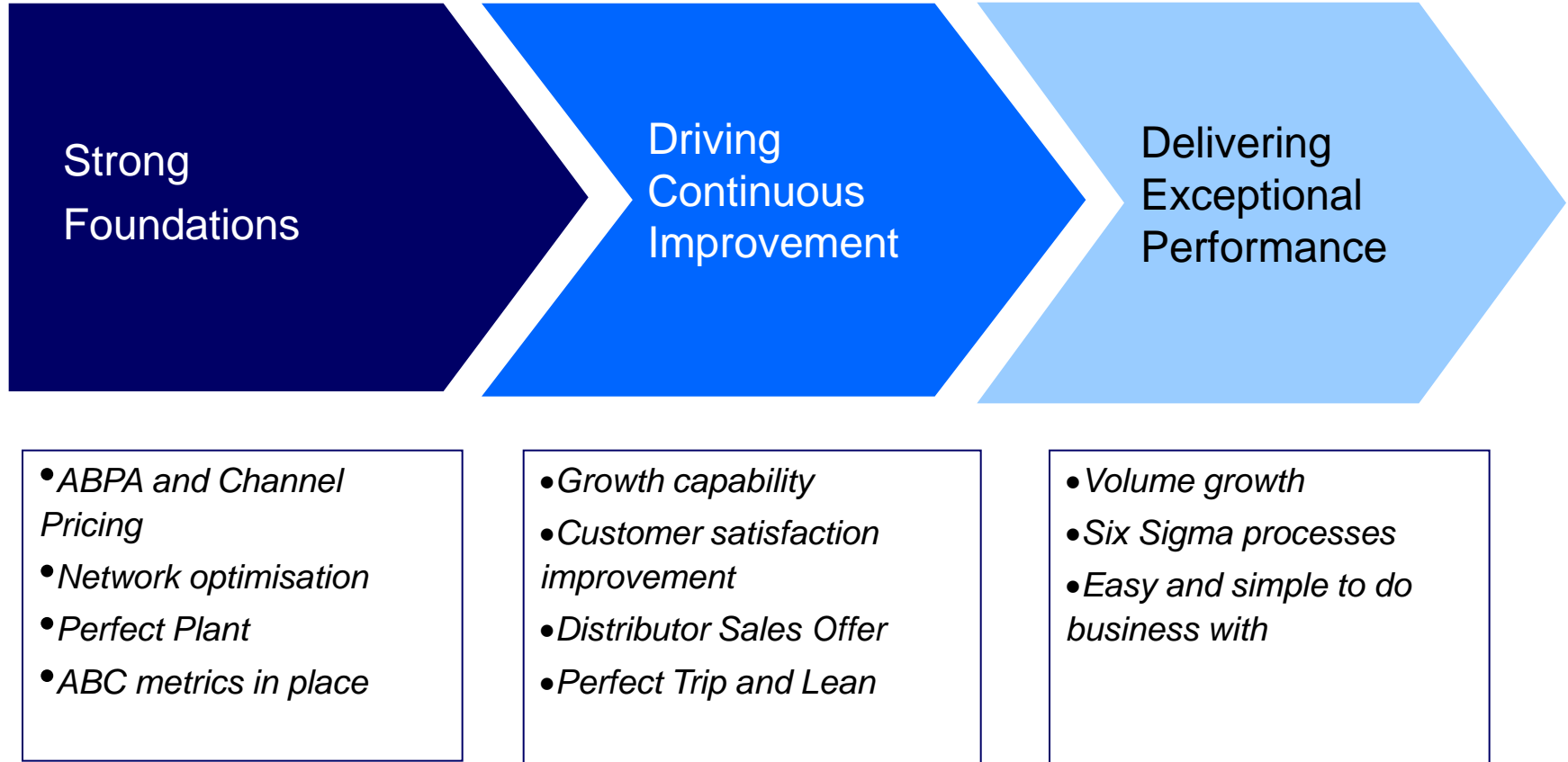
Control ratio
(Returns + Recoveries / Total Issues)



Major pallet sizes (B1210A and B1208A only)

OPERATIONAL EXCELLENCE

The key to delivering exceptional performance



OPERATIONAL EXCELLENCE

Enabling Margin Expansion

- Network Optimisation
- TEM

NETWORK
OPTIMISATION

COST
EFFICIENCIES

- Perfect Plant
- Lean and Perfect Trip

OPERATIONAL
EXCELLENCE

- Leadership
- Talent Management

PEOPLE

ASSET
CONTROL

- D Responsibility
- CAT roll-out
- Pallet recycler program

OPERATIONAL EXCELLENCE

Network Optimisation

- Extensive service network, a key competitive advantage
 - 142 service centres
 - Plant Network Optimisation driving down overall costs
 - Network decisions using advanced optimisation tools
 - Scenario modelling for new growth
 - Transport loads also optimised
 - On-site management
 - TPM (Pallets) and TCM (Containers)
 - Drive costs out of supply chain
 - Excellent customer response
 - 28 established, 86 other opportunities under investigation
- (UK, Spain, France, Germany, Italy)



OPERATIONAL EXCELLENCE

Cost Efficiencies - Perfect Plants

- 13 Perfect Plants operating across Europe
 - 4 Perfect Plants to be commissioned in coming months
 - New technology: FMS (Factory Management System) and ADI (Automated Digital Inspection)
 - Ongoing cost reduction: Perfect Trip and Lean sharing Global Best Practices
 - Development of Generation II Plants is underway
- Ongoing program of restructuring CHEP managed plants
 - Outsourced activity up from 50% to 80%
 - Decreasing the fixed cost base and increasing flexibility
 - Increasing responsiveness to customer needs



OPERATIONAL EXCELLENCE

Asset Control

- Control Ratio in FY07 impacted by resumption of growth
- Improved critical collection processes, with Stray Recovery collection engine in place across Europe
- Progress in Major D converting to Responsibility Transfer (RT)
 - 23M flows converted, with 8M with LOI
- New e-tool Portfolio CAT (Customer Agreed Transactions) being rolled-out to enable RT
- New Activity Base Pricing (ABPA) is changing customer behaviour
- Emitter customer programmes improving control like Perfect Declaration
- Pallet dealer agreements being rolled out
- Continue to win all legal cases over pallet ownership
- Increased audit coverage to identify misuse

