CSL Limited

ABN: 99 051 588 348

ASX Half-year Information
31 December 2011

Lodged with the ASX under Listing Rule 4.2A.
This information should be read in conjunction with the 30 June 2011 Annual Report.

Contents

CSL Limited

ABN: 99 051 588 348

Appendix 4D
Half-year ended 31 December 2011

(Previous corresponding period:
Half-year ended 31 December 2010)

Results for Announcement to the Market

Reported

- Revenues from continuing operations up 6.1% to $2.32 billion.

- Profit from continuing operations after tax and net profit for the period attributable to members down 3.4% to $483.3m.

Constant Currency [1]

- **Sales revenue at constant currency up 13% to $2.4 billion.**

- **Operational net profit after tax for the year at constant currency up 16% to $578.0 million.**

[1] Excludes the impact of foreign exchange movements in the period under review. Refer to the footnote in the Review of Operations on page 3 for further detail.

Dividends

	Amount per security	**Franked amount per security**
Interim dividend (determined subsequent to balance date)	36.00¢	Unfranked*
Interim dividend from the previous corresponding period	35.00¢	Unfranked*
Final dividend (prior year)	45.00¢	Franked to 2.00¢ per share
Record date for determining entitlements to the dividend:	20 March 2012	

***** Non-resident withholding tax is not payable on this dividend as it will be declared to be wholly conduit foreign income.

The Company's Dividend Reinvestment Plan remains suspended and does not apply to the interim dividend.

Explanation of results
For further explanation of the results please refer to the accompanying press release and "Review of Operations" in the Directors' Report that is within the Half-year Report.

Other information required by Listing Rule 4.3A
The remainder of the information requiring disclosure to comply with Listing Rule 4.3A is contained in the attached Half-year Report (which includes the Directors' Report) and Media Release.

CSL Limited
Half-year Report – 31 December 2011

Contents

This Interim Financial Report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2011 and any public announcements made by CSL Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

CSL Limited
Directors' Report

The Board of Directors of CSL Limited has pleasure in presenting their report on the consolidated entity for the half-year ended 31 December 2011.

Directors

The following persons were Directors of CSL Limited during the whole of the half-year and up to the date of this report:

Professor J Shine, AO (was appointed as Chairman on 19 October 2011)
Dr B A McNamee, AO (Managing Director)
Mr J H Akehurst
Mr D W Anstice
Mr I A Renard, AM
Mr M A Renshaw
Mr P J Turner
Ms C E O'Reilly

Miss E A Alexander, AM was the Chairman from the beginning of the financial year until her retirement on 19 October 2011.
Mr D J Simpson was a Director from the beginning of the financial year until his retirement on 19 October 2011.
Mr B R Brook was appointed director on 17 August 2011 and continues in office at the date of this report.

Review of Operations

For the half year ended 31 December 2011, total sales revenue of the Group was $2.2 billion. Compared to the prior corresponding period at constant currency[1] total sales revenue of $2.4 billion grew by 13%. Reported net profit after tax of $483 million for the six months ended 31 December 2011, down $17 million or 3% when compared to the prior corresponding period.

[1] Constant currency removes the impact of exchange rate movements to facilitate comparability by restating the current year's results at the prior year's rates. This is done in two parts: (a) by converting the current year net profit of entities in the group that have reporting currencies other than Australian Dollars at the rates that were applicable to the prior year ("translation currency effect") and comparing this with the actual profit of those entities for the current year; and (b) by restating material transactions booked by the group that are impacted by exchange rate movements at the rate that would have applied to the transaction if it had occurred in the prior year ("transaction currency effect") and comparing this with the actual transaction recorded in the current year. The sum of translation currency effect and transaction currency effect is the amount by which reported net profit is adjusted to calculate the result at constant currency.

