Company Registration Number 4578621

BRAMBLES FINANCE PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

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BRAMBLES FINANCE PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2013

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DIRECTORS' REPORT
For the year ended 30 June 2013

The directors submit their report and the audited financial statements of Brambles Finance plc ("**the Company**") for the year ended 30 June 2013

Principal activities and review of the business

The principal activity of the Company is to provide finance to the Brambles Group

Throughout the year the Company has continued to borrow externally and make loans to businesses within the Brambles Group The Company is expected to continue this activity for the foreseeable future

The Company is a wholly owned subsidiary of the Brambles Group The Brambles Group is a global group comprising Brambles Limited, a company incorporated in Australia and listed on the Australian Securities Exchange, and all its subsidiary undertakings

Key performance indicators

The Company is a group treasury company and does not trade The directors consider key performance indicators for the Company to be neither relevant nor appropriate for an understanding of the development, performance or position of the business of the Company, or Brambles

Results and dividends

The results for the year are set out in the profit and loss account on page 5

The Company did not pay an interim dividend during the year (2012 nil) The directors do not recommend the payment of a final dividend (2012 nil)

Financial position

The net assets of the Company have increased by €20,166,034 from €19,839,386 at 30 June 2012 to €40,005,420 at 30 June 2013

The directors consider the Company is in a strong and stable financial position to continue its current operations

Financial risk management

The Company is exposed to a variety of financial and market based risks, including exposure to fluctuating interest and exchange rates Standard financial derivatives are used to manage financial exposures in the normal course of business in accordance with Brambles Group policies Dealings in financial derivatives are restricted by Group approved delegated authorities No derivatives are used for speculative purposes Derivatives are transacted predominantly with relationship banks, with individual credit limits assigned to those banks thereby limiting exposure to credit-related losses in the event of non-performance by a counterparty

Funding and liquidity

The Company's role within the Group is to provide funds for operations, primarily from external borrowings, principally from bank credit facilities The credit facilities are generally structured on a committed multi-currency revolving basis with maturities ranging out to December 2016 Borrowings under the facilities are floating rate, unsecured obligations with covenants and undertakings typical for these types of arrangements To minimise foreign exchange risks borrowings are arranged in the currency of the relevant operating asset to be funded

Interest rate risk

The Group's interest rate risk policy is designed to reduce volatility in funding costs through prudent selection of hedging instruments This policy comprises maintaining a mix of fixed and floating rate instruments within a target band over a certain time horizon

DIRECTORS' REPORT (continued)
For the year ended 30 June 2013

Foreign exchange risk
The Group's foreign exchange exposures are managed from the perspective of protecting shareholder value Under the Group foreign exchange policy, foreign exchange hedging is mainly confined to hedging transaction exposures where they exceed a certain threshold, and as soon as a defined exposure arises New exposures may arise with external parties or by way of cross-border inter-company transactions Forward foreign exchange contracts are primarily used for these purposes

Principal risks and uncertainties

The principal risks and uncertainties facing the Company and the Brambles Group are described in the Brambles Limited Annual Report 2013 page 9

Policy regarding payment of trade creditors

The Company adheres to the Brambles Group policy to abide by terms of payment agreed with suppliers In many cases, the terms of payment are as stated in the suppliers' own literature In other cases, the terms of payment are determined by specific written or oral agreement Brambles does not follow any published code or standard on payment practice

Directors

The directors of the Company who were in office during the year and up to the date of the signing of the financial statements were

P Bruford
P Huart
R A Warren

Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be proposed at the Annual General Meeting

Approved by the Board of directors
Signed on behalf of the Board

R A Warren
Director

10 December 2013

Unit 2 Weybridge Business Park
Addlestone Road
Addlestone, Surrey
KT15 2UP

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure of information to auditors
So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Approved by the Board of directors
Signed on behalf of the Board

R A Warren
Director

10 December 2013

Unit 2 Weybridge Business Park
Addlestone Road
Addlestone, Surrey
KT15 2UP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAMBLES FINANCE PLC

We have audited the financial statements of Brambles Finance plc for the year ended 30 June 2013 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

K Turner (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
10th December 2013

PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2013

	Note	2013 €	2012 €
Administrative expenses		**(155,403)**	(171,127)
OPERATING LOSS	2	**(155,403)**	(171,127)
Interest receivable and similar income	3	**59,700,828**	69,817,397
Interest payable and similar charges	3	**(33,081,119)**	(46,172,330)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**26,464,306**	23,473,940
Tax on profit on ordinary activities	4	**(6,298,272)**	(5,940,516)
PROFIT FOR THE FINANCIAL YEAR/PERIOD	7	**20,166,034**	17,533,424
RESERVES BROUGHT FORWARD		**19,782,200**	2,248,776
RESERVES CARRIED FORWARD		**39,948,234**	19,782,200