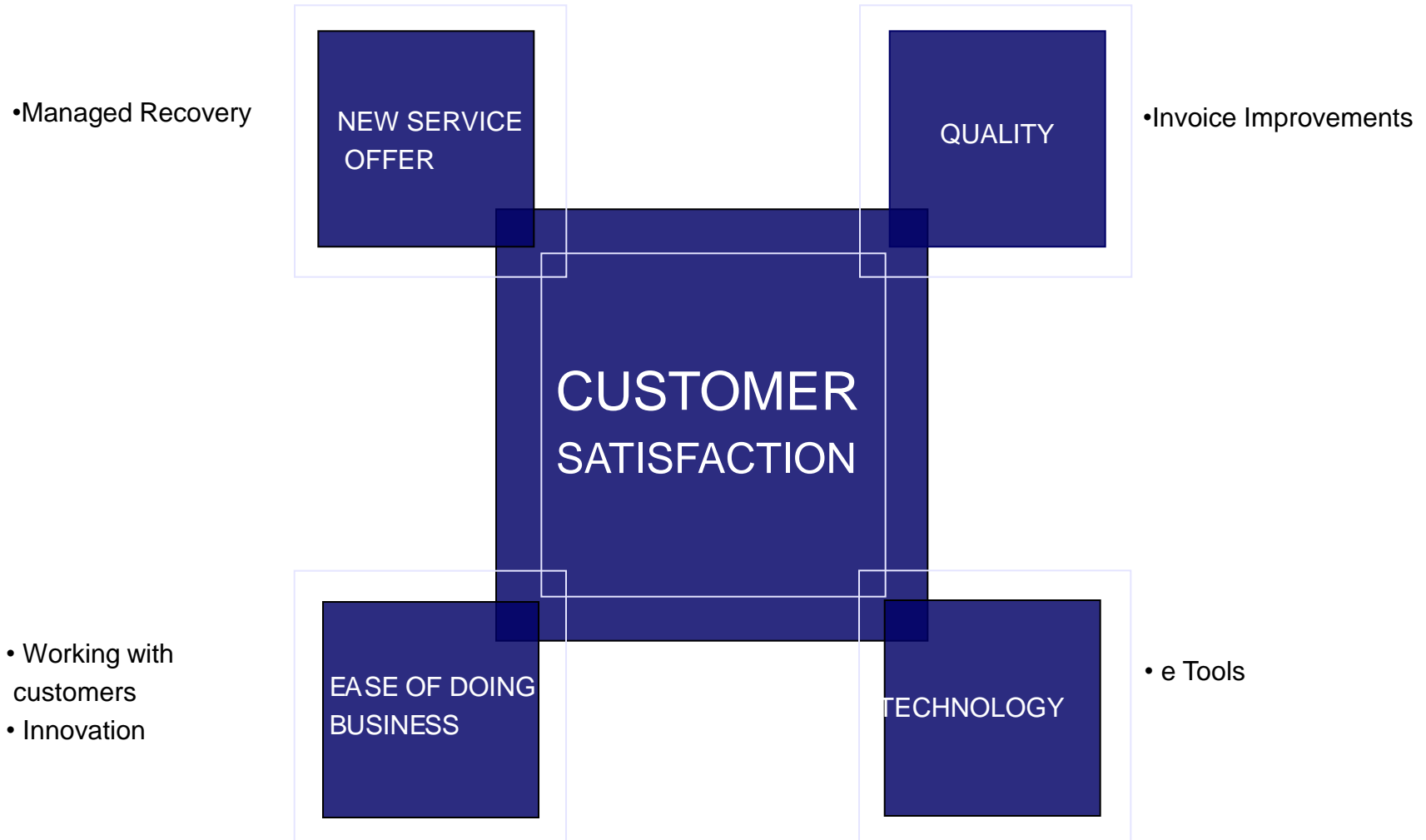
Asset Control strengthening across Europe

OPERATIONAL EXCELLENCE

Leadership and Talent Development

- Experienced executive team
 - Average length of service of 6 years at CHEP
- Team drawn from major blue chip organisations
 - GE, Masterfoods, ICI, P&G, Reckitt Benckiser
- Top talent management programs (INSEAD, London Business School)
 - 65% of our most critical positions are filled internally
- A global talent management processes identifies succession plans for key positions
- A range of development programs are provided to ensure continuous development & performance improvement
- Career Development planning & reward packages have ensured attrition levels are very low

CUSTOMER SATISFACTION



CUSTOMER SATISFACTION

- Positive progress in Customer Satisfaction in FY07
- Customer Satisfaction continues to improve across Europe (including UK)
- Key improvement areas:
 - Invoice and tracking stock balance
 - CHEP contact and responsiveness
 - Introduction of Managed Recovery in UK
- Overall satisfaction with service delivery and pallet quality

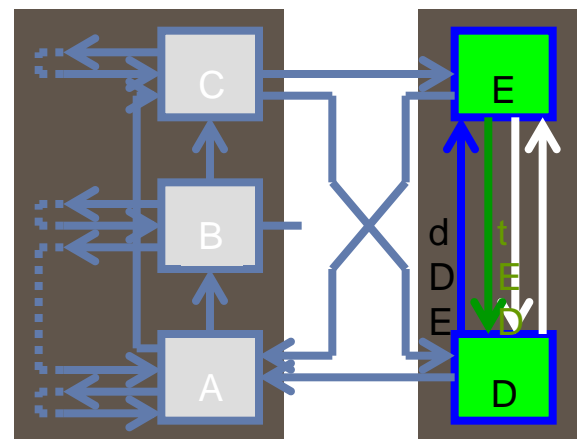


CUSTOMER SATISFACTION

Introduction of UK New Service Offer

Managed Recovery

- New service to meet changing customer needs in the UK
- All top 9 UK Ds have agreed to the service
- Provides choice and flexibility in service offering
- Supports lower supply chain cost
- Roll out complex due to mix of Es and Ds



Successful launch with considerable customer support

CUSTOMER SATISFACTION

Invoice improvements – Impact Team Project

Major improvement delivered in FY07

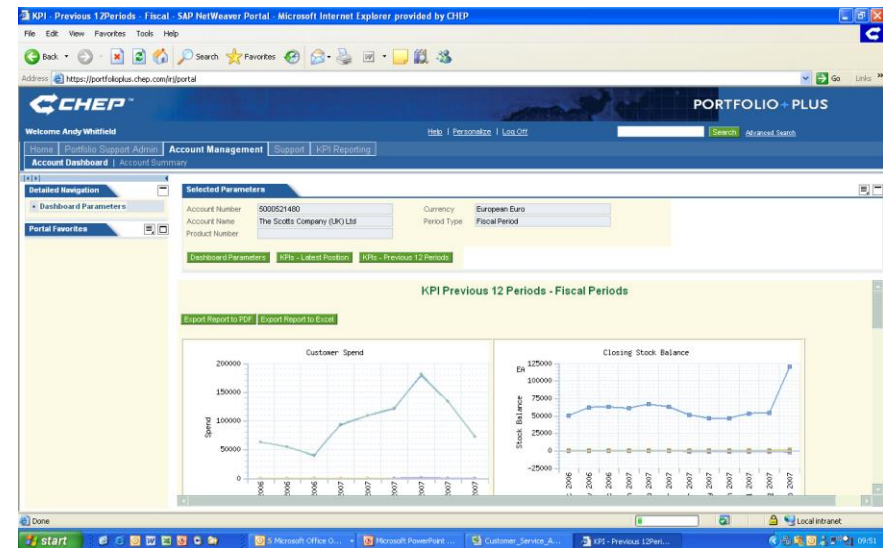
- 36 Perfect Trip projects delivering a 50% reduction in invoice disputes
- Sharing Global Best Practices
- All legacy and manual declaration systems have been eliminated and converted to standard EDI
- Transaction issues resolved
- 65% of customers now receive an electronic invoice

Impact Team: dedicated focus and Six Sigma rigour

CUSTOMER SATISFACTION

Electronic Tools – Portfolio Plus

- Automation of manual effort
 - Customer productivity
 - Reduce errors/disputes
- Dashboard of key KPI trends
 - Early warning of issues
 - Benchmarking opportunity
- Account Management tools
 - Improved reporting



Tools developed to simplify the management of pallets

CUSTOMER SATISFACTION

Working with Customers

- Engaged with key FMCG working groups
 - Efficient Consumer Response
 - AIM (International Brand Manufacturers Association)
 - Local country user groups
- Many joint successes
 - Managed Recovery UK
 - Transaction Accuracy projects
 - NCD Conversion project
- Increasing the number of valued added initiatives
 - Portal development
 - Simplified Invoice maintaining ABPA principles
 - e-reconciliation tool