Summary

Reported Net Profit after Tax	$483.3m
Translation Currency Effect (a)	$ 4.1m
Transaction Currency Effect (b)	$ 90.6m
Constant Currency Net Profit after Tax *	$578.0m

(a) Translation Currency Effect $4.1m
Average Exchange rates used for calculation in major currencies (six months to Dec 11/Dec 10) were as follows: AUD/USD (1.05/0.93); AUD/EUR (0.75/0.71); AUD/CHF(0.89/0.94)

(b) Transaction Currency Effect $90.6m
Transaction currency effect is calculated by reference to the applicable prior year exchange rates. The calculation takes into account the timing of sales both internally within the CSL Group (ie from a manufacturer to a distributor) and externally (ie to the final customer) and the relevant exchange rates applicable to each transaction.

* Constant Currency Net Profit after Tax has not been audited or reviewed in accordance with Australian Auditing Standards.

CSL Limited
Directors' Report (continued)

This result included an unfavourable foreign exchange impact of $95 million. Net operating cash flow from operations was $522 million, up 28% when compared to the prior corresponding period.

CSL Behring sales of US$1.9 billion grew 17%, or 13% on a constant currency basis when compared to the prior corresponding period.

Immunoglobulins grew 21% in constant currency terms. Demand growth for all presentations of immunoglobulin, particularly Privigen®, was strong. Geographically, demand growth was across all key markets but particularly strong in Europe. The absence of a competitor from the market place and a product mix shift in demand towards subcutaneous immunoglobulin Hizentra® contributed to this growth. Albumin, including Asian sales[2], grew 14% in constant currency terms underpinned by ongoing demand in China. Haemophilia product sales grew 4% in constant currency terms. Demand for immune tolerance therapy treatment in Europe and for Beriate® in emerging markets drove this growth. Typically, however, these sales are in new lower priced markets. Specialty products grew 20% in constant currency terms. The changing paradigm for the treatment of peri-operative bleeding has seen solid growth in demand for Haemocomplettan® in Europe. Berinert® growth received a boost in sales following approvals in both the US and Europe for self administration.

Other Human Health (CSL Biotherapies) sales of $417 million included $65 million of albumin sales into Asia. Excluding these sales, this segment grew 13% on a constant currency basis when compared to the prior corresponding period.

Plasma therapy sales from the Broadmeadows plant contributed $125 million. Influenza sales of $93 million were boosted by solid sales into northern hemisphere markets. Gardasil sales growth into the Australian National Immunisation Program and private markets also contributed to this result.

Intellectual Property Licensing revenue was $80 million. Royalty contributions from Human Papillomavirus Vaccines totalled $61 million and the sale of intellectual property associated with Mucopolysaccharidosis contributed $18 million to revenue.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

Rounding of Amounts

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) unless specifically stated otherwise under the relief available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

This report has been made in accordance with a resolution of the directors.

John Shine AO CHAIRMAN	Brian A McNamee AO MANAGING DIRECTOR

22 February 2012

[2] Adjusted to include CSL Behring albumin products sold in Asia by CSL Biotherapies.

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Auditor's Independence Declaration to the Directors of CSL Limited

In relation to our review of the financial report of CSL Limited for the half-year ended 31 December 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

Glenn Carmody
Partner
22 February 2012

CSL Limited and its controlled entities
Statement of Comprehensive Income
For the half-year ended 31 December 2011

	Notes	Consolidated Entity December 2011 $000	Consolidated Entity December 2010 $000
Sales revenue		**2,221,412**	2,116,348
Cost of sales		**(1,197,323)**	(1,059,655)
Gross profit		**1,024,089**	1,056,693
Other revenue	4(a)	**102,242**	74,602
Research and development expenses		**(160,989)**	(143,756)
Selling and marketing expenses		**(221,613)**	(216,804)
General and administration expenses	4(c)	**(122,602)**	(116,047)
Finance costs	4(b)	**(14,286)**	(7,699)
Profit before income tax expense		**606,841**	646,989
Income tax expense	5	**(123,580)**	(146,774)
Net profit for the period		**483,261**	500,215
Other comprehensive income			
Exchange differences on translation of foreign operations, net of hedges on net foreign investments	11	**(70,164)**	(261,959)
Actuarial gains/(losses) on defined benefit plans, net of tax		**(33,371)**	(20,406)
Mark to market adjustment on available-for-sale financial assets		**(972)**	-
Total of other comprehensive income/(expense)		**(104,507)**	(282,365)
Total comprehensive income for the period		**378,754**	217,850

