

CSL Limited 2011 Full Year Result

17 August 2011

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Financials

Total sales \$4.2 billion, underlying¹ sales up 9%

EBIT \$1,184 million, underlying¹ EBIT up 12.2%

NPAT \$941 million, underlying¹ NPAT up 13.6%

- Foreign currency headwind \$116m

R&D investment \$325 million, up 9% at constant currency²

Operating cashflow \$1,018 million

Strong Balance Sheet - cash \$479m, borrowings \$416m

On market share buyback complete

- Further capital management foreshadowed

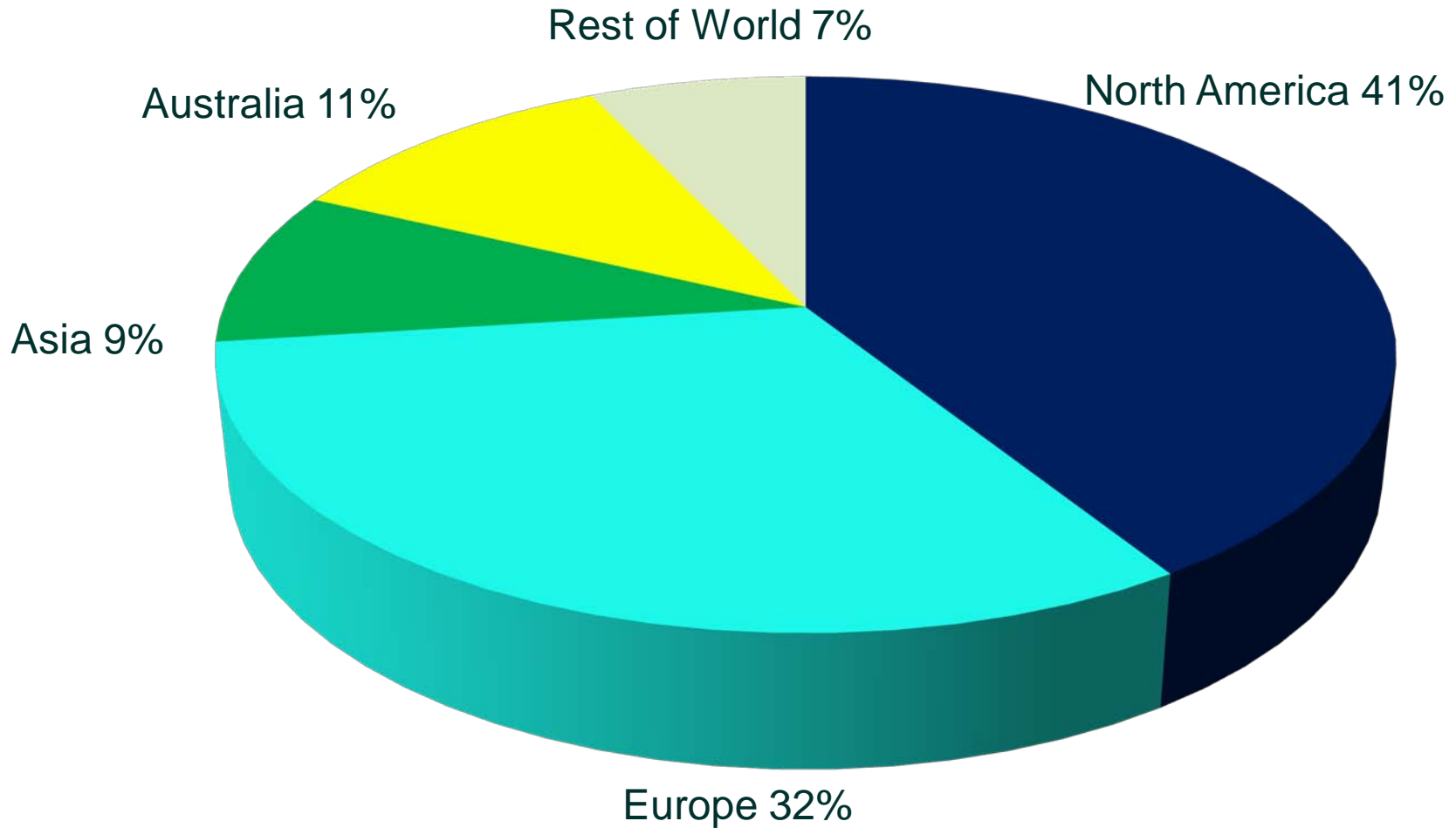
EPS 174 cents

Final dividend 45 cents (franked 4.4%)

Total dividend 80 cents, payout 46%

¹ Excludes the one-off contribution of H1N1 in the prior period and the impact of foreign exchange movements.

Global Sales \$4.2 Billion



Operational Highlights

Immunglobulins portfolio

- Strong demand
- Broad product range – Hizentra[®], Privigen[®], Carimune[®]

Specialty products

- Corifact[®] (Factor XIII Concentrate), approved by US FDA
- RiaStap[™] (Congenital Fibrinogen Deficiency), Australian & European approval

Emerging market penetration

GARDASIL* (Human Papillomavirus Vaccine)

