

**CSL Limited**  
**2010 Full Year Result**  
18 August 2010

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# Financials

Total sales \$4.5 billion up 10% at constant currency (cc)<sup>1</sup>

- Global sales and fill & finish activities relating to CSL's pandemic influenza vaccine (H<sub>1</sub>N<sub>1</sub>) totalled \$235 million

EBIT \$1,357 million up 20%<sup>2</sup> at cc

NPAT \$1,053 million (\$1,240m at cc, up 22%<sup>2</sup>)

- Foreign currency headwind \$187m

R&D investment \$317 million up 10% at cc

Operating cashflow \$1,168 million up 14%

Strong Balance Sheet - cash \$1.0b

Final dividend 45 cents (franked to 11%) up 13%

<sup>1</sup> Constant currency removes the impact of exchange rate movements to facilitate comparability.

<sup>3</sup> <sup>2</sup> One-off non-operational items, as previously disclosed, excluded from FY09.



# Operational Highlights

Australian Fractionation Agreement renewed to end of 2017

Privigen<sup>®</sup> - conversion well underway

- ~40% of IG sales by volume

Beriner<sup>®</sup> (C1-Esterase Inhibitor)

- US FDA grants marketing approval, product launched
- European approvals extended
- Australian TGA approval, Notice of Compliance received from Health Canada
- Product now registered in 28 countries

Hizentra<sup>™</sup> (Subcutaneous IG 20% Liquid)

- US FDA approved, product launched
- First 20% subcutaneous immunoglobulin therapy

# Operational Highlights – cont.

## Pandemic Influenza Vaccine (H<sub>1</sub>N<sub>1</sub>)

- Swift response to WHO declared pandemic
- Successful development and registration
- >40m doses globally
- NPAT contribution \$122m

## GARDASIL<sup>®</sup>

- Merck data on use by females aged 27 – 45
- US FDA approval for males aged 9-26 for genital warts
- Data to TGA for males aged 9-26 for external genital lesions and infections

# Capital Management

## On-Market Buybacks

Completed April 2010

- 54.8m shares ~9% of issued capital
- \$1.8bn returned to shareholders

New

- \$900m on-market share buyback\*
- ~27m shares at current share price

## Dividends

- Payout ratio increased to ~43%

# Human Health Business Unit Performance

- CSL Behring
- CSL Biotherapies
- Intellectual Property Licensing
- CSL Research & Development