Earnings per share (based on net profit for the period)		**Cents**	Cents
Basic earnings per share	6	**92.23**	91.45
Diluted earnings per share	6	**92.05**	91.23

CSL Limited and its controlled entities
Statement of Financial Position
As at 31 December 2011

		Consolidated Entity	
		December	June
		2011	2011
	Notes	**$000**	$000
CURRENT ASSETS			
Cash and cash equivalents	7	**1,299,570**	479,403
Trade and other receivables		**831,136**	808,651
Inventories		**1,395,033**	1,455,995
Other financial assets		**4,216**	17,993
Total Current Assets		**3,529,955**	2,762,042
NON-CURRENT ASSETS			
Trade and other receivables		**4,487**	4,544
Other financial assets		**-**	2,280
Property, plant and equipment	8	**1,262,326**	1,207,288
Deferred tax assets		**177,458**	174,206
Intangible assets		**870,156**	915,049
Retirement benefit assets		**-**	2,588
Total Non-Current Assets		**2,314,427**	2,305,955
TOTAL ASSETS		**5,844,382**	5,067,997
CURRENT LIABILITIES			
Trade and other payables		**423,911**	493,506
Interest-bearing liabilities		**166,242**	226,214
Current tax liabilities		**120,000**	131,729
Provisions		**88,613**	88,620
Deferred government grants		**995**	995
Derivative financial instruments		**3,503**	5,054
Total Current Liabilities		**803,264**	946,118
NON-CURRENT LIABILITIES			
Trade and other payables		**8,698**	3,983
Interest bearing liabilities	9	**1,112,133**	190,030
Deferred tax liabilities		**112,178**	122,202
Provisions		**27,147**	28,470
Deferred government grants		**19,685**	18,910
Retirement benefit liabilities	14	**145,818**	113,924
Total Non-Current Liabilities		**1,425,659**	477,519
TOTAL LIABILITIES		**2,228,923**	1,423,637
NET ASSETS		**3,615,459**	3,644,360
EQUITY			
Contributed equity	10	**76,206**	253,896
Reserves	11	**(486,486)**	(421,635)
Retained earnings		**4,025,739**	3,812,099
TOTAL EQUITY		**3,615,459**	3,644,360

CSL Limited and its controlled entities
Statement of Changes in Equity
For the half year ended 31 December 2011

		Ordinary shares $000	Foreign currency translation reserve $000	Share based payment reserve $000	Available-for-sale investment reserve $000	Retained earnings $000	Total $000
At 1 July 2011		253,896	(520,216)	99,494	(913)	3,812,099	3,644,360
Profit for the period		-	-	-	-	483,261	483,261
Other comprehensive income		-	(70,164)	-	(972)	(33,371)	(104,507)
Total comprehensive income for the half year		-	(70,164)	-	(972)	449,890	378,754
Transactions with owners in their capacity as owners							
Share based payments	11	-	-	6,285	-	-	6,285
Dividends	12	-	-	-	-	(236,250)	(236,250)
Share buy back	10	(181,278)	-	-	-	-	(181,278)
Share issues							
- Employee share scheme	10	3,588	-	-	-	-	3,588
Balance as at 31 December 2011		**76,206**	**(590,380)**	**105,779**	**(1,885)**	**4,025,739**	**3,615,459**
At 1 July 2010		1,139,228	(326,778)	84,163	-	3,318,581	4,215,194
Profit for the period		-	-	-	-	500,215	500,215
Other comprehensive income		-	(261,959)	-	-	(20,406)	(282,365)
Total comprehensive income for the half year		-	(261,959)	-	-	479,809	217,850
Transactions with owners in their capacity as owners							
Share based payments	11	-	-	9,760	-	-	9,760
Dividends	12	-	-	-	-	(247,489)	(247,489)
Share buy back	10	(300,445)	-	-	-	-	(300,445)
Share issues							
- Employee share scheme	10	8,061	-	-	-	-	8,061
Balance as at 31 December 2010		**846,844**	**(588,737)**	**93,923**	**-**	**3,550,901**	**3,902,931**