- US FDA approval for prevention of male and female anal cancer

Facilities Development – Supporting Growth

Privigen[®] manufacturing capacity expansion

- New 15 million gram facility at Broadmeadows
- Capacity optimisation at Bern

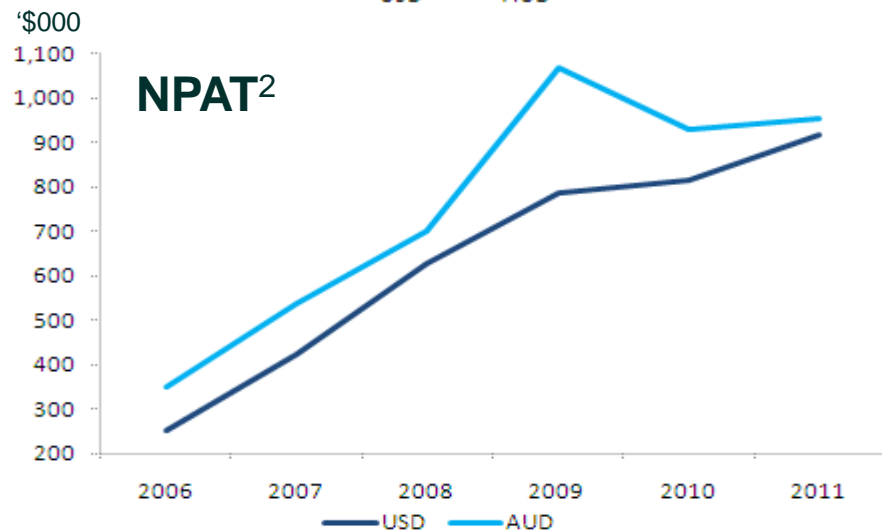
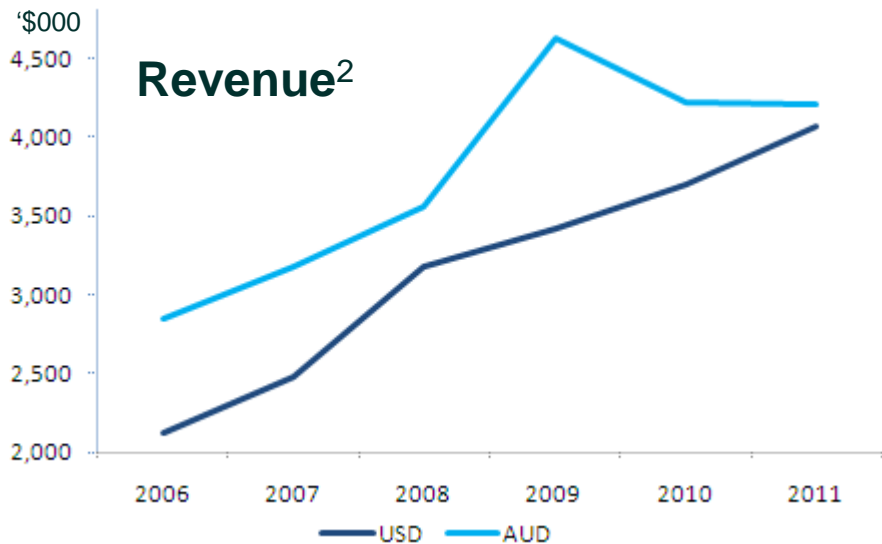
Multi-site albumin capacity expansion

New biotech facilities

- Bulk recombinant protein production - Broadmeadows
- Protein purification and finishing - Marburg

New plasma collection centres

AUD v USD reporting¹



USD reporting

Benefits

- Most closely matches constant currency results
- Industry standard currency
- Facilitates company comparability
- Low proportion of AUD earnings

¹ Group result adjusted for the impact of H1N1 in FY2010 and Talecris in FY2009

² The Group's adjusted result in USD has been prepared by translating the results of all entities in the Group into US dollars using average fiscal year exchange rates.

Outlook for FY2012

@ 10/11 exchange rates

Revenue	~\$4.7 bn
R&D	~360m
Net profit after tax*	~\$1,040m

Growth ~10%

Outlook statements are subject to:

Material price and volume movements on core plasma products, competitor activity, changes in healthcare regulations and reimbursement policies, royalties arising from the sale of Human Papillomavirus vaccine, implementation of the Company's influenza strategy and plasma therapy life cycle management strategies, enforcement of key intellectual property, regulatory risk, litigation, the effective tax rate and foreign exchange movements.

Human Health Business Unit Performance

- CSL Behring
- Other Human Health (CSL Biotherapies)
- Intellectual Property Licensing
- CSL Research & Development