ACCELERATING GROWTH

Developing Growth Capability

- Sales organisation restructured in September 06, separating:
 - Growth of New Business
 - Lane Expansion of Existing Customers
- Strengthened
 - Distributor Sales team
 - Marketing Communications team
- Created
 - The Supply Chain Value Analysis Team

Focused teams are delivering results

- Country market managers
- TPM/TCM teams

Focus on Profitable Customers/Segments

- Eliminated unprofitable pallet issues
 - ABPA introduced after extensive customer profitability analysis
 - Over 90% of pallet contracts include annual indexing
- Resumption of volume growth
 - From flat volume in FY06 to 3% volume growth in FY07
- Pallet Business signed in FY07:
 - 1,462 contracts
 - 50/50 share from New Business and Lane Expansion
- Improving the Sales Process
 - Cycle time to win new contracts improved from 152 days to 108 days in the last 12 months
 - Use of Best Practice Sales process (Miller Heiman)
 - New screening and contact techniques delivering results

ACCELERATING GROWTH

Key Market trends

<i>Market Trend</i>	<i>Issues</i>
Costs	<ul style="list-style-type: none">• <i>Timber costs up 45% in the last 2 years driving up cost of white wood exchange significantly</i>• <i>Transport costs up 21% in last 2 years leading to visibility of white wood costs exchange.</i>• <i>Increased practice of unbundling transport costs from white wood pallet exchange costs</i>
Automation	<ul style="list-style-type: none">• <i>Increased used of automated warehouses is increasing demand for higher quality pallet as opposed to pallet exchange</i>
European Union Enlargement	<ul style="list-style-type: none">• <i>Manufacturers moving production east to serve Western Europe markets</i>
Retail Development	<ul style="list-style-type: none">• <i>Fast development of modern retail in Central and Eastern Europe</i>
Environmental Sustainability	<ul style="list-style-type: none">• <i>The Environment is a top agenda item and many customers are keen to demonstrate their environmental credentials</i>

ACCELERATING GROWTH

Significant Pallet Opportunities in Europe

Driving sustainable revenue growth

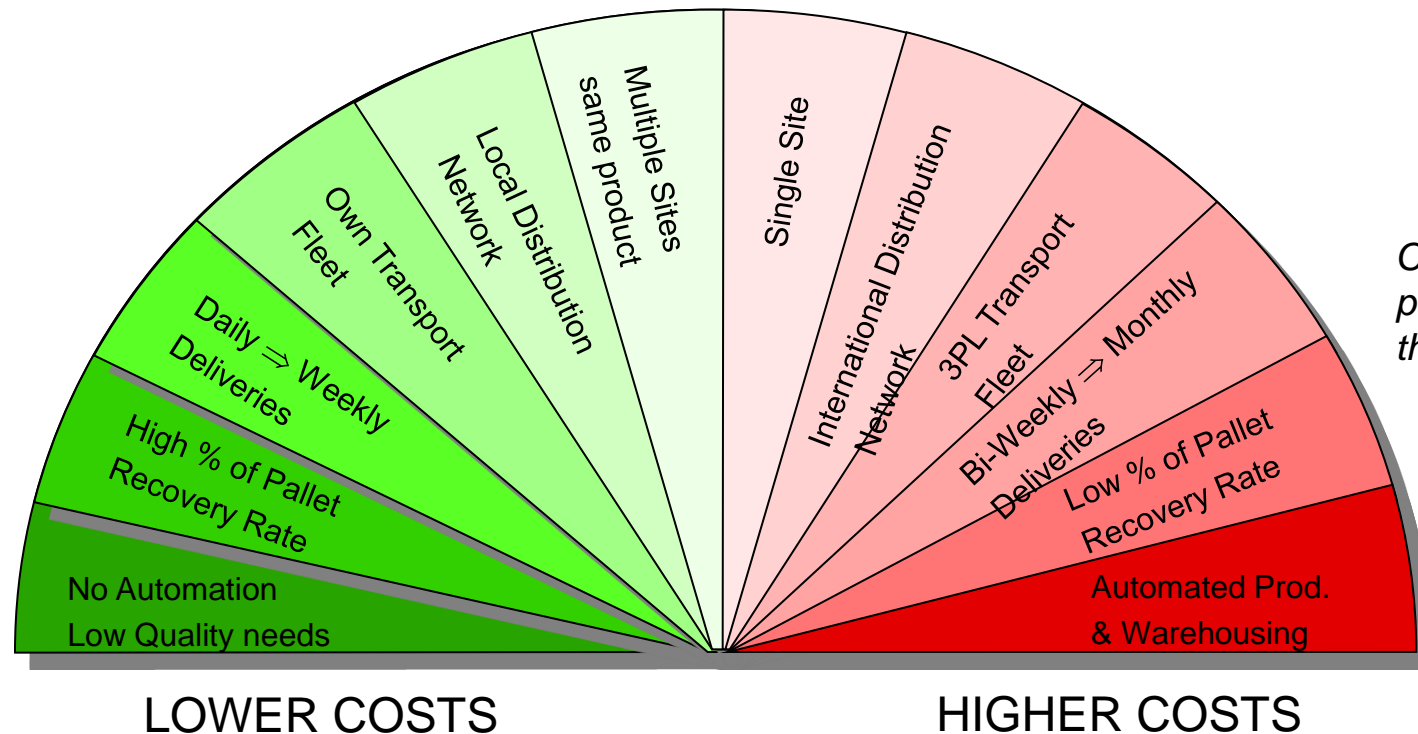
OPPORTUNITY		Currently Addressable Opportunity ^{1,2}	Future Potential Opportunity not Currently Addressable
Organic	Existing Geographies - existing segments/customers	US\$B	US\$B
	Main Pallet types	2.0	9.4
Core Expansion	New Geographies		
	Germany - 1208 pallets	0.5	1.8
	CEE - 1208 pallets	0.5	2.2
SUB-TOTAL - ORGANIC AND CORE EXPANSION		3.0	13.4
Organic 'Plus'	Existing Geographies - new segments		
	Display Pallets	0.4	1.1
	DIY, Electrical, Intercontinental, Other	0.3	1.4
	Converting New Distributors	0.2	-
TOTAL PALLETS		3.9	15.9

1. Total opportunity, including CHEP's current volume.
2. Opportunity excludes countries where CHEP is not yet established (e.g. Russia, Ukraine).