CSL Limited and its controlled entities
Statement of Cash Flows
For the half-year ended 31 December 2011

		Consolidated Entity	
	Notes	**December 2011 $000**	December 2010 $000
Cash flows from Operating Activities			
Receipts from customers (inclusive of goods and services tax)		**2,328,866**	2,177,944
Payments to suppliers and employees (inclusive of goods and services tax)		**(1,666,910)**	(1,595,718)
		661,956	582,226
Interest received		**8,852**	19,460
Income taxes paid		**(136,935)**	(185,992)
Borrowing costs		**(12,100)**	(7,291)
Net cash inflow / (outflow) from operating activities		**521,773**	408,403
Cash flows from Investing Activities			
Proceeds from sale of property, plant and equipment		**319**	100
Payments for property, plant and equipment		**(142,210)**	(83,518)
Payments for intangible assets		**(5,140)**	(4,080)
Receipts from other financial assets		**837**	1,454
Net cash inflow / (outflow) from investing activities		**(146,194)**	(86,044)
Cash flows from Financing Activities			
Proceeds from issue of shares		**3,954**	9,690
Payment for shares bought back		**(181,278)**	(300,445)
Dividends paid		**(236,250)**	(247,489)
Receipts (payments) on closure of foreign exchange hedges		**569**	(209)
Proceeds from borrowings	9	**1,057,299**	-
Repayment of borrowings	9	**(230,887)**	(16,925)
Net cash inflow / (outflow) from financing activities		**413,407**	(555,378)
Net increase (decrease) in cash and cash equivalents		**788,986**	(233,019)
Cash and cash equivalents at the beginning of the period		**478,819**	994,505
Exchange rate variations on foreign cash and cash equivalent balances		**31,722**	(42,120)
Cash and cash equivalents at the end of the period		**1,299,527**	719,366

Reconciliation of cash and cash equivalents

Cash and cash equivalents at the end of the period as shown in the statement of cash flows is reconciled as follows:

Cash and cash equivalents	7	**1,299,570**	719,914
Bank overdrafts		**(43)**	(548)
		1,299,527	719,366

CSL Limited and its controlled entities
Notes to the financial statements
For the half-year ended 31 December 2011

1 Corporate Information

The financial report of CSL Limited (the Company) for the half-year ended 31 December 2011 was authorised for issue in accordance with a resolution of the directors on 22 February 2012. CSL Limited is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Stock Exchange.

The nature of the operations and principal activities of the Group are described in the Directors’ Report.

2 Summary of Significant Accounting Policies

(a) Basis of Accounting

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. The half-year financial report should be read in conjunction with the annual financial report of CSL Limited as at 30 June 2011.

It is also recommended that the half-year financial report be considered together with any public announcements made by CSL Limited and its controlled entities during the half-year ended 31 December 2011 in accordance with the continuous disclosure obligations arising under ASX listing rules.

(b) Basis of Preparation

The half-year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards, including AASB 134 Interim Financial Reporting and other mandatory professional reporting requirements. The half-year financial report has been prepared on a historical cost basis, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, and land and buildings.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(c) Significant Accounting Policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2011.

(d) Basis of Consolidation

The half-year consolidated financial statements comprise the financial statements of CSL Limited and its subsidiaries as at 31 December 2011 ('the Group').

3 Segment Information

Reportable segments are:

(a) CSL Behring – manufactures, markets and develops plasma products.
(b) Intellectual Property Licensing – revenue and associated expenses from the licensing of Intellectual Property generated by the Group to unrelated third parties.
(c) Other Human Health – comprises CSL Biotherapies, which manufactures, markets and develops biotherapeutic products, and Research & Development.