CSL Behring

Product sales US\$3,314m up 11% at cc

Immunoglobulins

Privigen

- IgLab Module 2 approved in US and Europe

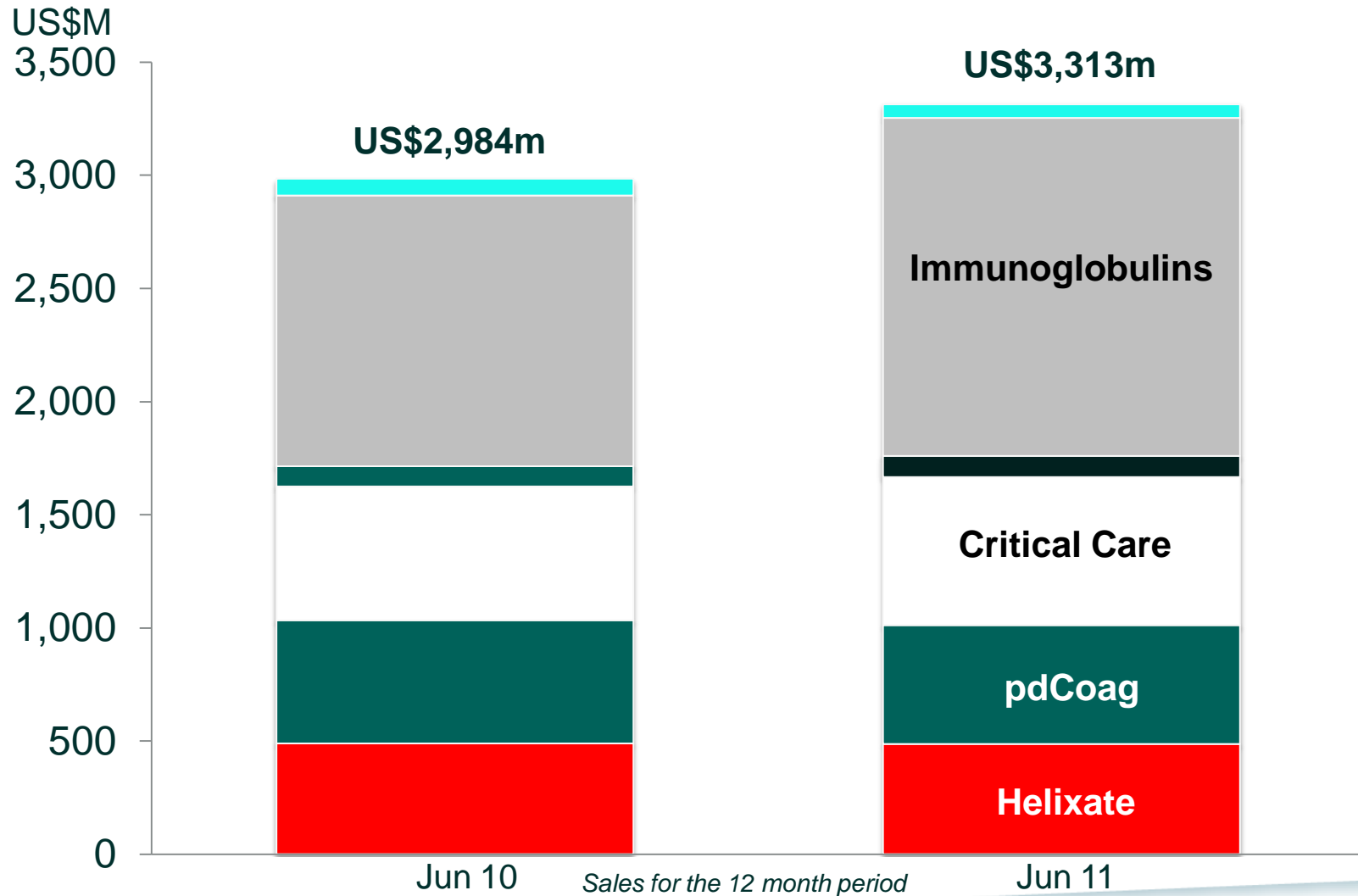
Hizentra[®] (IgPro20 sc)

- European approval April 2011
- Facility expansion approved by US and EU regulators

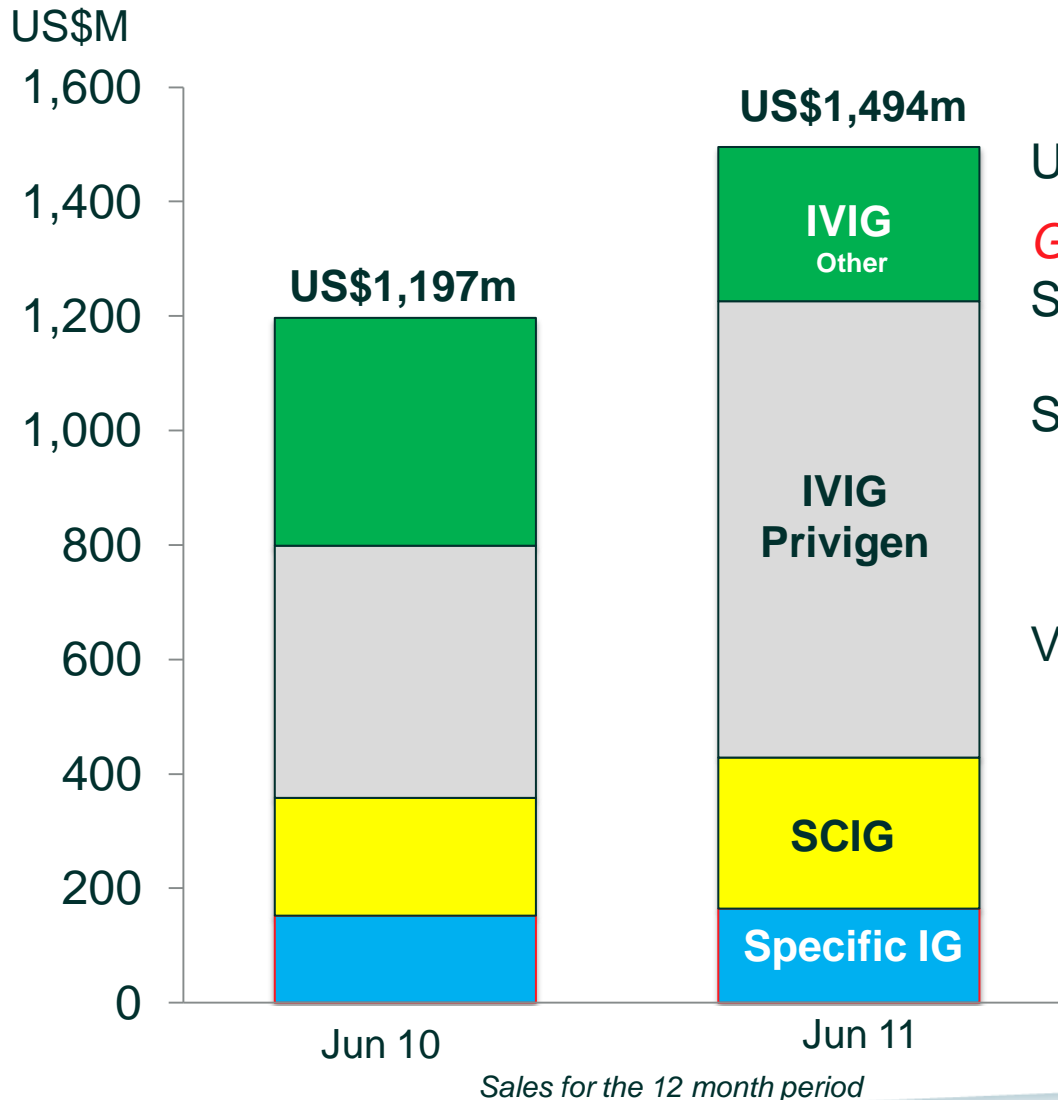
Specialty plasma products

- Berinert[®] now licensed in 30 countries
- Beriplex[®] phase III clinical trials completed
- Corifact[®] approved by US FDA
- Cytogam[®] production process approved for transfer to Bern
- RiaSTAP[™] European approval