ACCELERATING GROWTH

B1208A White Wood Exchange Conversion

- *Cost of white wood exchange has great variation among users*
- *Targeting white wood exchange users that have higher costs*



CHEP is well placed to manage the complexity

ACCELERATING GROWTH

B1208A White Wood Exchange Conversion

- Continued focus on core FMCG segments in Western Europe
- Opportunity remains large in France, Italy
- Increasing cost of timber is driving up the cost of white wood exchange
- Some transporters across Europe have announced charges to handle white wood exchange
- Target white wood pallet users currently suffering from higher complexity by undertaking supply chain value analysis
- Target specific supply chain groups with product and service innovations like ETPM or DTPM
- The CHEP Environmental Calculator demonstrates the significant environmental advantages to switch from white wood exchange



ACCELERATING GROWTH

Core Expansion – Germany

- Largest opportunity in Europe - estimated US\$0.5B
 - Opportunity is 130M+ pallet issues
 - EPAL white co-operative exchange pool is well established
 - Most costs are hidden and supported by Transporters and LSPs (Logistics Service Providers)
 - Current costs are high but not visible and not equally distributed
 - White wood pallet imports (eg Eastern Europe) subsidise the white wood pool
 - CHEP has only 8% penetration in B1208A

ACCELERATING GROWTH

Core Expansion – Germany

- Where are the opportunities?
 - Rise of timber costs has raised awareness of pallet costs
 - Transporters and LSPs carry most of the costs and are now discussing extra charges for pallet management
 - Exchange unfavourably impacted by increase of Emitters with:
 - *Highly automated warehouses*
 - *Pan European supply chain flows*
 - Hidden costs surfaced through
 - *Value analysis of supply chain for Es and Ds*
 - CHEP has a successful display pallet business and well established customer relations with white wood 1208 users

ACCELERATING GROWTH

Core Expansion – Central and Eastern Europe

- Significant Opportunity in Central and Eastern Europe
 - Estimated at 130M issues and US\$0.5B
 - Poland (largest market), Hungary, Czech Republic, Slovakia, Slovenia, Switzerland, Austria
 - CHEP has only 3% penetration
 - Modern manufacturing and retail are quickly developing
 - Some markets have high percentage of modern trade
- White wood pallet exchange is the alternative
 - White wood pallets are generally of low quality
 - Unauthorised use of EPAL certification
 - “Losers” subsidising system
- Poland is the largest opportunity
 - Emitters looking to resolve the current problems with exchange



ACCELERATING GROWTH

Organic “Plus”- Display Pallets

- Display pallets are used for in-store promotions and high rotation goods
- 9% revenue growth p.a.
- Initially launched in Germany
- Rolled out successfully to Spain, Portugal, France and Italy
- Revenue US\$135M in FY07
- Total Opportunity currently US\$0.4B but expected to grow



ACCELERATING GROWTH

Organic – Reusable Plastic Containers

Strong value proposition v cardboard

- Clear trend to move from one way packaging to plastic reusable containers
- Objective to be lowest cost operator
- Implemented offer to drive asset utilisation
- Leverage pan-European network advantage
- New service innovation
 - TCM
 - RFID
- Product Innovation
 - Bulk Display Units
 - Meat sector
- Total Opportunity worth over US\$2B

Benefits of CHEP RPC
Pan Europe network
Washing standards
Range optimal pack-out
Reduced damage design
Footprint transport efficiency
Unit load stability
RDC picking effectiveness
One-touch store process
Disposal costs minimised
Account Management
Security of supply



ACCELERATING GROWTH

Organic - Automotive

- Major customers - GM, Ford, Nissan, Suzuki
- Key contracts extended in FY07 until FY10 and FY11
- Lane expansion driving current growth
- Intercontinental activity increasing
- Main alternative is in-house solutions
- Major growth opportunities are OEM and Tier 1 suppliers estimated at US\$3.2B



SUMMARY

CHEP Europe

ENHANCED
SERVICE
OFFERING

DELIVER
OPERATIONAL
EXCELLENCE

MAKE CHEP EASIER TO
DO BUSINESS WITH

FOCUS ON ACCELERATING PROFITABLE GROWTH

DELIVERS SUPERIOR RETURNS

SUMMARY

- Strong foundations established
- Build advantage in cost base and service delivery
 - Leverage Perfect Trip and Global Technology
- Customer satisfaction improving
- New initiatives underway make CHEP easier to do business with
- Focus on profitable volume growth
 - Expansion with existing customers
 - New business primarily targeting white wood exchange pallet conversion
- Sizeable opportunities for growth

Q & A



Brambles

SUMMARY

CHEP is committed to operational excellence.

Our culture of continuous improvement will provide ongoing productivity gains.

CHEP's primary focus is shifting to profitable growth:

- Continued growth in FMCG and new segments in the USA
- Organic Growth in Latin America
- Geographic Growth in Europe
 - Germany
 - Central and Eastern Europe
- FMCG and Automotive Containers in China

