

15 November 2010

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

Via electronic lodgement

Dear Sir

**BRAMBLES TO STRENGTHEN POSITION AS A GLOBAL LEADER IN POOLING
SOLUTIONS THROUGH €23 MILLION ACQUISITION OF IFCO SYSTEMS**

Attached is an announcement regarding the above.

Yours faithfully
Brambles Limited

Robert Gerrard
Company Secretary

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Brambles to strengthen position as a global leader in pooling solutions through €923 million acquisition of IFCO Systems

Brambles Limited is pleased to announce its proposed acquisition of IFCO Systems NV for an enterprise value of €923 million¹ (US\$1,255 million). IFCO is a leading provider of pooled reusable plastic containers (RPCs) to the food supply chain worldwide and of pallet services in the USA.

Highlights of the proposed transaction include:

- Agreement to acquire 95.9% of IFCO, followed by a minority buy-out process
- Earnings per share accretive from the point of ownership²
- Acquisition enterprise value of 7.2 times Brambles' pro forma EBITDA forecast for IFCO for the year ending 30 June 2011²
- Transaction funded with approximately 50% equity and 50% debt
- IFCO senior executive management contracted until June 2014
- Subject to regulatory approvals

Brambles CEO Tom Gorman said: "The purchase of IFCO represents a unique opportunity for Brambles to enhance its position as a leading pooling solutions provider and acquire operations with a strong growth profile.

"IFCO is a natural fit with Brambles' existing RPC and pallet businesses and will allow us to continue to deliver on our strategy of diversifying our revenue base by product platform, geography and customer type.

"Brambles will combine IFCO's and CHEP's RPC businesses over time, creating a global RPC business with a broad base in Europe from which to pursue growth and a strong position in the fast-growing RPC sector in the Americas.

"IFCO's operations servicing the non-pooled 'white wood' pallet sector in the USA will complement CHEP's existing pallet pooling operations, allowing Brambles to broaden its customer service offering, target the small-to-medium sized enterprise sector more effectively and improve asset control."

Completion of the transaction is subject to merger control clearance in the USA and certain European countries in addition to customary conditions precedent. Brambles anticipates clearance occurring within nine months.

Given these timing considerations, Brambles is not currently forecasting any contribution from IFCO to its sales revenue or statutory operating profit³ for the financial year ending 30 June 2011. On a pro forma basis, Brambles estimates the acquisition would be approximately 5% earnings per share accretive² for the financial year ending 30 June 2011.

Transaction considerations

Brambles has entered into binding agreements to acquire 95.9% of IFCO for €13.50 a share, comprising 93.4% from Apax Partners and 2.5% from other parties. This price translates to an equity value for IFCO of €696 million and an enterprise value of €923 million, including net debt of €227 million. Brambles will retain all IFCO cash flows generated from 1 July 2010. The final purchase price per share will increase by 12% per annum from 1 November 2010 until transaction completion.

[Continued on next page...]

¹ Brambles will retain all IFCO cash flows generated from 1 July 2010. The final purchase price per share will increase by 12% per annum from 1 November 2010 until transaction completion.

² Refer Appendix ii.

³ Guidance excludes estimated transaction expenses, treated as Significant items, from the proposed acquisition.

Brambles will announce today its intention to make a public tender offer for IFCO's shares at €13.50⁴ a share, consistent with requirements on the Frankfurt Stock Exchange, on which IFCO's shares are listed. The public tender offer is pursuant to a separate offer document, details of which will be available on Brambles' website, www.brambles.com. Brambles will publish documents relating to this offer within approximately four to six weeks.

Following the acquisition of shares under the binding agreements and the public tender offer, Brambles intends to engage in a minority buy-out process for all remaining shares. In the Netherlands, where IFCO is incorporated, a 95% stakeholder may request to complete a minority buy-out.

Funding

Brambles will fund the equity component of the acquisition using an underwritten share purchase plan for A\$110 million, details of which are listed in Appendix iii, and the underwritten dividends from its next three dividend reinvestment plans, commencing with the 2011 interim dividend. Brambles will fund the debt component of the acquisition using existing undrawn credit facilities.

Brambles does not expect any change to its credit ratings of BBB+ and Baa1 from Standard & Poor's and Moody's Investors Service respectively.

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Brambles (ASX: BXB) is a provider of supply chain and information management solutions through its two primary businesses, CHEP and Recall. Brambles employs more than 12,000 people in 47 countries. For further information on Brambles and all announcements, presentations and webcasts, please visit www.brambles.com.

⁴ The final purchase price per share will increase by 12% per annum from 1 November 2010 until transaction completion.

Appendix i – IFCO key facts

- Employs approximately 4,000 people in 23 countries
- More than 210 operational locations worldwide
- Wholly-owned operations across Europe and the USA and in South America
- Head office in Amsterdam. Operations headquartered in Pullach, Germany; Houston, Texas; and Tampa, Florida
- Dutch company, publicly-listed in Germany
- Island International Investment Limited Partnership, controlled by private-equity group Apax Partners, owns approximately 93.4%
- Pool of 112 million reusable plastic containers globally, used for the transportation, protection and display of fresh produce as it moves through the supply chain from producers to grocery retailers
- National network in the USA of pallet management service centres, which collect, sort, repair and reissue approximately 200 million pallets a year
- Sales revenue and EBITDA of US\$736 million and US\$129 million respectively in the 12 months ending 31 December 2009

Appendix ii – Pro forma assumptions

- Earnings
 - Brambles: midpoint of statutory operating profit guidance before finance costs and tax of US\$740 million to US\$780 million (at 30 June 2010 foreign exchange rates)
 - IFCO: Brambles' forecast for IFCO's pro forma EBITDA and EBIT for year ending 30 June 2011 of US\$170 million and US\$115 million respectively (EUR:USD 1.3282)
 - Adjustments for combined business: pro forma analysis excludes estimated transaction expenses, impact of any synergies and amortisation of identifiable intangibles
- EPS accretion for pro forma financial year ending 30 June 2011
 - Ownership of IFCO for the full financial year
 - Final 50:50 equity and debt funding in place at 1 July 2010
 - Acquisition enterprise value of €923 million
 - Blended interest rate on acquisition funding of 5.0%
 - Average tax rate on IFCO earnings of 34%

Appendix iii – Share purchase plan details

- The share purchase plan (SPP) will provide existing eligible shareholders on Brambles' register at 7pm on 12 November 2010 with the opportunity to apply for up to A\$15,000 of Brambles' ordinary shares (subject to any scale-back), without incurring brokerage or other transaction costs.
- Brambles will calculate the issue price of shares under the SPP by applying a 2.5% discount to the average of the daily volume-weighted average prices of Brambles' shares over a 10-day trading period to occur following the close of the SPP offer period.
- Brambles will provide further details regarding the SPP, including terms and conditions and key dates, in due course.
- Brambles has entered into underwriting agreements in respect of both the SPP and its dividend reinvestment plan for the next three dividends.

Forward-looking statements

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on Brambles' current expectations, estimates and projections about the industry in which Brambles operates, and beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Brambles, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Brambles cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Brambles only as of the date of this release. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Brambles will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

Important information

This release is neither an offer to purchase nor a solicitation of an offer to sell shares. The final terms and conditions of the offer will be published in the offer document after approval by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) to publish the document has been obtained. To the extent legally permissible, Brambles Investment Limited reserves the right to change the terms and conditions of the offer. Shareholders of IFCO Systems N.V. are strongly advised to read the offer document, as well as all other relevant documents regarding the offer at their earliest convenience after they are published, as these will contain important information.

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