CSL Behring – Product sales up 11% in cc terms



Immunoglobulins



Highlights

Up 25% in cc terms

Growth

Sales mix

- Migration to Privigen[®]

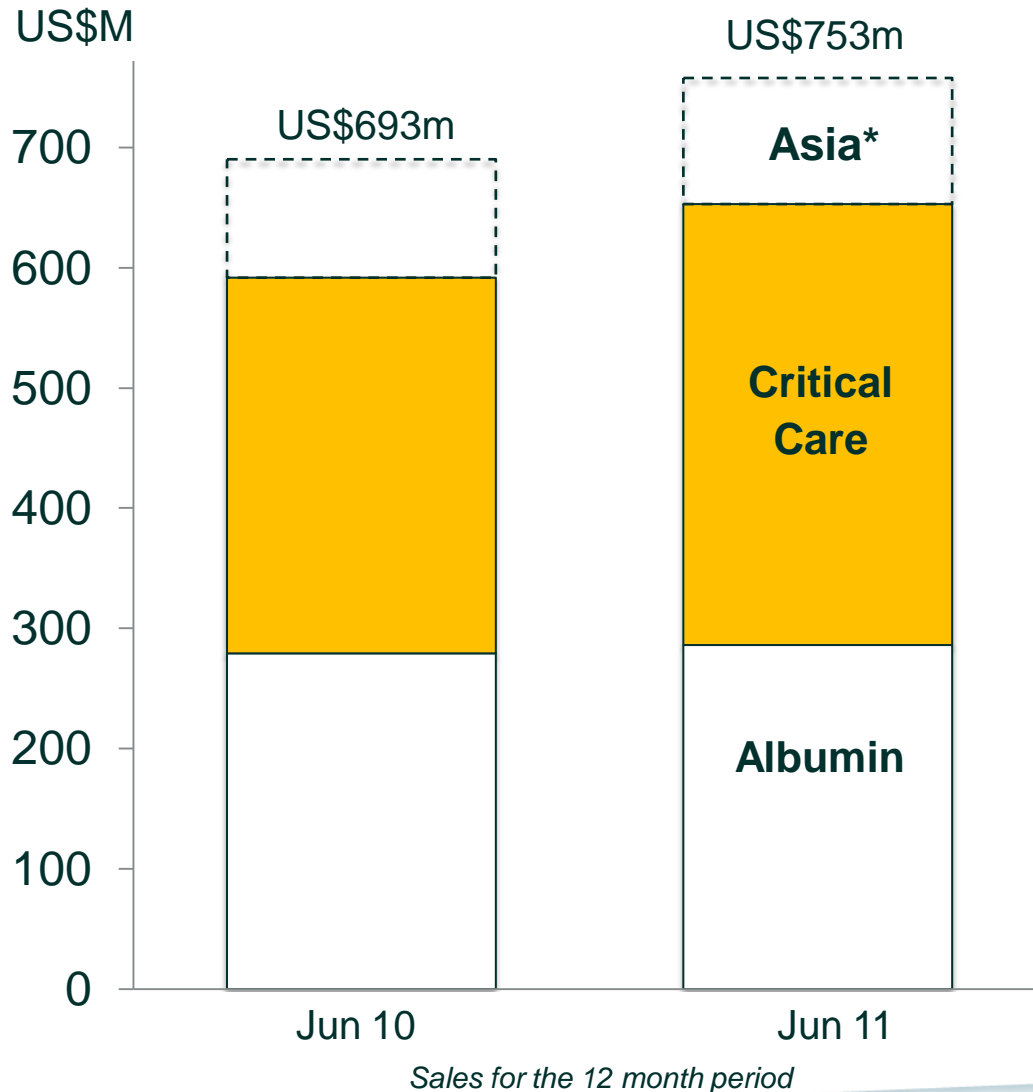
SCIG demand

- New patients
- Transition to Hizentra[®]
- Rolling EU launches of Hizentra[®]

Volume

- US Privigen promise
- Canada expansion
- European demand strong
- Rhophylac[®] growth
- Competitor withdrawal