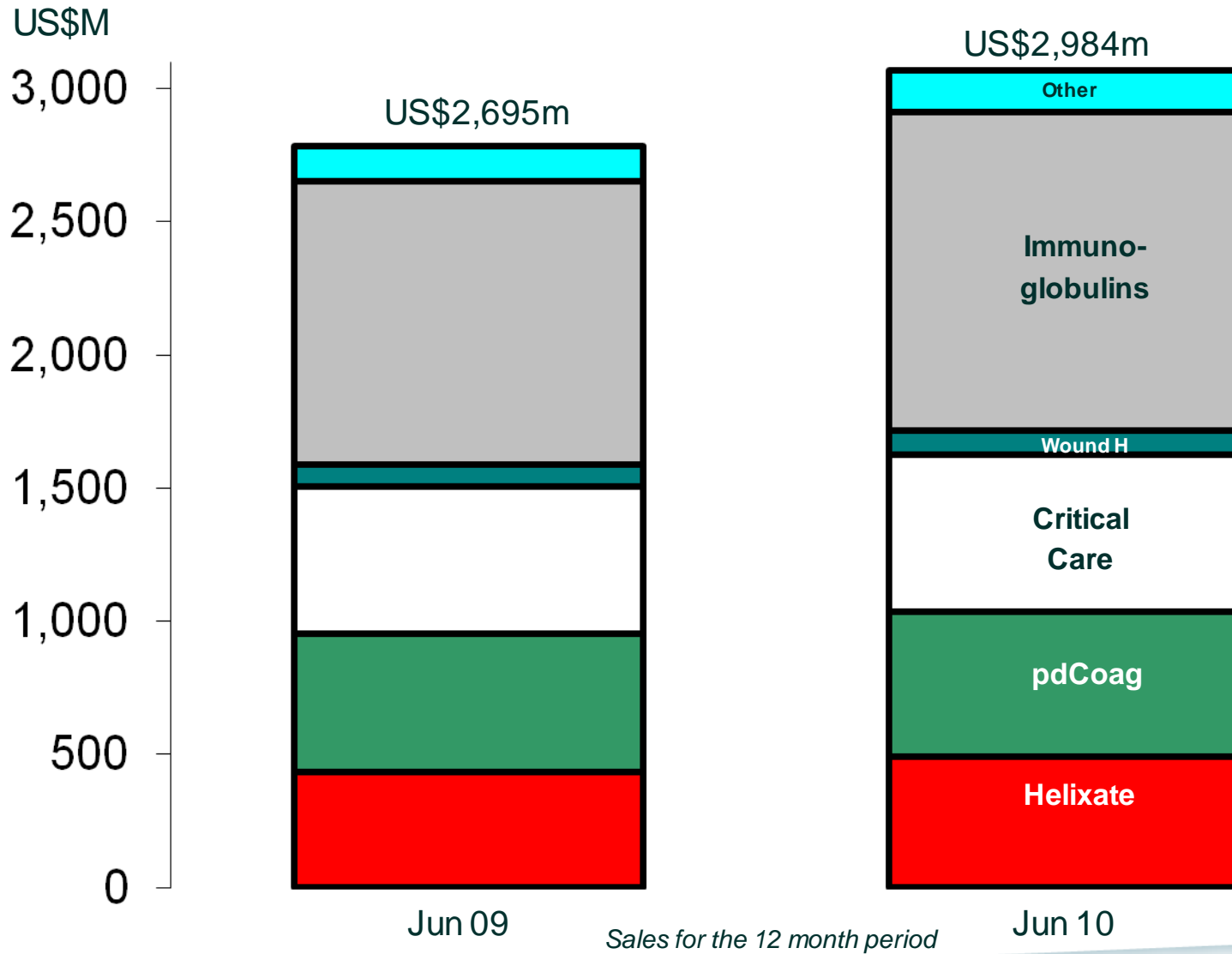
# CSL Behring

Sales US\$2,984m up 10% at cc  
EBITDA

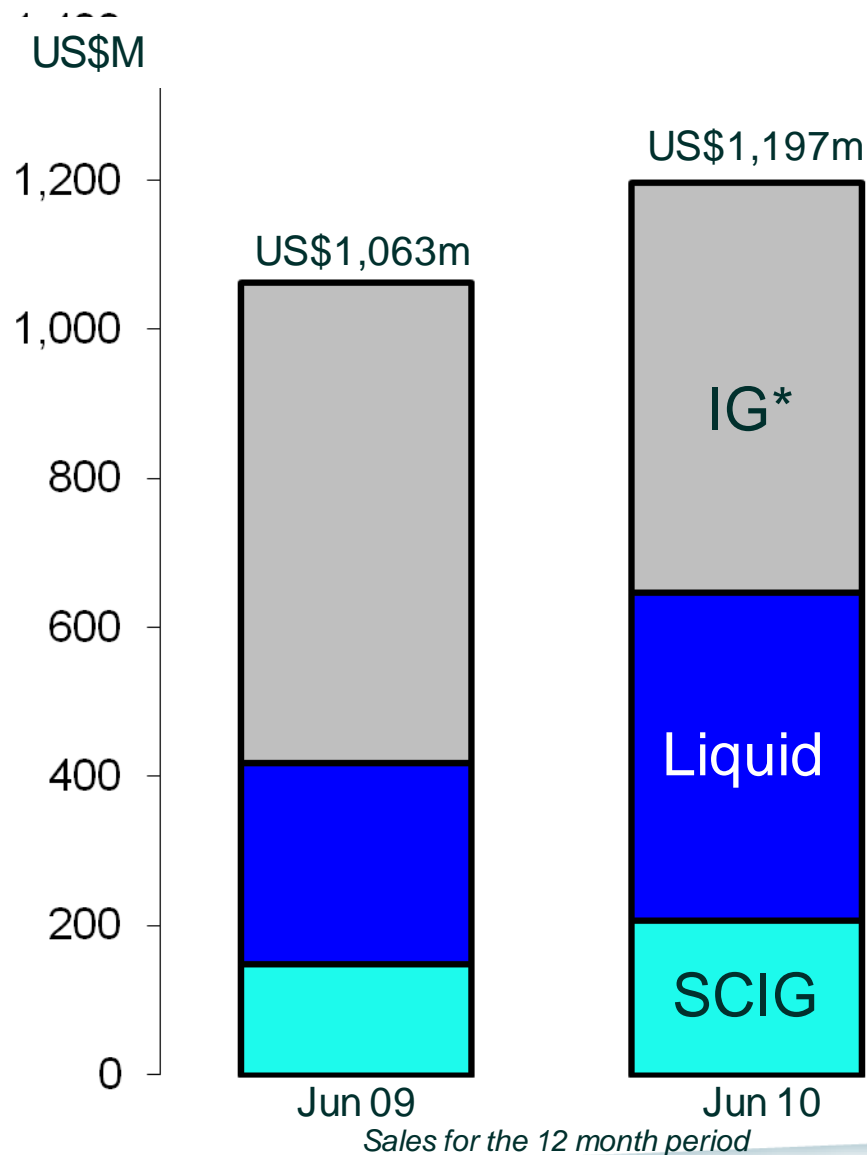
- Up 14% at cc
- margin ~35%
- Privigen<sup>®</sup> migration and Vivaglobin<sup>®</sup> expansion well underway
- Hizentra<sup>™</sup> (IgPro20) US FDA approval, launched April 2010
- Encouraging product up-take in Canada & Russia
- US FDA approves prophylactic use of Helixate<sup>®</sup> for children
- Zemaira – up 30%
- Berinert<sup>®</sup>
  - US FDA approval & US launch
  - Aust. TGA & Health Canada approval, EU MRP complete
- Haemocomplettan<sup>®</sup> / RiaSTAP<sup>®</sup> license expansion