All amounts in 2013 and 2012 derive from continuing operations There were no recognised gains or losses in the period other than the result shown above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

BALANCE SHEET
As at 30 June 2013

	Note	2013 €	2012 €
CURRENT ASSETS			
Amounts owed by group undertakings (of which €1,374,136,393 (2012 €1,651,850,954) falls due after more than one year)		**1,374,136,393**	1,651,850,954
Prepayments		**1,046,378**	1,097,668
Cash at bank and in hand		**843,483**	-
		1,376,026,254	1,652,948,622
CREDITORS amounts falling due within one year			
Bank overdraft		**-**	(247,847)
Creditors	5	**(802,363,991)**	(1,040,676,554)
		(802,363,991)	(1,040,924,401)
NET CURRENT ASSETS		**573,662,263**	612,024,221
CREDITORS amounts falling due after more than one year			
Borrowings	5	**(533,656,843)**	(592,184,835)
NET ASSETS		**40,005,420**	19,839,386
CAPITAL AND RESERVES			
Called up share capital	6	**57,186**	57,186
Profit and loss account		**39,948,234**	19,782,200
TOTAL SHAREHOLDERS' FUNDS	7	**40,005,420**	19,839,386

The financial statements were approved by the Board of directors on 10 December 2013

The notes on pages 7 to 11 are an integral part of these financial statements

Signed on behalf of the Board of directors

P Huart
Director

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2013

1 Accounting policies

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and the Companies Act 2006 The principal accounting policies which have been applied consistently throughout the year are set out below The functional and presentation currency is Euro

a) Finance income and expenditure
Finance income is recognised as income in the period in which it is earned Finance expenditure is recognised as an expense in the period in which it is incurred

b) Financial Instruments
Derivative instruments used by the Company, which are used solely for hedging purposes (ie to offset foreign exchange and interest rate risks), comprise interest rate swaps, caps, collars, forward rate agreements and forward foreign exchange contracts Such derivative instruments are used to alter the risk profile of the Company's existing underlying exposure

As such instruments are used solely for hedging purposes, the Company defers the instrument's impact on profit until it recognises the underlying hedged item in the profit and loss account Interest differentials under interest rate swaps, caps and collars are recognised by adjustment of the underlying interest receivable or payable over the term of the agreement and as such are accrued to the profit and loss account on a time apportioned basis Currency swap agreements and forward foreign exchange contracts are valued at closing exchange rates Resulting gains and losses are offset against foreign exchange gains or losses on the related borrowings or, where the instrument is used to hedge a committed future transaction, are deferred until the transaction occurs and shown within debtors or creditors as appropriate

The Company has derivative financial instruments with fair values at the end of the year of €1,043,023 (2012 €656,597)

c) Foreign currency translation
Profit and loss account transactions in foreign currencies are translated into euros at the exchange rate in operation on the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated into euros at the closing rate All revaluation differences and realised foreign exchange differences are taken to profit and loss

d) Distributions
Dividends to the Company's shareholders are recognised as liabilities in the period in which the dividends are paid, in the case of interim dividends, or approved by the Company's shareholders, in the case of final dividends

e) Deferred taxation
In accordance with Financial Reporting Standard (**FRS**) 19, 'Deferred Taxation', deferred tax is fully provided in respect of timing differences that have originated but not reversed by the balance sheet date These are based on average tax rates that are expected to apply at the time of the reversal, which will be the rates that have either been enacted, or substantially enacted, by the balance sheet date No deferred tax is provided on permanent timing differences Deferred tax assets are recognised to the extent that they are regarded as more likely than not to be recoverable Deferred tax balances are not discounted

f) Cash flow statement
The Company has taken advantage of the exemption permitted by FRS 1 (revised 1996) 'Cash Flow Statements' not to produce a cash flow statement on the basis that the ultimate parent company, having a 100% controlling influence, produces consolidated financial statements which are available to the public

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2013

2 Operating loss

The audit fees for the Company have been borne by Brambles Holdings (UK) Limited, a fellow group undertaking, during the current year and preceding periods

The Company had no employees during the year (2012 none) All administrative duties are performed by employees of Brambles Holdings (UK) Limited and Brambles Limited (an Australian company), at no cost to the Company