Critical Care



Highlights

Up 9% in cc terms

Albumin growth

- Updated clinical guidelines
- Supply chain changes

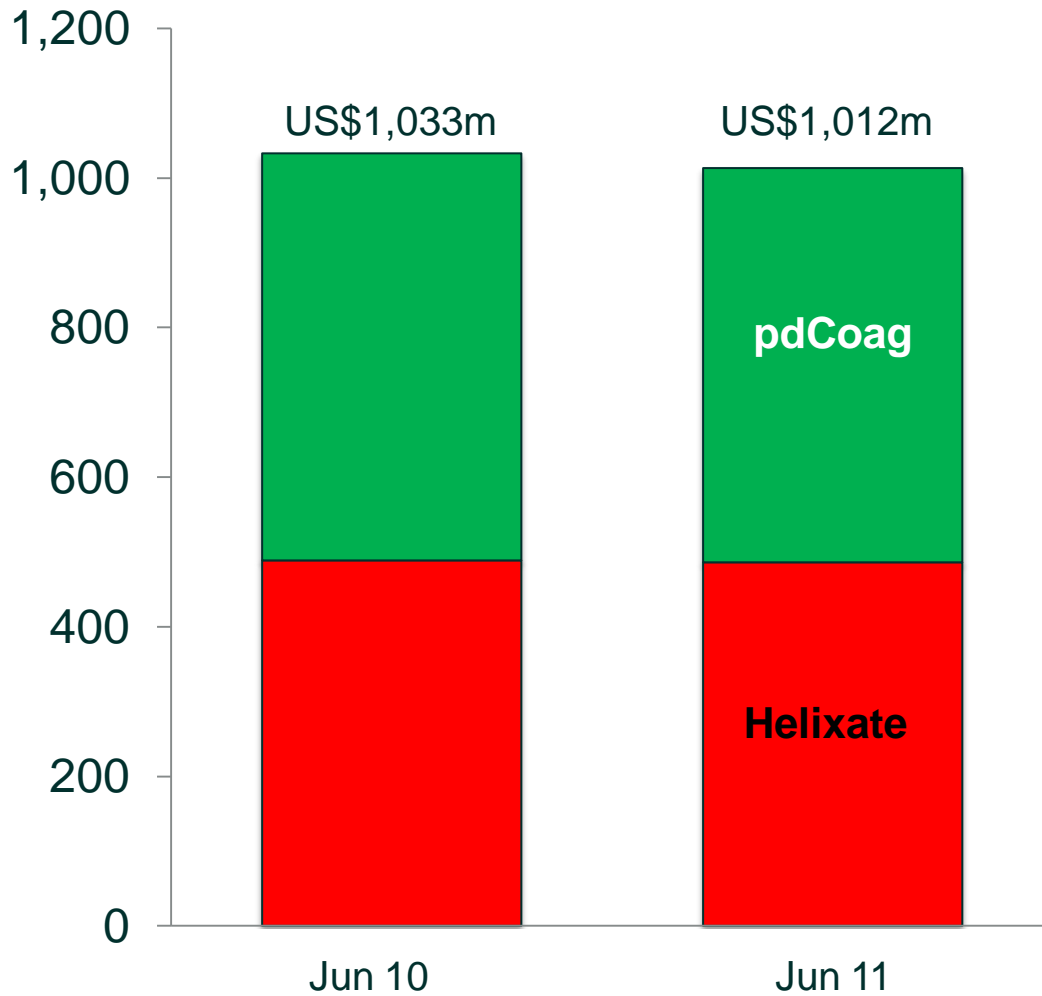
Critical Care products growth

- Haemocomplettan® / RiaSTAP® ongoing peri-operative bleeding management demand
- Berinert® P - US patient growth
- Beriplex® - Warfarin reversal

* CSL Behring albumin sold in Asia by CSL Biotherapies

Haemophilia

US\$M



Sales for the 12 month period

Highlights

Down 1% in cc terms

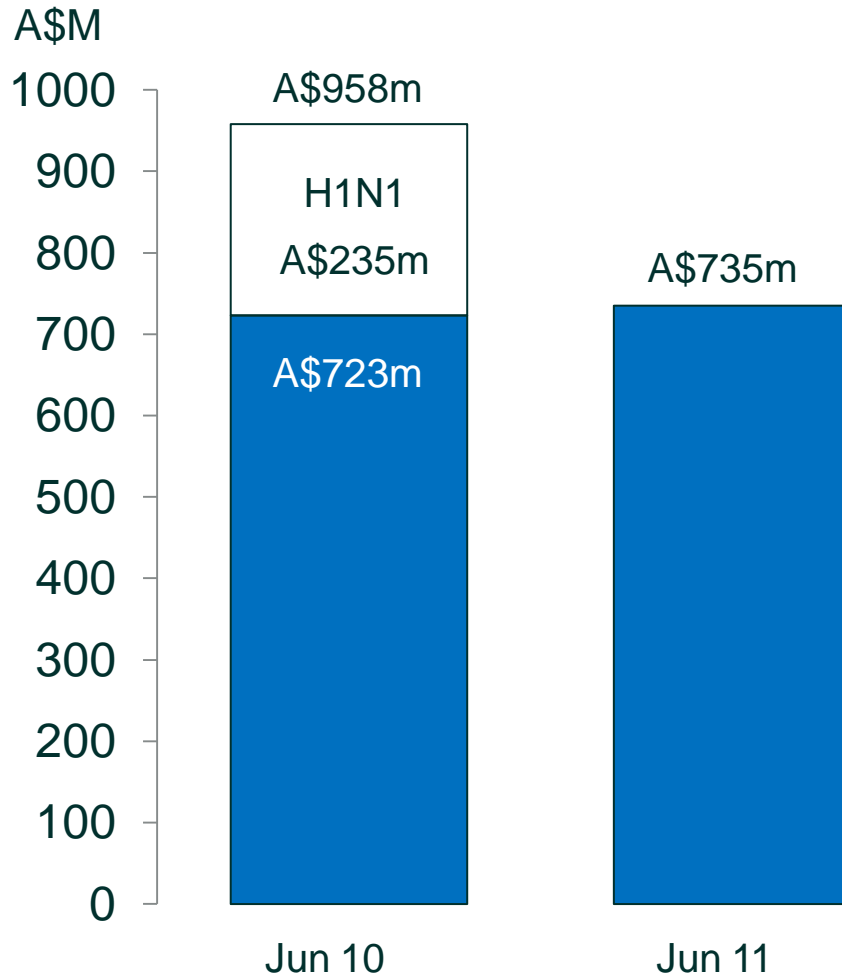
PdFVIII

- 8% volume growth in lower priced markets
- Beriate[®] demand growth in Russia, Poland & Brazil

Helixate[®]

- UK tender reduction

Other Human Health (CSL Biotherapies)



Highlights

Up 4% in cc terms

Plasma therapies sales growth

- ARCBS collections growth
- Biostate[®] sales into Asia and South America
- RiaSTAP[®] approved by TGA

GARDASIL[®] Australia & NZ \$24.8m (FY10 \$47m)

- Successful conclusion of catch-up programs in Australia.