# CSL Behring – Product sales up 10% in cc terms



# Immunoglobulins



## Highlights

Up 12% in cc terms

### Growth

Sale mix

- Migration to liquid - Privigen<sup>®</sup>

SCIG demand - Vivaglobin<sup>®</sup>

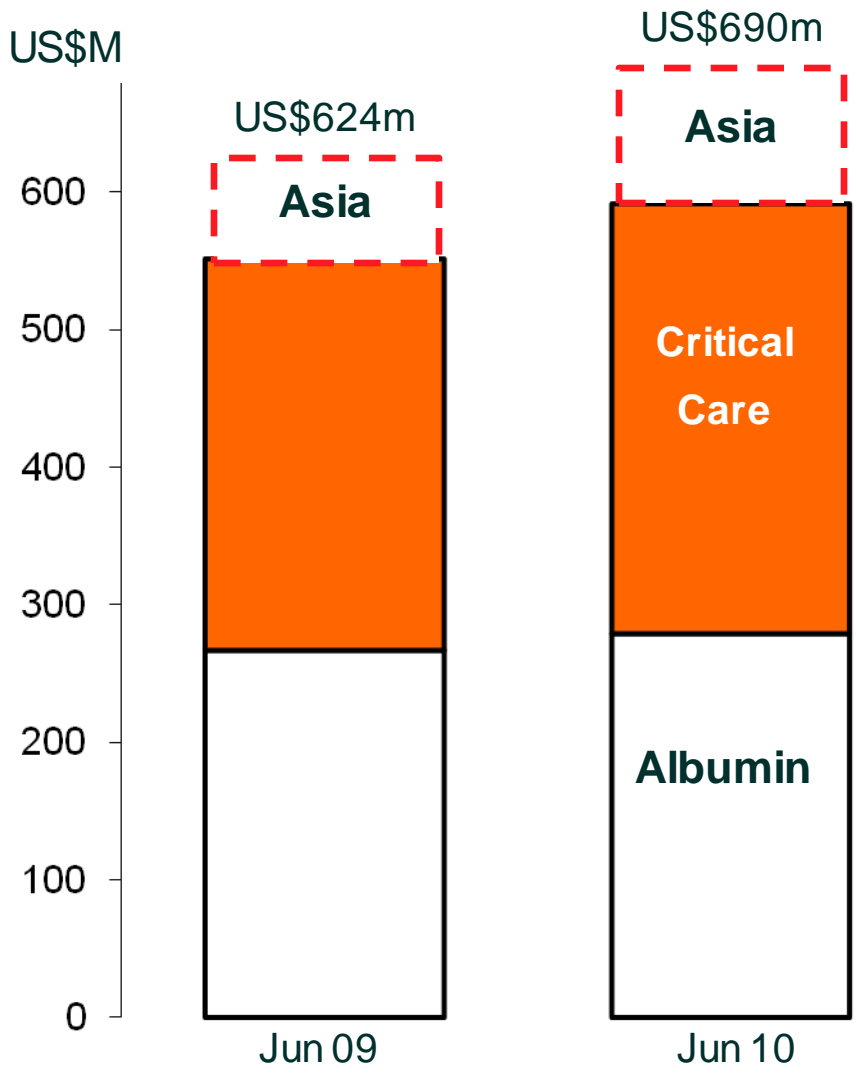
- Hizentra<sup>®</sup> launch

Volume

- European demand strong
- Canada expansion
- Rhophylac<sup>®</sup> growth

\* Includes hyperimmunes

# Critical Care



Sales for the 12 month period

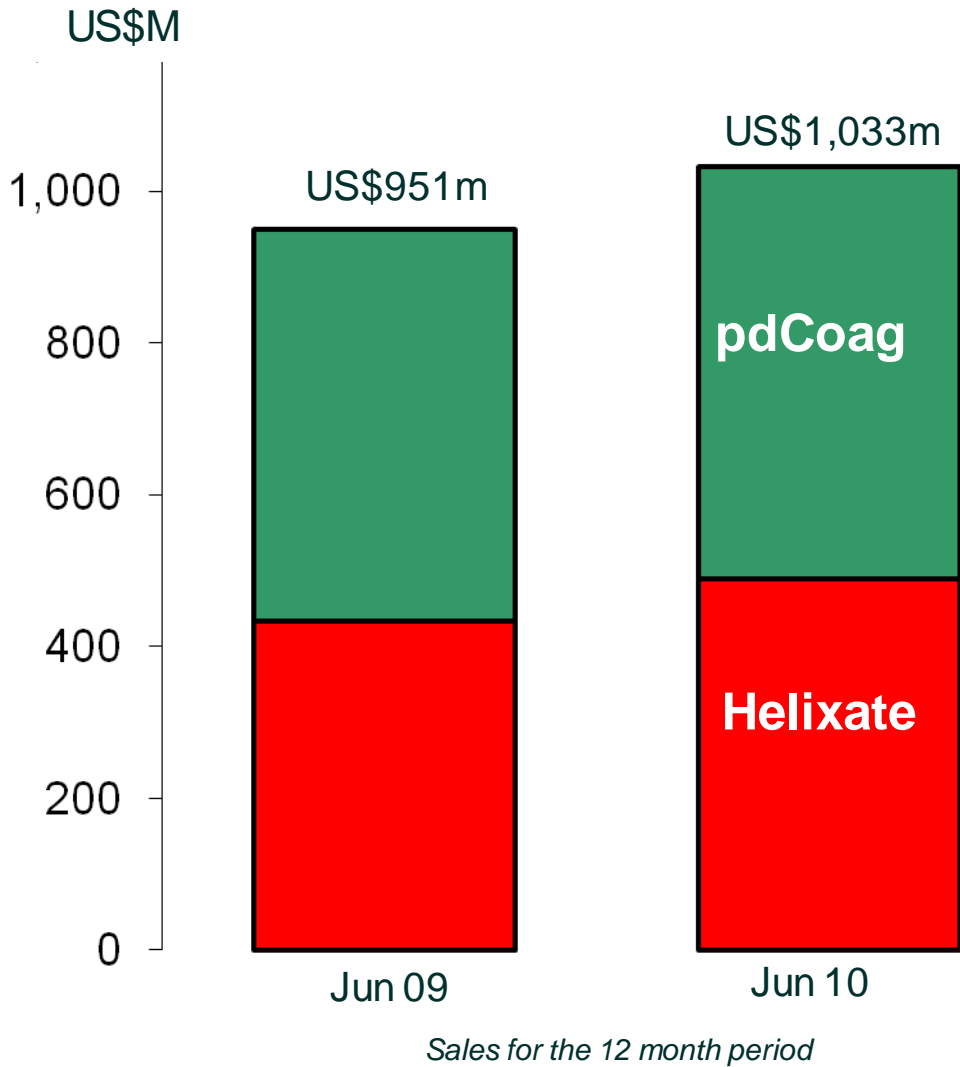
## Highlights

- Up 5% in cc terms
  - 9% incl. Asian sales\*
- Albumin growth
  - Volume in US
- Critical Care products growth
  - Haemocomplettan<sup>®</sup> P and Berinert<sup>®</sup> P
  - Beriplex<sup>®</sup> price competition



\* CSL: Behring critical care products sold in Asia by CSL Biotherapies

# Haemophilia



## Highlights

Up 8% in cc terms

### PdCoag

- Volume growth in lower priced markets
- Beriate<sup>®</sup> launch in Russia
- US demand for Humate<sup>®</sup>

### Helixate<sup>®</sup>

- Strong demand in US
- Western European contracts
- Canadian growth

# CSL Biotherapies - Financial

Sales A\$958m up 21% at cc