Q & A



Brambles

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▶ 2007 Operations Review

Elton Potts

President and Chief Operating Officer

24 October 2007

AGENDA

- Strong Foundations
- Business Strategy
- Accelerating Growth
- Q&A

STRONG FOUNDATIONS

- Global Footprint

- 5 continents

- 22 countries

- ~300 dedicated facilities

- ~4,500 employees

- ~80,000 customers

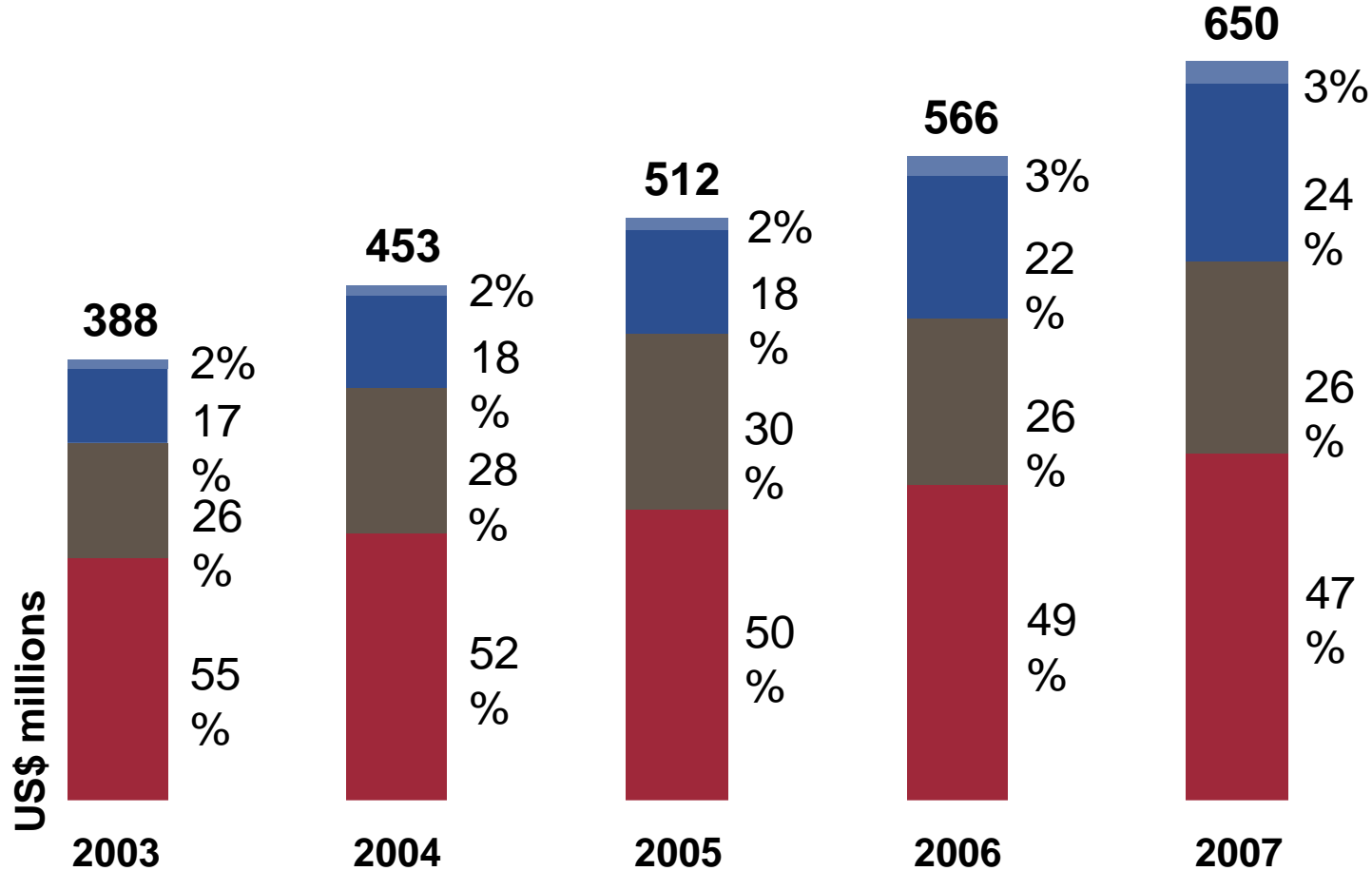
- Service Lines

- Document Management Solutions

- Secure Destruction Services

STRONG FOUNDATIONS

Growing Sales (by region)



Americas Europe Australia/NZ Rest of World

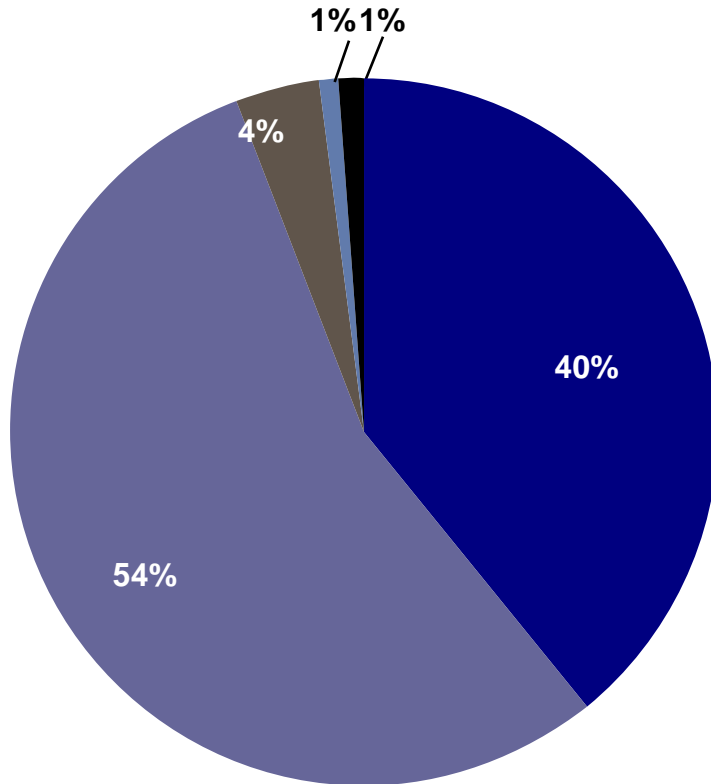
FY03 and FY04 are reported under UKGAAP. FY05, FY06 and FY07

under AIFRS

STRONG FOUNDATIONS

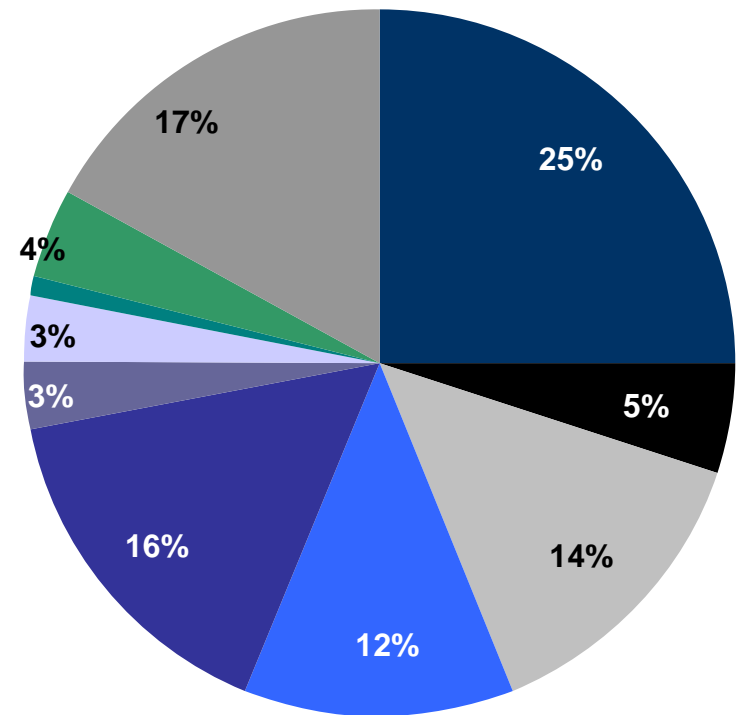
Globally

Vended Position by Region



■ Leader
■ #2
■ #3
■ #4
■ #5

Breakdown of Sales by Customer



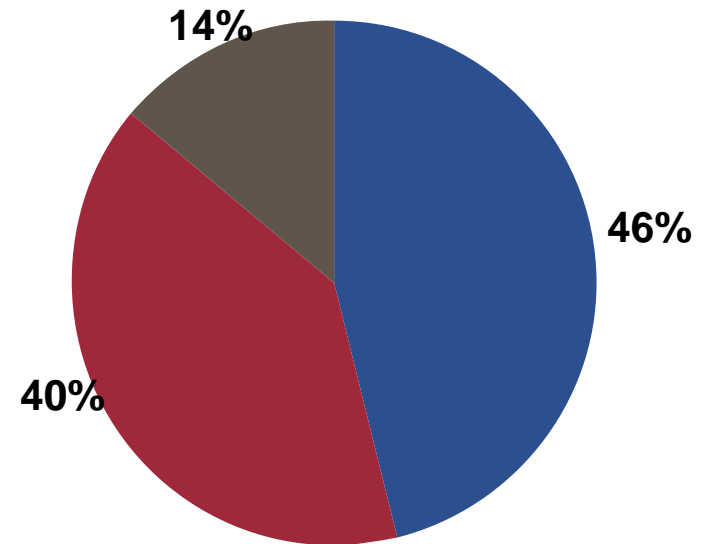
■ Banking & Finance
■ Insurance
■ Government
■ Medical
■ Professional Services & Legal
■ Retail
■ Utilities
■ Media
■ Manufacturing
■ Others

STRONG FOUNDATIONS

North America

- Regional Footprint
 - 3 Countries
 - ~144 Dedicated Facilities
 - ~2,300 Employees
 - ~19,000 Customers

