



CSL Limited
Half Year Report
2008-2009

CSL™

Half Year Financial Results

CSL Group Results

For half year ended December	2008 (\$M)	2007 (\$M)
Sales	2,206.7	1,750.1
Other Revenue	139.1	125.6
Total Revenue	2,345.7	1,875.7
Earnings before Interest, Tax, Depreciation and Amortisation	701.5	572.8
Depreciation/Amortisation	75.3	72.9
Earnings before Interest and Tax	626.2	499.9
Net Interest (Income)/Expense	(13.6)	8.8
Tax Expense	138.0	142.4
Net Profit after Tax	501.9	348.7
Interim Dividend (cents)	30.00	23.00
Basic EPS (cents)	85.44	63.42

Dividend to Shareholders

An interim dividend of 30 cents per share (unfranked) is payable on 9 April 2009.

For more detailed information on results

Visit our website: <http://www.csl.com.au/investors>

Chairman's Report



Dear Shareholder,

I am pleased to report a net profit after tax of \$502 million for the half year ended 31 December 2008 – an increase of 44% on the same period last year. In constant currency¹, CSL achieved underlying profit growth of 24% after taking into account a \$26 million foreign currency benefit and \$44 million in favourable non-operational items.

CSL Group revenue increased 25% to \$2.35 billion or 14% in constant currency¹ and net operating cash flow grew 52% to \$445 million. Your Directors have announced an interim unfranked dividend of 30 cents per share, an increase of 30% on the same period last year and payable to shareholders on 9 April 2009.

Business Group Performance

CSL Behring sales revenue increased 33% to \$1.8 billion compared with the same period last year with strong contributions from both core and specialty plasma products. In US dollar terms, sales of immunoglobulins grew 32%, critical care products 25% and haemophilia therapies 6%.

CSL Bioplasma sales revenue grew 23% to \$151 million driven by strong demand and improved pricing for albumin in China and good sales of plasma therapies in Indonesia, Malaysia and Taiwan. Australian sales grew 5%.

CSL Biotherapies \$251 million sales result was down 6% on last year. Northern Hemisphere influenza vaccine sales reached \$74 million but this was offset by a foreshadowed reduction in Australian sales of the cervical cancer vaccine GARDASIL^{® 2} which were \$84 million, down from \$143 million in the December 2007 half year.

Business Development

On 13 August 2008, CSL signed an agreement to acquire Talecris Biotherapeutics Holdings Corp. (Talecris), a leading manufacturer and marketer of plasma-derived protein therapies, from current owners Cerberus Partners L.P. and Ampersand Ventures. The US Federal Trade Commission (FTC) has received submissions seeking regulatory approval for this acquisition. We will continue to work diligently to assist the FTC as they undertake their review. CSL has secured debt and equity finance to fund the proposed US\$3.1 billion acquisition of Talecris. If anti-trust approvals are not forthcoming within 12 months of the agreement to acquire Talecris, a US\$75 million break fee would be payable to the vendors under certain circumstances.

CSL is well placed to benefit from the increasing global demand for intravenous immunoglobulin with our new generation Privigen[®] 10% liquid, the first proline stabilised IVIG ready for immediate use.

Merck & Co. Inc. has exclusive global marketing rights for GARDASIL^{® 2}. CSL receives royalties from global sales by Merck and holds distribution rights for Australia and New Zealand. Human Papillomavirus Vaccine royalties for the half year reached \$82 million and a new US patent will now protect our intellectual property until 2026. Seeking to expand the GARDASIL^{® 2} label claim to include women from 27 to 45 and males from 9 to 26 years of age, Merck has submitted supporting data to the US FDA and has been asked to submit further data when the 48 month female study is completed.

In January 2009, the US FDA granted marketing approval for RiaSTAP™, the first and only treatment available for acute bleeding episodes in patients with congenital fibrinogen deficiency which is a rare and potentially life-threatening bleeding disorder.

Business Outlook

The global financial crisis has had little to no impact so far on sales of CSL's portfolio of life-saving therapies and essential vaccines. We remain vigilant to potential risks to our business outlook including pressures on health care spending, debtors risk, foreign exchange volatility and ongoing access to long term debt. However, we anticipate broadly stable market conditions to continue.

Subject to several key variables³, CSL expects to report net profit after tax of between \$1.02 billion and \$1.06 billion for the 2008-2009 financial year. In constant currency¹ and excluding the benefit of non-operational items, this equates to an underlying result of between \$810 million and \$850 million, consistent with the guidance provided at our Annual General Meeting in October 2008. We continue to believe that our full year result will be towards the upper end of this guidance.



Elizabeth Alexander, Chairman
March 2009

¹ Constant currency removes the impact of exchange rate movements to facilitate comparability.

² GARDASIL® is a trademark of Merck & Co. Inc.

³ CSL's full year forecast is subject to several key variables including material price and volume movements on core plasma products, unforeseen competitor activity, changes in health care regulations and reimbursement policies, royalties arising from the sale of HPV (analyst consensus estimates for HPV royalties have been used in the financial year 2009 forecast), sales of GARDASIL®² in Australia, enforcement of key intellectual property, the risk of regulatory action or litigation, the effective tax rate, foreign exchange movements and the impact of the global financial crisis.

Shareholder Information

Share Registry

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street Abbotsford VIC 3067
Postal Address: GPO Box 2975 Melbourne VIC 3001

Enquiries within Australia: 1800 646 882
Enquiries outside Australia: 61 3 9415 4178
Investor enquiries facsimile: 61 3 9473 2500
Website: www.computershare.com
Email: web.queries@computershare.com.au

Shareholders with enquiries should email, telephone or write to the Share Registry at the above address.

Separate shareholdings may be consolidated by advising the Share Registry in writing or by completing a Request to Consolidate Holdings form which can be found online at the above website.

Change of address should be notified to the Share Registry online via the Investor Centre at www.computershare.com, by telephone or in writing without delay. Shareholders who are broker sponsored on the CHESS sub-register must notify their sponsoring broker of a change of address.

Direct payment of dividends into a nominated account may be arranged with the Share Registry. Shareholders are encouraged to use this option by providing a payment instruction online via the Investor Centre at www.computershare.com or advising the Share Registry in writing with particulars.

The Annual General Meeting will be held at the Function Centre, National Tennis Centre, Melbourne Park, Batman Avenue, Melbourne at 10:00am on Wednesday 14 October 2009.

There is a public car park adjacent to the Function Centre that will be available to shareholders at no charge.

CSL Limited

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