Research & Development expense is allocated in accordance with management's expectation as to where a project's value will be realised. Where this is uncertain the expense is allocated to Other Human Health.

	CSL Behring December 2011 $000	Intellectual Property Licensing December 2011 $000	Other Human Health December 2011 $000	Intersegment Elimination December 2011 $000	Consolidated Group December 2011 $000
Sales to external customers	1,803,974	-	417,438	-	2,221,412
Inter-segment sales	63,762	-	-	(63,762)	-
Other revenue / Other income (excl interest income)	2,526	79,972	4,740	-	87,238
Total segment revenue	**1,870,262**	**79,972**	**422,178**	**(63,762)**	**2,308,650**
Interest income					14,433
Unallocated revenue / income					571
Consolidated revenue					**2,323,654**
Segment EBIT	**560,184**	**70,835**	**(8,118)**	**-**	**622,901**
Unallocated revenue / income less unallocated costs					(16,207)
Consolidated EBIT					**606,694**
Interest income					14,433
Finance costs					(14,286)
Consolidated profit before tax					**606,841**
Income tax expense					(123,580)
Consolidated net profit after tax					**483,261**
Amortisation and impairment loss	14,140	-	4	-	14,144
Depreciation	46,793	-	19,236	-	66,029
Segment EBITDA	**621,117**	**70,835**	**11,122**	**-**	**703,074**
Unallocated revenue / income less unallocated costs					(16,207)
Unallocated depreciation and amortisation					2,416
Consolidated EBITDA					**689,283**
Segment assets	**4,123,951**	**19,978**	**1,002,234**	**(151,019)**	**4,995,144**
Other unallocated assets					2,170,415
Elimination of amounts between operating segments and unallocated					(1,321,177)
Total assets					**5,844,382**
Segment liabilities	**1,789,836**	**3,516**	**766,432**	**(151,019)**	**2,408,765**
Other unallocated liabilities					1,141,335
Elimination of amounts between operating segments and unallocated					(1,321,177)
Total liabilities					**2,228,923**

CSL Limited and its controlled entities
Notes to the financial statements
For the half-year ended 31 December 2011

3 Segment information (continued)

	CSL Behring December 2010 $000	Intellectual Property Licensing December 2010 $000	Other Human Health December 2010 $000	Intersegment Elimination December 2010 $000	Consolidated Group December 2010 $000
Sales to external customers	1,741,796	-	374,552	-	2,116,348
Inter-segment sales	58,858	-	2	(58,860)	-
Other revenue / Other income (excl interest income)	1,875	50,126	3,965	-	55,966
Total segment revenue	**1,802,529**	**50,126**	**378,519**	**(58,860)**	**2,172,314**
Interest income					18,636
Unallocated revenue / income					-
Consolidated revenue					**2,190,950**
Segment EBIT	**606,841**	**43,365**	**1,338**	**-**	**651,544**
Unallocated revenue / income less unallocated costs					(15,492)
Consolidated EBIT					**636,052**
Interest income					18,636
Finance costs					(7,699)
Consolidated profit before tax					**646,989**
Income tax expense					(146,774)
Consolidated net profit after tax					**500,215**
Amortisation and impairment loss	13,417	-	2,090	-	15,507
Depreciation	46,984	-	18,036	-	65,020
Segment EBITDA	**667,242**	**43,365**	**21,464**	**-**	**732,071**
Unallocated revenue / income less unallocated costs					(15,492)
Unallocated depreciation and amortisation					2,095
Consolidated EBITDA					**718,674**

	CSL Behring June 2011 $000	Intellectual Property Licensing June 2011 $000	Other Human Health June 2011 $000	Intersegment Elimination June 2011 $000	Consolidated Group June 2011 $000
Segment assets	**4,172,616**	**16,534**	**911,861**	**(109,440)**	**4,991,571**
Other unallocated assets					321,515
Elimination of amounts between operating segments and unallocated					(245,089)
Total assets					**5,067,997**
Segment liabilities	**1,146,676**	**3,710**	**351,340**	**(109,440)**	**1,392,286**
Other unallocated liabilities					276,440
Elimination of amounts between operating segments and unallocated					(245,089)
Total liabilities					**1,423,637**