Revenues from H<sub>1</sub>N<sub>1</sub> vaccine \$235m

Strong albumin sales to China

Increased ARCBS plasma collection volumes

GARDASIL<sup>®</sup> Australia & NZ \$47m (PCP \$185m)

- Successful conclusion of catch-up programs in Aust.
- Ongoing Australian/NZ cohort ~\$30-35m pa

Influenza sales \$124m

# CSL Biotherapies - Operational

Australian businesses merged to form CSL Biotherapies

Australian Fractionation Agreement to 31 Dec. 2017

EVOGAM<sup>®</sup>

- 16% Chromatographic SCIG
- Registration dossier submitted to TGA

TGA approves Berinert<sup>®</sup>

Pandemic influenza vaccine (H<sub>1</sub>N<sub>1</sub>)

- Successful development and registration

Influenza vaccine

- Fluvax<sup>®</sup> AEs

# CSL Intellectual Property Licensing

Segment EBIT \$96m

HPV royalties \$102m (down 26% at cc)

- Merck data on use by females aged 27 – 45
- US FDA approval for males 9-26 for genital warts
- Data to TGA for males 9-26 for external genital lesions and infections

CAM3001 (GM-CSFR $\alpha$ )

- Medimmune/AstraZeneca commenced Phase II study in Rheumatoid Arthritis Feb 2010