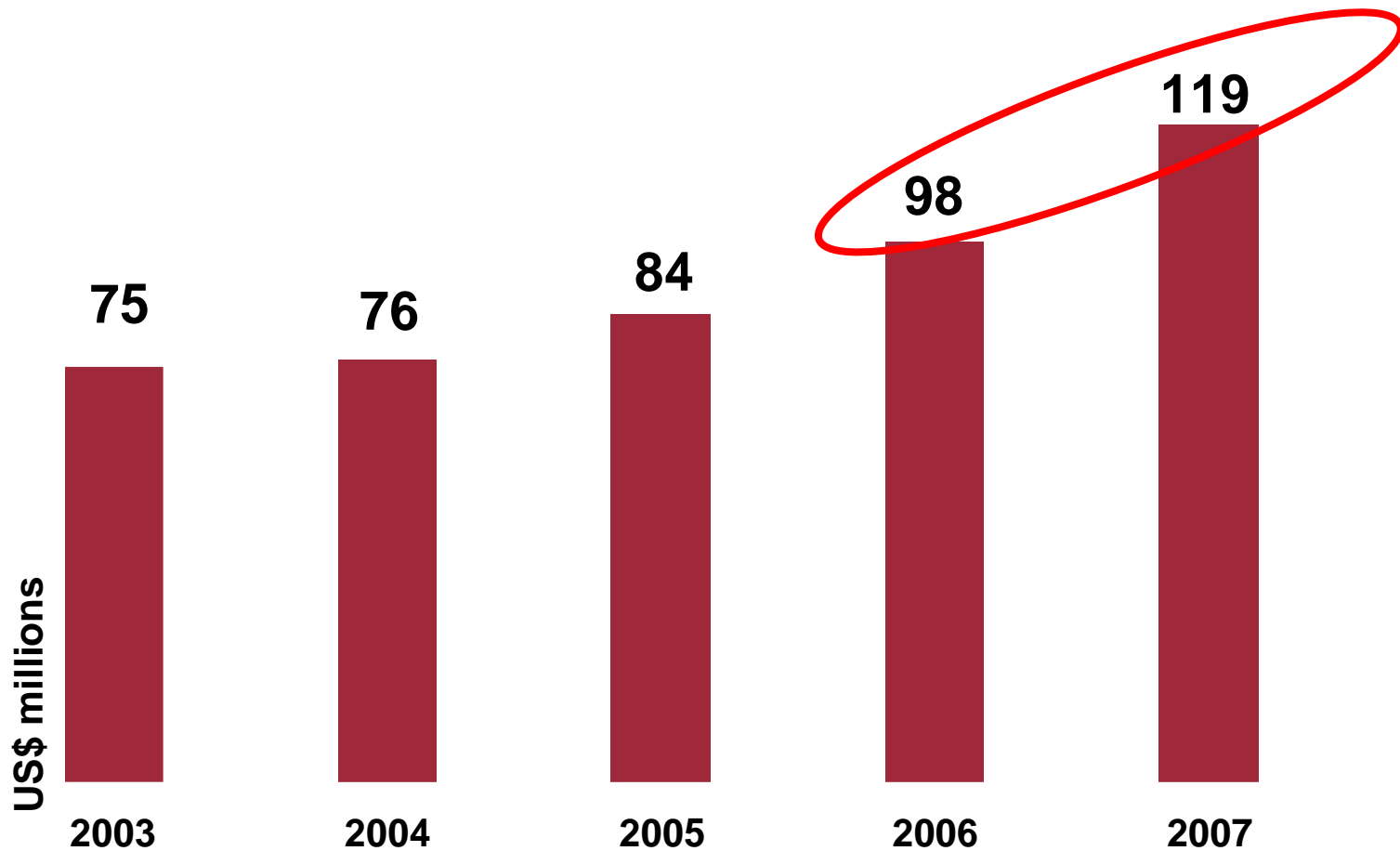
Service Lines - Sales



- Document Management Solutions
- Secure Destruction Services
- Data Protection Services