CSL Limited and its controlled entities
Notes to the financial statements
For the half-year ended 31 December 2011

3 Segment information (continued)

Geographic areas	Australia $000	United States $000	Switzerland $000	Germany $000	Rest of world $000	Total $000
December 2011						
External sales revenue	**272,520**	**858,735**	**73,142**	**341,046**	**675,969**	**2,221,412**
December 2010						
External sales revenue	237,233	855,917	75,469	321,531	626,198	**2,116,348**

4 Revenue, Income and Expenses from continuing operations

	Consolidated Entity December 2011 $000	December 2010 $000
(a) Other Revenue		
Interest income	**14,433**	18,636
Rent	**557**	497
Royalties	**62,118**	46,404
Sundry	**25,134**	9,065
	102,242	74,602
(b) Finance Costs		
Interest paid / payable	**14,286**	7,699
(c) Other Expenses		
General and administration expenses:		
Expense of share based payments	**11,175**	10,460
Amortisation of intellectual property and software	**14,144**	15,507
Other relevant expenses		
Depreciation and amortisation of property, plant and equipment	**68,445**	67,115
Net foreign exchange losses	**4,512**	8,488

5 Income Tax

The reconciliation between income tax expense and the consolidated entity's applicable tax rate is as follows:

Profit from continuing activities before income tax expense	**606,841**	646,989
Income tax calculated at 30%	**182,052**	194,097
Tax effect of non-assessable / non-deductible items		
Research and development	**(6,172)**	(4,935)
Other (non-assessable revenue)/non-deductible expenses	**2,139**	2,913
(Utilisation of tax losses)/Unrecognised deferred tax assets	**7**	3
Effects of different rates of tax on overseas income	**(51,835)**	(44,775)
Under (over) provision in previous year	**(2,611)**	(529)
Income tax expense	**123,580**	146,774

6 Earnings Per Share

	Consolidated Entity	
	December 2011 $000	December 2010 $000
The following reflects the income and share information used in the calculation of basic and diluted earnings per share:		
Earnings used in calculating basic earnings per share	**483,261**	500,215

	Number of shares	
	December 2011	December 2010
Weighted average number of ordinary shares used in the calculation of basic earnings per share:	**523,991,134**	546,967,244
Effect of dilutive securities:		
Share options	**102,957**	340,437
Performance rights	**887,533**	996,972
Global employee share plan	**5,332**	2,882
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	**524,986,956**	548,307,535

*Refer note 10 for a reconciliation of the movement in issued shares.

Conversions, calls, subscription or issues after 31 December 2011
Subsequent to the reporting date 13,869 ordinary shares were issued, as required under the Employee Performance Rights Plan. There have been no other ordinary shares issued since the reporting date and before the completion of this financial report. There have been no other conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

7 Cash and cash equivalents

	Consolidated Entity	
	December 2011 $000	June 2011 $000
Cash at bank and on hand	**265,068**	294,883
Cash deposits	**1,034,502**	184,520
Total cash and cash equivalents	**1,299,570**	479,403

8 Property, Plant and Equipment

During the half-year ended 31 December 2011, the Group acquired assets with a cost of $142,996,000 (2010: $83,518,000).

9 Borrowings and repayments

For the half year ended 31 December 2011, the Group has repaid $14.4m of interest bearing debt, made $1.9m of finance lease repayments, and refinanced $214.6m of bank debt, a total of $230.9m.