Periodontal disease vaccine

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

# R&D Highlights

## Product Approvals

### Hizentra<sup>®</sup> (IgPro20 sc)

- US FDA approval and US product launch April 2010

### RiaSTAP<sup>™</sup> (Fibrinogen)

- EU MRP approval Dec 2009

### Beriner<sup>®</sup> (C1 esterase inhibitor)

- US FDA approval Oct 2009

## Pre-clinical Development

### Recombinant Factor IX-FP

- Successful preclinical studies, Phase I/II planned late 2010

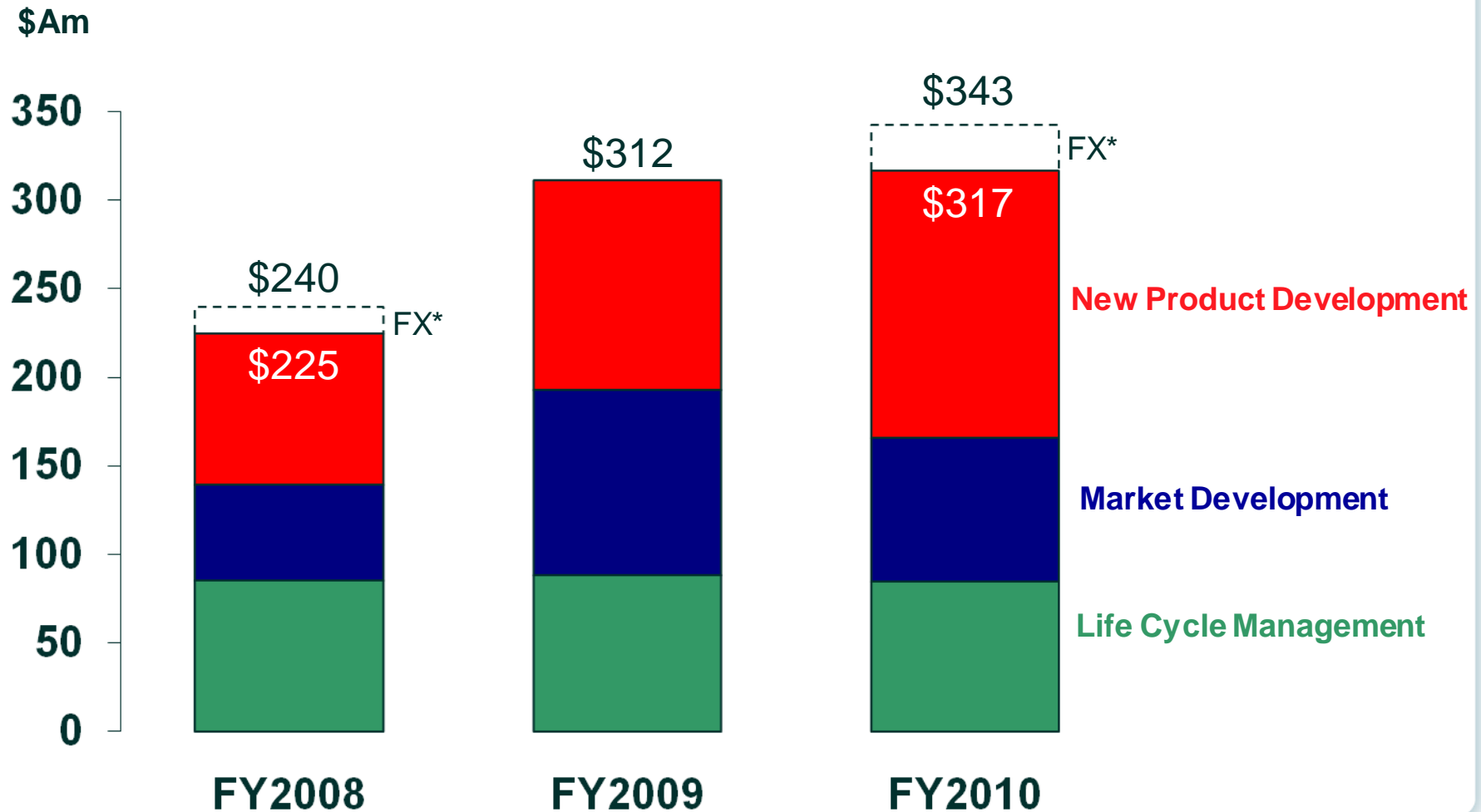
### Reconstituted HDL

- Phase I commenced June 2010



