



CSL Limited
Half Year Report
2009-2010

CSLTM

Half Year Financial Results

CSL Group Results

For half year ended December	2009 (\$M)	2008 (\$M)
Sales	2,317.4	2,206.7
Other Revenue/Income	97.6	158.2
Total Revenue/Income	2,415.0	2,364.9
Earnings before Interest, Tax, Depreciation and Amortisation	874.4	701.5
Depreciation/Amortisation	78.3	75.3
Earnings before Interest and Tax	796.1	626.2
Net Interest Expense/(Income)	(15.2)	(13.7)
Tax Expense	193.9	138.0
Net Profit after Tax	617.4	501.9
Interim Dividend (cents)	35.00	30.00
Basic EPS (cents)	106.34	85.44

Dividend to Shareholders

An interim unfranked dividend of 35 cents per share is payable on 9 April 2010.

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 \$617 million for the half year ended 31 December 2009, an increase of 23% on the same period last year. Adjusted for an unfavourable foreign exchange impact of \$46 million¹, net profit after tax grew 32%.

CSL Group sales revenue increased 5% to \$2.3 billion and cash flow from operations grew 10% to \$491 million. Our on-market share buy-back of up to 54,863,000 shares (about 9% of issued capital) announced on 9 June 2009 is 86% complete with approximately \$1.5 billion spent to date². At the end of the half year, our balance sheet was sound with \$956 million in cash and equivalents and interest bearing liabilities of \$459 million.

Your Directors have announced an interim unfranked dividend of 35 cents per share, an increase of 17% on the same period last year and payable to shareholders on 9 April 2010.

Business Group Performance

In constant currency¹, CSL Behring sales revenue increased 10% to \$1.8 billion compared to the same period last year and included 9% growth for immunoglobulins, 8% for critical care products and 10% for haemophilia therapies.

Increased revenue from immunoglobulins against generally stable pricing was based largely on demand and a shift in product mix with encouraging results for Privigen® and Vivaglobin® - a subcutaneous product that provides patients the convenience of self administration. Our critical care product sales were underpinned by albumin volume growth, particularly in the US and emerging markets. For our haemophilia therapies, pricing has remained steady with sales growth driven mainly by higher demand.

CSL Biotherapies sales revenue grew 31% to \$528 million with \$160 million in sales of the H₁N₁ influenza vaccine (Swine Flu). This was partially offset by a \$66 million reduction in GARDASIL®³ sales to \$18 million for the first half of the financial year, consistent with successful catch-up vaccination programs in Australia drawing to a close.

Following the outbreak of the H₁N₁ pandemic threat in April 2009, CSL developed a vaccine, conducted clinical trials and published initial results in the New England Journal of Medicine by September 2009. Our data played an important role in assisting Governments around the world to determine pandemic vaccine immunisation policy and demonstrated our capacity to respond to time-critical pandemic threats.

Growth in our US and German markets led to a 22% increase in sales for seasonal influenza vaccines to \$91 million compared to the previous half year. Our sales of Intragam® P in Australia and albumin in China also contributed to growth.

Business Development

On 23 December 2009, CSL signed a new Agreement with the National Blood Authority to supply the Australian community with plasma-derived therapeutic products. This Agreement commenced on 1 January 2010 and runs for eight years to 31 December 2017.

In October 2009, CSL reached an Agreement with GlaxoSmithKline (GSK) to initiate a strategic alliance in the territories of the Russian Federation. Under this Agreement, GSK will distribute and promote, in Russia and the Commonwealth of Independent States, a number of CSL Behring products including coagulation Factors VIII and IX, Beriate[®], and Mononine[®] all of which have already received regulatory approval in Russia.

On 12 October 2009, The US Food and Drug Administration (FDA) granted marketing approval for Berinert[®] (C1 Esterase Inhibitor, Human) to treat adults and adolescents for acute abdominal or facial attacks of hereditary angioedema, a rare and serious genetic disorder. Berinert[®] is the first and only therapy approved for this indication in the United States. In January 2010, the Australian Therapeutic Goods Administration (TGA) approved Berinert[®] for treatment of acute attacks in patients with hereditary angioedema. Berinert[®] has also been approved in Canada and more than 20 countries in Europe.

CSL received \$58 million in royalties on the global sales of Human Papillomavirus Vaccine during this first half year. Merck & Co. Inc., our exclusive licensee for the GARDASIL[®] vaccine with global marketing rights, has submitted end of study data to the US FDA seeking to expand the label claim for this vaccine to include adult women aged 27 to 45.

On 1 October 2009, CSL announced an exclusive six-year Agreement with Merck & Co. Inc. granting rights to market and distribute our Afluria[®] influenza vaccine in the United States. The US FDA approved Afluria[®] in October 2007 for adults 18 years and older and shipments to the US commenced in 2008. In November 2009, the US FDA approved Afluria[®] for use in children six months and older.

Our Corporate Responsibility

I am pleased to announce that CSL has released its 2009 Corporate Responsibility Report. This is the first time the Company has brought together into one report information about its economic, social and environmental performance. The Report outlines the relationship between our responsible business practices and the ongoing success of our Company and presents our approach to and performance in key areas of corporate responsibility. Topics include research and development, product safety and quality, human capital management, marketplace conduct, community support and environmental responsibility. I encourage you to read the Report, which is available on the CSL website, and to provide us with feedback about its contents.

Business Outlook

CSL is well positioned for the expected international growth in demand for plasma-derived therapies with a broad portfolio underpinned by new product and market development activities.

Subject to a number of key variables⁴ and using financial year 2008-2009 exchange rates, we continue to forecast a net profit of between \$1.16 and \$1.26 billion, a 14% to 24% growth in underlying operational profit, and we anticipate a result in the upper end of this range. Based on current exchange rates, we expect net profit after tax to be between \$970 million and \$1.07 billion.



Elizabeth Alexander, Chairman
March 2010

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

² CSL reserves the right to suspend or terminate the buy-back at any time.

³ GARDASIL® is a trademark of Merck & Co. Inc.

⁴ CSL's full year forecast is subject to several key variables including material price and volume movements on core plasma products, competitor activity, changes in health care regulations and reimbursement policies, royalties arising from the sale of Human Papillomavirus vaccine, successful implementation of the Company's influenza expansion strategy and plasma therapy life-cycle management strategies, enforcement of key intellectual property, the risk of regulatory action or litigation, the effective tax rate and foreign exchange movements.

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 13 October 2010.

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

Cover

Jadon Pennington is the
CSL Plasma Adopt-a-Patient
for Tulsa, Oklahoma, USA.

Cassandra Dejrangsi is a
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