Influenza sales \$125m up 5% at CC

CSL Intellectual Property Licensing

Revenue \$96m, down 6% on CC terms

HPV royalties \$83m

- TGA approval for use in males 9 to 26 yrs for prevention of external genital lesions
- Submission to PBAC to extend current program

Mavrimumab (GM-CSFR α)

- Medimmune/AstraZeneca Phase II study in RA
- Recruitment completed
- Results expected Q4 11

Periodontal disease

- Research agreement with Sanofi pasteur
- Option to an exclusive worldwide license

R&D Highlights

Coagulation/Haemophilia

Recombinant Factor IX-FP

- Phase I study patient recruitment completed

Recombinant Factor VIII

- Unique single chain rFVIII phase I study Q4 11

Recombinant Factor VIIa-FP

- Pharm/tox studies commenced

Immunoglobulins

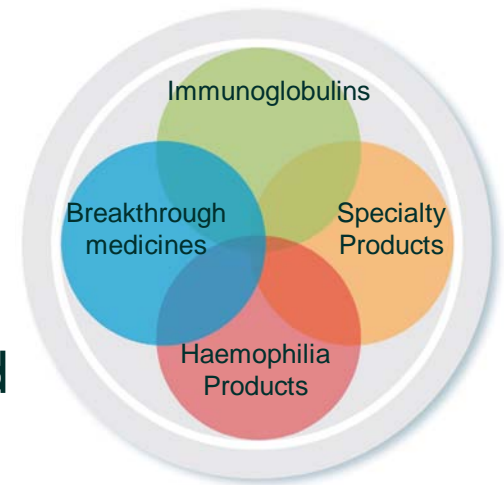
Privigen[®]