STRONG FOUNDATIONS

Growing Comparable Operating Profit

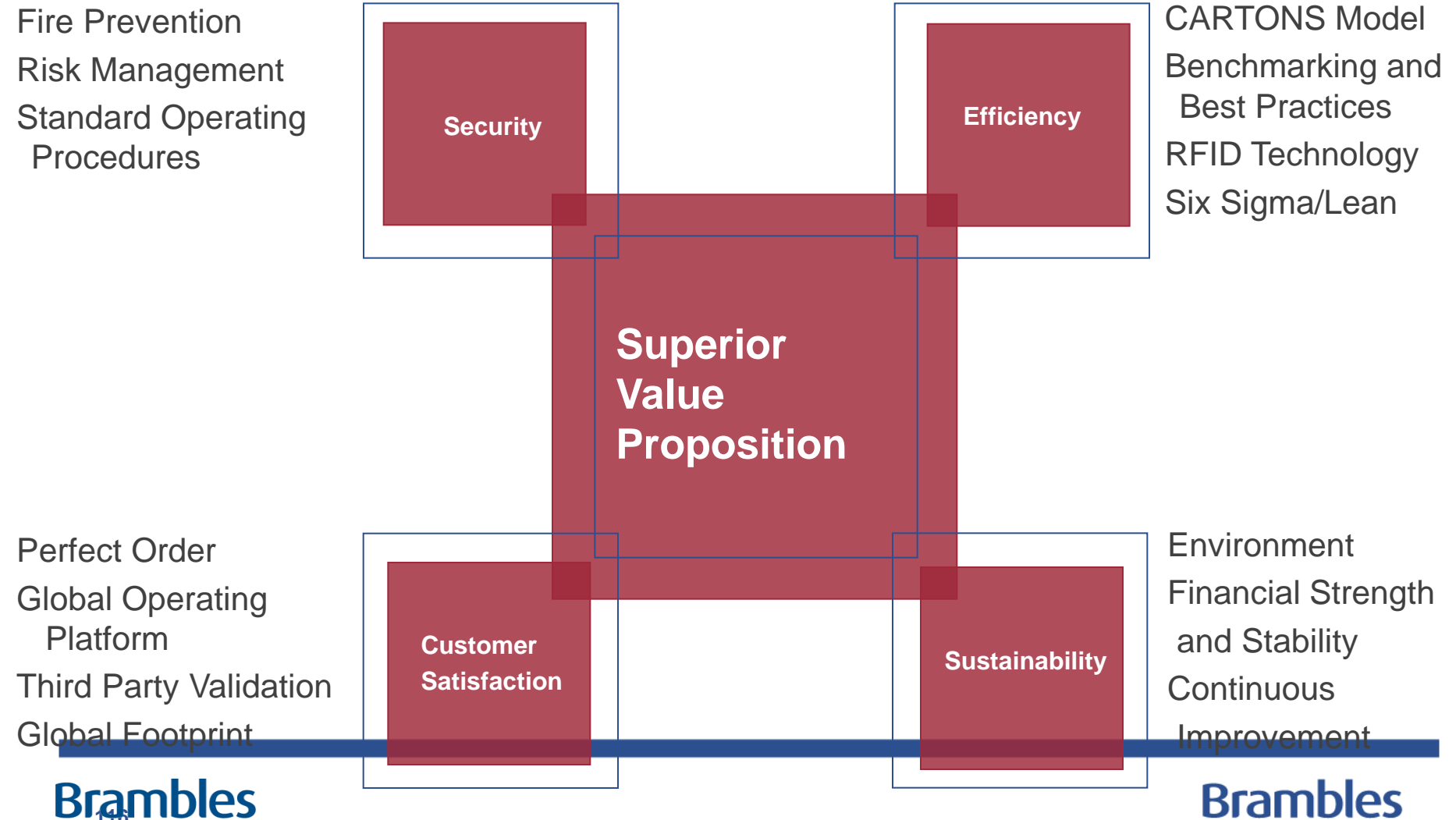


■ Comparable Operating Profit

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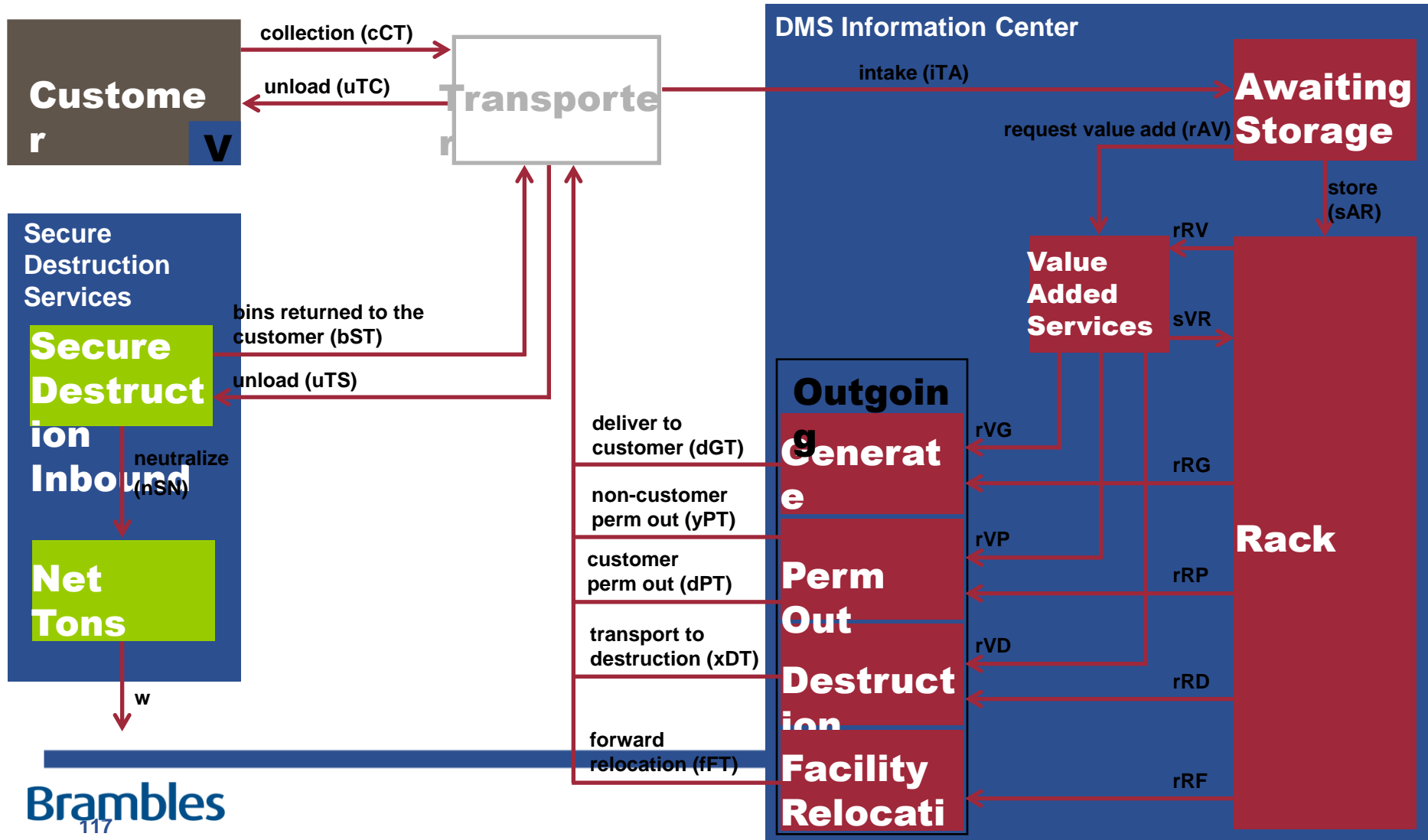
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BUSINESS STRATEGY



EFFICIENCY

CARTONS Model



EFFICIENCY

RFID Technology



- Increased speed, accuracy and efficiency of audits
- Seamless transition from traditional barcoding process
- Increased customer satisfaction
- Rapid implementation
- Product leadership – development, testing, implementation

SUSTAINABILITY

Environment

No effort wasted on Recall's road to sustainability

Document storage company Recall operates from a smart building that helps parched Sydney save water, writes **Alexandra Cain**.

Document management specialist Recall is a great example of a company committed to reducing its carbon footprint, while at the same time making sustainability principles work from a business perspective.

Recall, a subsidiary of Brambles, is possibly best known within Australia's corporations for its distinctive blue wastepaper wheelie bins, which grace the corridors of many companies.

For those who may not work in a large office and are not familiar with the bins, the idea is that people place their wastepaper in the bins, which are regularly emptied by Recall.

Paper from these bins is taken to one of Recall's secure facilities for shredding and destroying documents, and the shredded material is pulped to make recycled packaging such as cardboard boxes.

Aside from this service, Recall also archives and manages hard copy and digital information for its customers, which include many of Australia's largest companies.

While most wouldn't give a moment's thought to what happens

The building is 40 big, and notable for the gigantic barende on its side, pinning it as a reference when emitting the heat at Sydney's Kingsford Smith airport.

The building has the capacity to hold a whopping 6.6 million cartons (although Recall expects it to reach capacity in two years and has plans to develop an identical building across the road).

Ben Marshall, national business manager, Recall Australia, says the facility "sets a benchmark" in the way in which environmental principles were considered in its construction.

"There's nothing like this anywhere else in the world," Marshall says.

Remarkably, the facility does not use traditional lighting. Instead, it almost exclusively relies on natural light. The building is clad in translucent sheeting, which allows sunlight to flood into its cavernous interior.

This design feature has greatly reduced the building's energy requirements, and avoids the installation of about 20,000 square metres of fluorescent lighting it



The facility's massive roof surface, of roughly 20,000 square metres, is also used to capture rainwater. Collected rainwater is used on the lawn and gardens that surround the high-security complex.

"We don't use mains water except for drinking," says Marshall. Recall's commitment to the environment is not only seen in its

'There's nothing like this building anywhere else in the world.'

92,963 cubic metres of landfill space, which equates to removing 2764 cars from the road each year.

The company is not just concerned with its own carbon footprint. According to Marshall, Recall takes the approach that it partners with its clients "to help them establish a green footprint".

Marshall says that by using Recall for document management, companies can claim they are disposing of unwanted documents in the most environmentally friendly

Going green pays

■ Recall makes massive energy savings by using natural lighting in its document storage centres.

■ The company's recycling efforts save 93,000 cubic metres of landfill space a year.

■ The document storage company helps clients to establish a green footprint.