During the half the year the Group established several new debt facilities to refinance maturing bank debt and to fund Corporate initiatives including the $900m share buyback announced on 19 October 2011. The new debt facilities consist of the following:

(i) US$750m Private Placement with maturities in November 2018 (US$200m), November 2021 (US$250m), November 2023 (US$200m) and November 2026 (US$100m);

(ii) US$430m and EUR155m Syndicated bank facility that matures in November 2016. As at balance date US$100m and EUR100m has been drawn under this facility;

(iii) US$105m Syndicated bank facility that matures in November 2016. As at balance date US$50m has been drawn under this facility; and

(iv) A fully drawn JPY6b bilateral bank facility that matures in November 2016.

The total proceeds received from the above facilities during the six months ended 31 December 2011 were $1,057.3m.

As at balance date the Group had A$450m in undrawn liquidity available under its bank debt facilities.

10 Contributed Equity

Movements in the contributed equity

	Number of Shares	$000
Ordinary shares		
Balance as at 1 July 2011	**524,840,532**	**253,896**
Shares issued to CSL employees through participation in:		
- Performance Option Plan	**63,160**	**1,104**
- Performance Rights Plan	**121,296**	**-**
- Global Employee Share Plan	**102,776**	**2,484**
Shares acquired under the Share Buy Back	**(5,761,762)**	**(181,278)**
Balance as at 31 December 2011	**519,366,002**	**76,206**

11 Reserves

	Consolidated Entity	
	December 2011 $000	June 2011 $000
Composition		
Share based payments reserve (i)	**105,779**	99,494
Foreign currency translation reserve (ii)	**(590,380)**	(520,216)
Available-for-sale investments reserve (iii)	**(1,885)**	(913)
	(486,486)	(421,635)

Nature and purpose of reserves

(i) *Share based payments reserve*

The share based payments reserve is used to recognise the fair value of options and performance rights issued but not exercised.

(ii) *Foreign currency translation reserve*

The results of foreign subsidiaries are translated into Australian dollars at average exchange rates. Assets and liabilities of foreign subsidiaries are translated to Australian dollars at exchange rates prevailing at balance date and resulting exchange differences are recognised in the foreign currency translation reserve in equity. On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are taken to the foreign currency translation reserve in equity.

(iii) *Available-for-sale investments reserve*

Changes in the fair value and exchange differences arising on translation of investments classified as available-for-sale financial assets are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are reclassified to profit and loss when the associated assets are sold or impaired.

12 Dividends

	Consolidated Entity	
	December 2011 $000	December 2010 $000
Ordinary shares		
Dividends provided for or paid during the half-year	**236,250**	247,489
Dividends not recognised at the end of the half-year		
Since the end of the half-year the directors have recommended the payment of an interim dividend of 36 cents (2011 – 35.00 cents) per fully paid ordinary share, unfranked. The aggregate amount of the proposed interim dividend expected to be paid on 13 April 2012 out of retained earnings at 31 December 2011, but not recognised as a liability at the end of the half-year, is:	**186,972**	189,534

13 NTA Backing

	December 2011	June 2011
	$	$
Net tangible asset backing per ordinary security	**5.29**	5.20

14 Retirement Benefit Liabilities

The Group sponsors a range of defined benefit pension plans that provide pension benefits for its worldwide employees upon retirement. Entities of the Group who operate the defined benefit plans contribute to the respective plans in accordance with the Trust Deeds, following the receipt of actuarial advice.

	December 2011 $000
Movements in the net liability for defined benefit obligations recognised in the balance sheet	
Net liability for defined benefit obligation:	
Opening balance	**111,336**
Contributions received	**(8,765)**
Benefits paid	**(1,472)**
Expense recognised in the statement of comprehensive income	**10,505**
Actuarial losses recognised in equity	**39,076**
Currency translation differences	**(4,862)**
Closing balance	**145,818**

Over the period to December 2011 the funded plans each experienced investment returns below those assumed by the actuary in June 2011. This shortfall between expected and actual investment performance accounts for $20.2m of the Actuarial Losses recognised in Equity.