- European Phase III study in CIDP initiated

Breakthrough Medicines

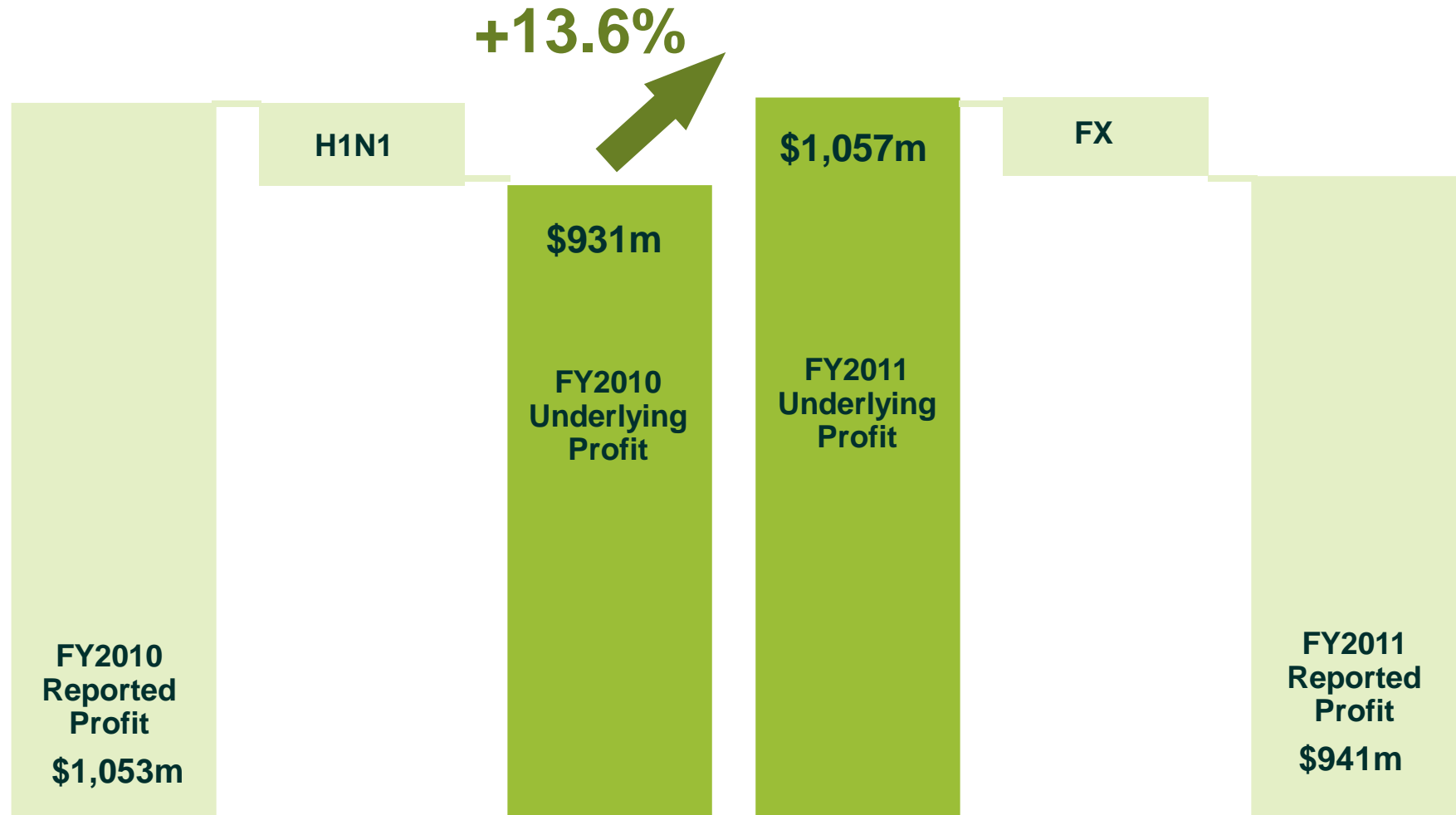
Reconstituted HDL

- Phase I dosing study completed



Financial Detail

Underlying profit up 13.6% @ constant currency

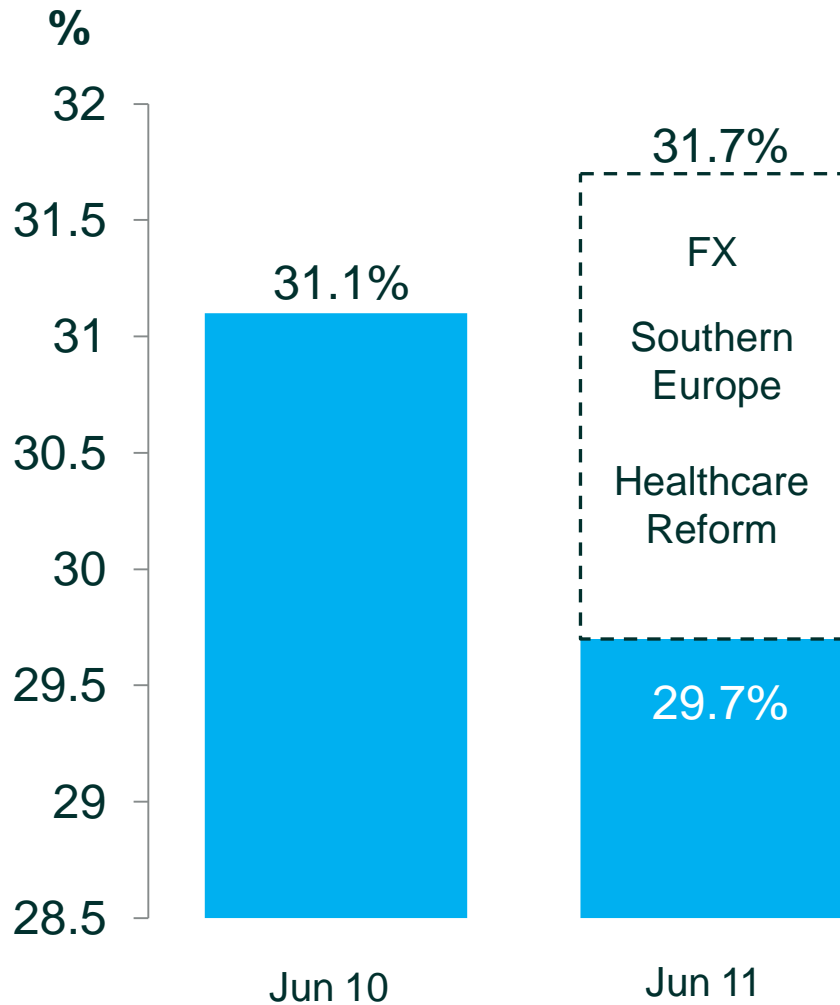


FY2011 guidance @ constant currency \$980m – \$1,030m

“...at the top of this range...”



CSL Behring - Reported EBIT Margin



Notable items

- Foreign Exchange
 - Weakening USD against the Swiss Franc
- Southern Europe
 - Discount on Greek bonds
- Healthcare reform
 - US & EU

Strong Financial Discipline

Cashflow from operations \$1.0 billion

Capital expenditure \$212m

Working Capital	2010	2011
Cash cycle	145	147
Financial Leverage	2010	2011
• Cash on hand	\$1,001m	\$479m
• Debt	\$462m	\$416m

- Balance Sheet Strength -



Capital Management

On-Market Buyback

Completed June 2010

- 26m shares ~5% of issued capital
- \$900m returned to shareholders

Capital management foreshadowed during FY2012

- Modestly leverage balance sheet
 - Net debt/EBITDA target zone 0.7 to 1.2x
- Raise new bank debt and Private Placement facilities ~\$1bn
- Pay down facilities maturing calendar 2012 of \$385m
- Board to consider alternative capital management initiatives
 - May include share buyback of up to \$900m

** CSL reserves the right to suspend or terminate buybacks at any time*



Currency Effects

Translation

Transaction FX dependant on

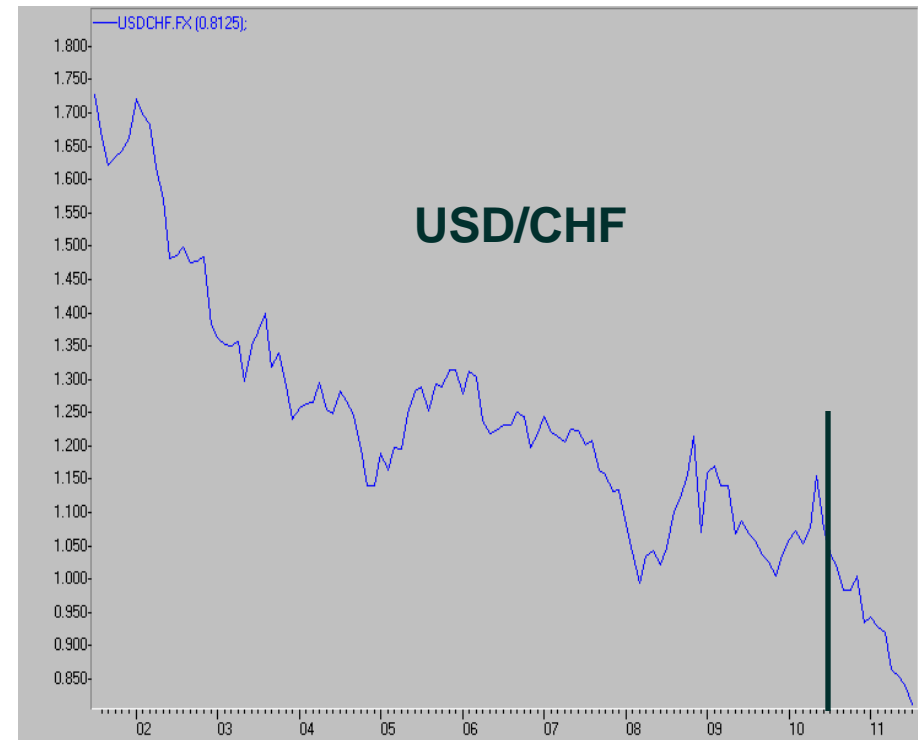
- Sale or purchase date & size
 - Considerable variance month to month
- Exchange rate at a point in time