Sydney, Aust

"...Recall is a great example of a company committed to reducing its carbon footprint while at the same time, making

Brambles

CUSTOMER SATISFACTION

Perfect Order

On Time & Complete

AT CUSTOMER
LOCATION

CUSTOMER	CUSTOMER CARE REPRESENTATIVE		INFORMATION CENTER SPECIALIST			COURIER		COURIER
<u>Order Placed</u> -via web -via phone/fax -via eMail	<u>Work Order Generated</u> -Account -Contact -Address -Priority of Service -Delivery Deadline	<u>Add Items</u> -To work order, as requested by customer	<u>Work Order Download</u> -To handheld scanner	<u>Requested Items Located</u> -Scanned for verification	<u>Staging</u> -Items secured in Outbound Area -Items scanned	<u>Work Order Transfer</u> -Courier downloads information to handheld scanner	<u>Loading</u> -Items secured on Recall vehicles for delivery	<u>Hand-Off</u> -Items scanned in presence of customer -Delivery voucher printed -Voucher signed by customer

ACCELERATING GROWTH

People

- Leadership Team
 - 73 combined years with Brambles
 - 49 combined years with Recall
- Talent Management and Succession
- Annual Employee Engagement Survey
- Employee Development

ACCELERATING GROWTH

Strategy

- Primary focus on unvended segment
- Organic growth
- Expansion of existing relationships
 - Geographic and service line
- Increase multinational customer base
- Extension of service lines
- Leverage vertical expertise
- Acquisitions, where appropriate

ACCELERATING GROWTH

Customer Relationships

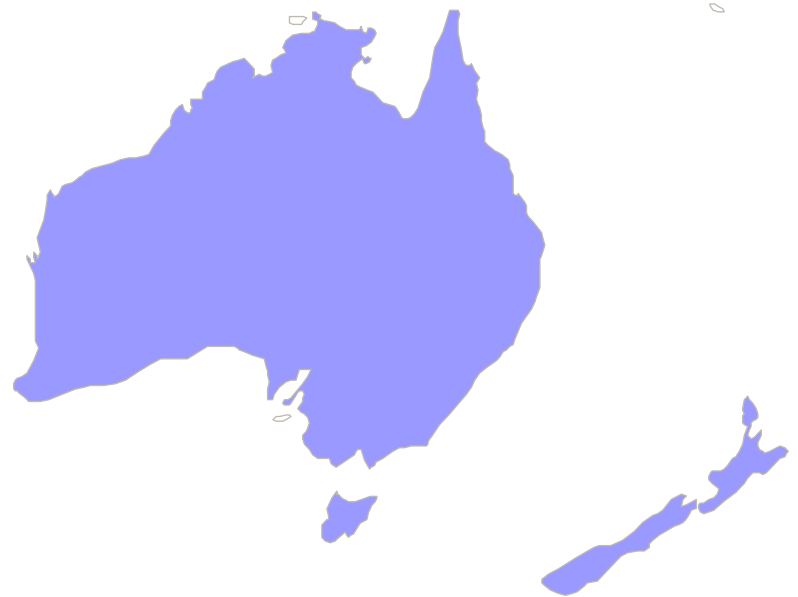
- Customer satisfaction
 - Account Management / Customer Service
- Customer segmentation – North America example
 - » Fortune 500 customers
 - » Medium to large regionally based customers
 - » Small to medium customers

CUSTOMER SEGMENT	SALES CYCLE (months)	AVERAGE MARGIN
Gold	6-9	✓✓
Silver	3-6	✓✓✓
Bronze	<30days	✓✓✓✓

ACCELERATING GROWTH

Australia and New Zealand

- Strong presence with room for growth
- Successful integration of former competitor
- Successful consolidation of four markets
- RFID
- Cross-selling



ACCELERATING GROWTH

Asia

- Fastest and strongest growing region
- Geographic expansion
- Regional expansion of key clients



ACCELERATING GROWTH

Brazil

- Strong presence with room for growth
- Comprehensive market coverage in region's strongest economy
- Geographic expansion in process
- Strong government relationship



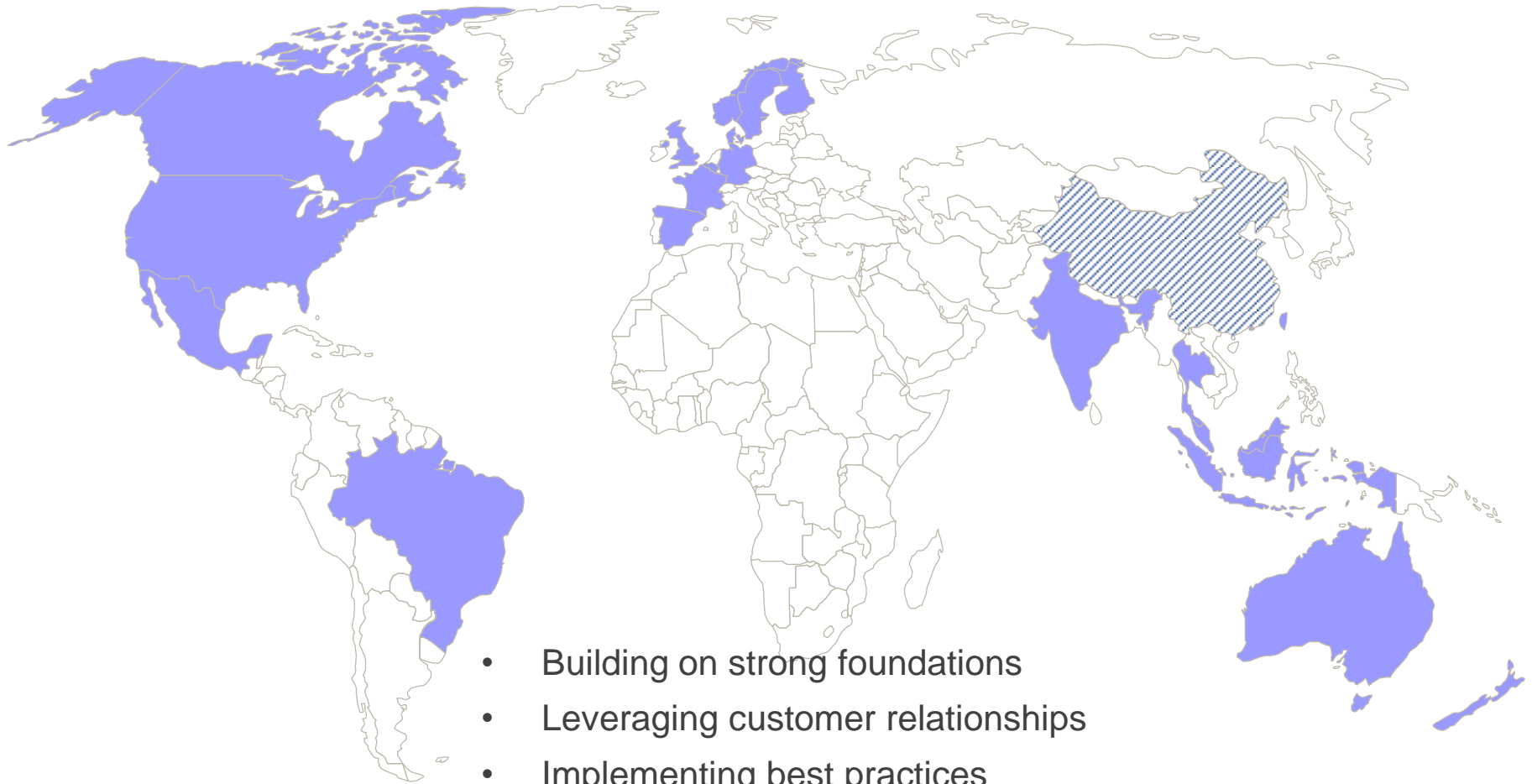
ACCELERATING GROWTH

North America

- Leverage existing customer relationships
- Address unvended market
 - Majority in strongest verticals
 - » Banking and Finance
 - » Insurance
 - » Healthcare
 - » Legal
 - » Government



DELIVERING OUR POTENTIAL



- Building on strong foundations
- Leveraging customer relationships
- Implementing best practices
- Focus on profitability and growth

Q & A

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