Defined Benefit Plan liabilities are discounted to present value using a corporate or government bond rate as at the date of the Actuarial assessment. Over the six months to December 2011 most jurisdictions in which the Group operates Defined Benefit Plans have experienced reductions in the appropriate discount rate. In addition the Group's Swiss Plan liabilities were determined by reference to a new table of mortality probabilities issued during the period. The impact of these factors accounts for $18.9m of the Actuarial Losses recognised in Equity.

	December 2011	June 2011
The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are as follows:		
Discount rate	**3.6%**	3.7%
Expected return on assets and expected long-term rate of return on assets[1]	**4.3%**	3.7%
Future salary increases	**2.3%**	2.3%
Future pension increases	**0.3%**	0.3%

[1]Expressed as per annum return. The expected rate of return is based on the portfolio as a whole.

15 Share Based Payment Plans

(a) Long Term Incentives

On 5 October 2011, 261,140 share options and 290,200 performance rights were granted to senior executives under the CSL Performance Rights Plan. The exercise price of the options of $29.34 is equal to the closing share price of CSL as at 5 October 2011 (based on data from Bloomberg). The exercise price for the performance rights is Nil. The options and performance rights will become exercisable between 30 September 2014 and 30 September 2016. The fair value of the options and performance rights granted is estimated as at the date of grant using an adjusted form of the Black-Scholes model, taking into account the terms and conditions upon which the options and performance rights were granted. The following table lists the inputs to the model used for options and performance rights issued in the half-year ended 31 December 2011:

	December 2011
Dividend yield (%)	2.5%
Expected volatility (%)	27.0%
Risk-free interest rate (%)	3.52%
Fair Value of Options	
3 year vesting	$6.34
4 year vesting	$6.77
Fair Value of Performance Rights	
3 year vesting	$23.75
4 year vesting	$23.41

(b) Executive Deferred Incentive Plan

On 1 October 2011, 574,200 phantom shares were granted to employees under the Executive Deferred Incentive Plan. This plan provides for a grant of phantom shares which will generate a cash payment to participants in three years time, provided they are still employed by the company and receive a satisfactory performance review over that period. The amount of the cash payment will be determined by reference to the CSL share price immediately before the three year anniversary.

The following table lists the inputs to the model used for grant issued in the half-year ended 31 December 2011:

	December 2011
Dividend yield (%)	2.5%
Fair Value of Grant at reporting date, adjusted for the dividend yield and the number of days left in the vesting period	$29.90

16 Commitments and contingencies

(a) Capital commitments

	December 2011 $000	June 2011 $000
During the half year, the capital expenditure contracted for but not provided for in the financial statements, payable:		
Not later than one year	**128,529**	63,571
Later than one year but not later than five years	**40,109**	14,044
Later than five years	**-**	-
	168,638	77,615

(b) Contingent assets and liabilities

Litigation

The Group is involved in litigation in the U.S. claiming that the Group and a competitor, along with an industry trade association, conspired to restrict output and fix and raise prices of certain plasma-derived therapies in the U.S. The lawsuits, filed by representative plaintiffs, seek status to proceed as class actions on behalf of 'all others similarly situated'. The Group believes the litigation is unsupported by fact and without merit and will robustly defend the claims.

The Group is involved in other litigation in the ordinary course of business.

The directors believe that future payment of a material amount in respect of litigation is remote. An estimate of the financial effect of this litigation cannot be calculated as it is not practicable at this stage. The Group has disclaimed liability for, and is vigorously defending, all current material claims and actions that have been made.

CSL Limited
Directors' Declarations

The directors declare that:

(a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act* 2001, and:

  (i) give a true and fair view of the financial position as at 31 December 2011 and the performance for the half-year ended on that date of the consolidated entity; and
  (ii) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Made in accordance with a resolution of directors.

John Shine AO	Brian A McNamee AO
Chairman	Managing Director

Melbourne
22 February 2012

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Independent Review report to the members of CSL Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of CSL Limited, which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of CSL Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of CSL Limited is not in accordance with the Corporations Act 2001, including:

i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Ernst & Young

Glenn Carmody
Partner
Melbourne
22 February 2012