Key drivers

- Certain sales of immunoglobulin – USD/CHF
- Certain sales of coagulation products – USD/EUR
- Certain sales of influenza vaccine – AUD/USD
- HPV vaccines royalty – AUD/USD

Composite figure guidance to date

- Worked reasonably well until current period of significant FX movements



Rough Transaction Guide

Rough guide

- Transaction FX estimate –ve A\$175m
- USDCHF key sensitivity
 - Reference rate 0.76
 - 1% movement from reference rate is +/- \$5m to estimate

Considerations

- USD weakening against the CHF gives rise to –ve impact
- Updates to be provided with half yearly results
- Necessary as the sale mix continually changes

Transaction FX estimate – rough guide only


FX Impact on FY2012 Guidance*

Foreign Exchange (*post tax*)

	FY12 Est.
Translation	~ \$ 90m
Transaction	~ <u>\$(175)m</u>
Total	~ \$ (85)m

Net profit after tax outlook

NPAT FY2012 at constant currency <i>Growth ~10% on FY2011 profit</i>	~\$1,040m
Est. foreign currency NPAT impact	~ \$(85)m
NPAT FY2012 at current rates	~ <u>A\$955m</u>



- Full year impact
- See appendix for foreign exchange sensitivity table

CSL Growth Strategy



R&D capabilities - Financial strength



Appendix

Group Results

Full year ended June \$ Millions	June 2010 Reported	June 2010 Underlying*	June 2011 Reported	June 2011 CC**	Change %
Sales	4,456	4,221	4,188	4,584	8.6%
Other Revenue / Income	171	171	134	145	
Total Revenue / Income	4,627	4,392	4,322	4,729	
Earnings before Interest, Tax, Depreciation & Amortisation	1,514	1,339	1,357	1,510	12.7%
Depreciation/Amortisation	157	157	173	183	
Earnings before Interest and Tax	1,357	1,182	1,184	1,327	12.2%
Net Interest Expense / (Income)	(22)	(22)	(14)	(13)	
Tax Expense	326	274	257	283	
Net Profit	1,053	931	941	1,057	13.6%
Total Ordinary Dividends (cents)	80.00		35.00		
Final Dividend (cents)	45.00		45.00		
Basic EPS (cents)	185.8		174.0		

* Excludes the one-off contribution from the sale of pandemic influenza vaccine (H₁N₁) in the prior comparable period.

28 ** Constant currency removes the impact of exchange rate movements to facilitate comparability. See end note for further detail.



Group Results

*Restated in US Dollars**

Full year ended June US\$ Millions	June 2010 Reported	June 2010 Underlying*	June 2011 Reported	Change %
Sales	3,909	3,702	4,097	10.7%
Other Revenue / Income	149	149	131	
Total Revenue / Income	4,058	3,851	4,228	
Earnings before Interest, Tax, Depreciation & Amortisation	1,326	1,172	1,324	13.0%
Depreciation/Amortisation	137	137	170	
Earnings before Interest and Tax	1,188	1,035	1,154	11.5%
Net Interest Expense / (Income)	(19)	(19)	(13)	
Tax Expense	286	240	249	
Net Profit	921	814	918	12.8%

•The Group's result in USD has been prepared by translating the results of all entities in the Group into US dollars using average fiscal year exchange rates.

CSL Behring Sales

Year ended June

	FY10 USD\$M	FY11 USD\$M	FY11 USD\$M CC	Change %
rFVIII	489	486	493	1
pdCoag	544	527	533	-2
Specialty Critical Care	313	367	365	17
Albumin (excludes Asian sales)	279	286	282	1
Wound Healing	90	94	87	-4
Immunoglobulins	1,197	1,493	1,493	25
Other Product Sales	73	61	61	-16
Total Product Sales	2,984	3,313	3,313	11
<i>Other sales (mainly plasma)</i>	<i>85</i>	<i>66</i>	<i>66</i>	<i>-22</i>
<i>Total Sales</i>	<i>3,069</i>	<i>3,380</i>	<i>3,379</i>	<i>10</i>



Foreign Exchange Sensitivity

FY2012 - Full year NPAT impact

Translation - Ready Reckoner

Sensitivity to 1% movement in key currency pairs

	FY11 Rates	1% rate change impact on FY12
• AUD/USD*	0.98	+/- \$1.6m
• AUD/EUR	0.72	+/- \$3.1m
• AUD/CHF	0.96	+/- \$5.6m

Transaction – estimate -ve\$175m

Sensitivity to 1% movement in key currency pair

	Reference Rate	1% rate change impact on estimate
• USD/CHF	0.76	+/- \$5m

* Includes HPV Royalties

Notes

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: 1) 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 2) 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.