None of the directors received any emoluments or any other benefits as described in Schedule 5 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 from the Company during the year (2012 nil) All of the directors receive remuneration from Brambles Holdings (UK) Limited as employees of that company and, due to the non-executive nature of their services, it is not appropriate to make an apportionment of their emoluments in respect of the Company

3 Net interest (payable)/receivable and similar (charges)/income

	2013	2012
	€	€
Interest payable and similar charges		
- Bank loans	**(6,880,460)**	(16,153,861)
- Loan note	**(23,694,559)**	(23,646,108)
- Loans from fellow group undertakings	**(2,505,781)**	(6,353,288)
- Foreign exchange loss	**(319)**	(19,073)
	(33,081,119)	(46,172,330)
Interest receivable and similar income		
- Loans to fellow group undertakings	**59,700,828**	69,817,397
	59,700,828	69,817,397
	26,619,709	23,645,067

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2013

4 Tax on profit on ordinary activities	2013 €	2012 €
Current tax charge on profit for the year at 23 75% (2012 25 5%)	**6,285,272**	5,985,854
Adjustment in respect of prior years	**13,000**	(45,338)
Total tax on profit on ordinary activities	**6,298,272**	5,940,516

The standard rate of Corporation Tax in the UK changed from 24% to 23% with effect from 1 April 2013 Accordingly, the Company's profits for the year are taxed at effective rate of 23 75% (2012 25 5%), and will be taxed at 23% in the twelve months to 31 March 2014 and 21% thereafter The actual taxation charge for the current year differs from the standard rate for the reasons set out below

Profit on ordinary activities before taxation	**26,464,306**	23,473,940
Profit on ordinary activities multiplied by the standard rate in UK at 23 75% (2012 25 5%)	**6,285,272**	5,985,854
Effect of		
- adjustment in respect of prior years	**13,000**	(45,338)
Current tax charge for the year	**6,298,272**	5,940,516

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2013

5 Creditors	2013 €	2012 €
Amounts falling due within one year		
Amounts owed to fellow group undertakings	**784,457,209**	1,028,611,889
Group relief payable	**-**	-
Corporation tax payable	**11,789,041**	6,474,957
Accruals	**6,117,741**	5,589,708
	802,363,991	1,040,676,554
Amounts falling due after more than one year		
Bank loans	**36,685,222**	95,770,309
Loan note	**496,971,621**	496,414,526
	533,656,843	592,184,835
The maturity profile of the financial liabilities is		
- between one and two years	**-**	-
- between two and five years	**533,656,843**	95,770,309
- more than five years	**-**	496,414,526
	533,656,843	592,184,835

The financial liabilities comprise non-instalment debt Debt comprises bank debt and a loan note on an unsecured basis Floating rate bank loans bear interest at commercial margins above the relevant inter-bank rate The weighted average interest rate on floating rate bank loans during the year was 2 51% (June 2012 3 59%)

The Company is party to the Brambles Group's global committed borrowing facilities, details of which are disclosed in Note 24 of the 2013 Annual Report of Brambles Limited The expiry dates of committed facilities range out to calendar year 2016 The Company's participation in these facilities ensure that it is able to meet its current liabilities as they fall due

6 Called up share capital	2013 €	2012 €
Allotted and fully paid		
50,500 ordinary shares of €1 1323746 each (2012 50,500 ordinary shares of €1 1323746 each)	**57,186**	57,186

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2013

7 Reconciliation of movements in shareholders' funds

	2013	2012
	€	€
Profit for financial year	**20,166,034**	17,533,424
Allotment of ordinary shares	**-**	-
Net increase in shareholders' funds	**20,166,034**	17,533,424
Opening shareholders' funds	**19,839,386**	2,305,962
Closing shareholders' funds	**40,005,420**	19,839,386

8 Contingent liabilities

The Company, in conjunction with certain companies within the Brambles group in the United Kingdom, is party to a composite guarantee structure with a clearing bank for set-off arrangements to a net maximum of £10,000,000 (2012 £10,000,000)

9 Related party transactions

In accordance with FRS 8 'Related Party Disclosures', transactions with other group undertakings of Brambles Limited have not been disclosed in these financial statements as the Company is a wholly owned subsidiary of a parent publishing consolidated financial statements There are no other related party transactions

10 Ultimate parent undertaking

The parent undertaking of the largest, and smallest, group for which group financial statements are prepared and ultimate controlling party is Brambles Limited, which is incorporated in Australia

The Company's immediate parent undertaking is Brambles Holdings Unlimited, a company incorporated in England and Wales Copies of all group financial statements are available from Unit 2, Weybridge Business Park, Addlestone Road, Addlestone, Surrey, KT15 2UP