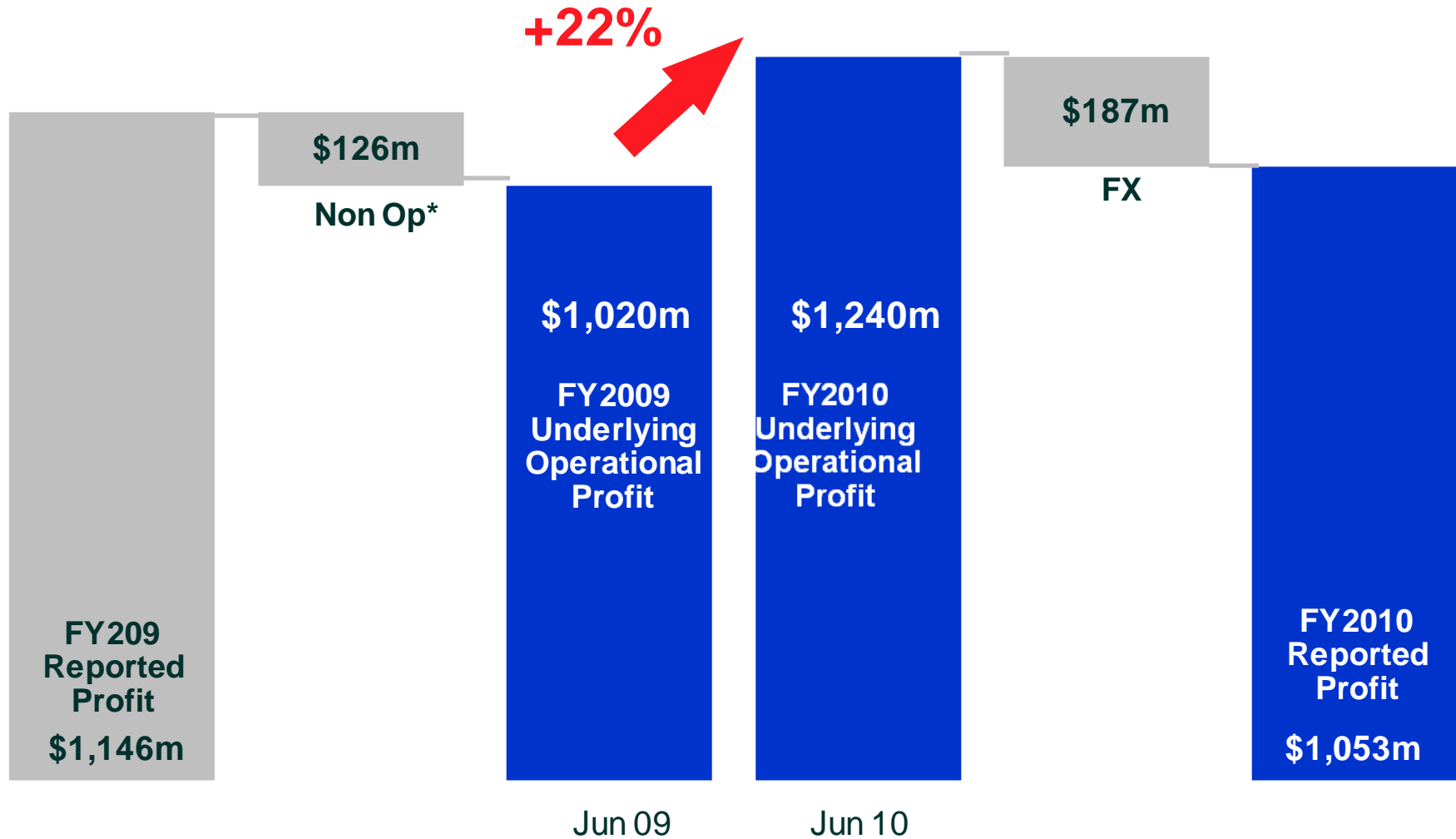
# R&D Investment

*Growth in new product development*



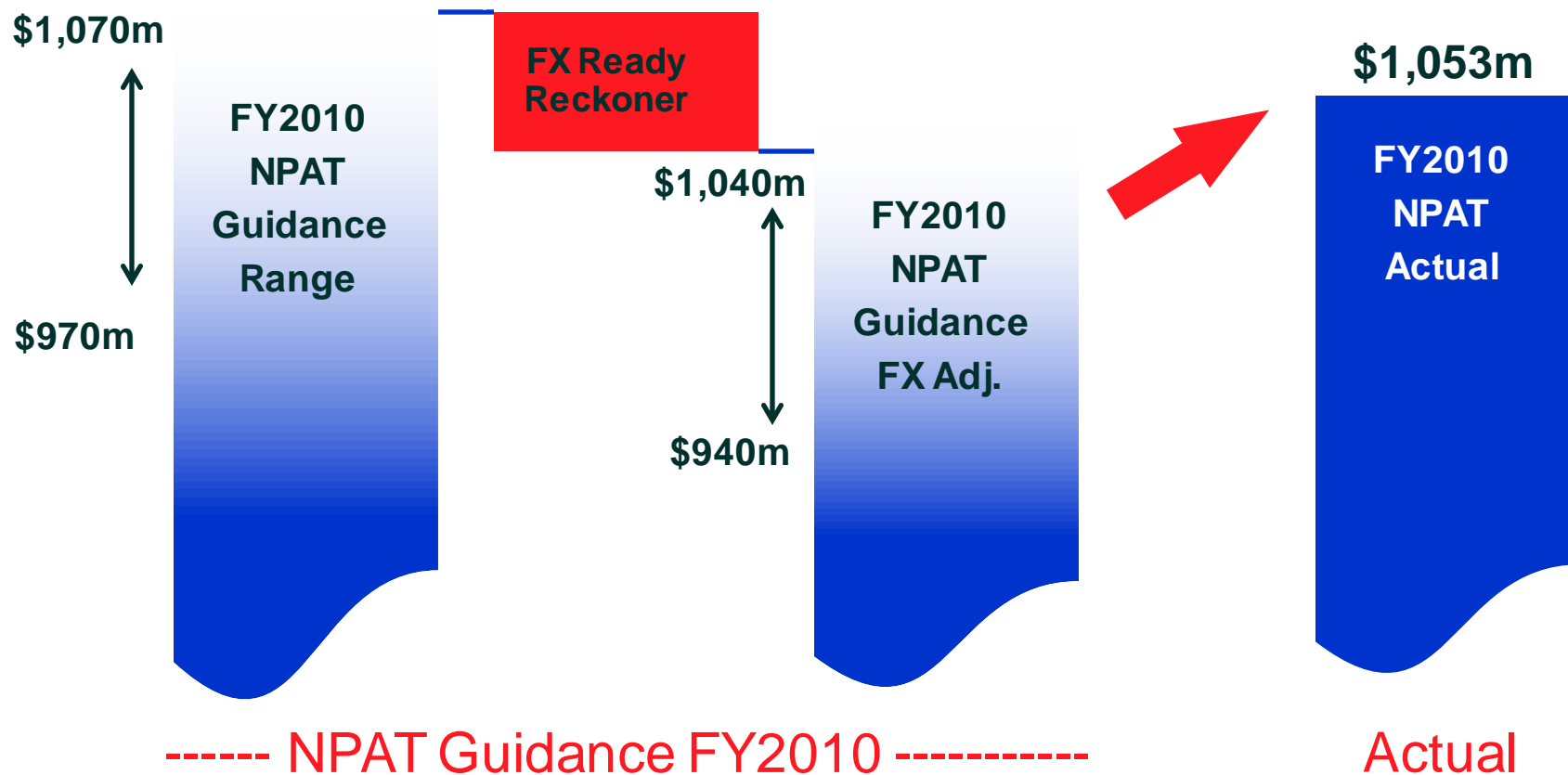
# Financial Detail

# Underlying operational profit up 22% @ CC



\* One-off non-operational items, as previously disclosed, relating to the discontinuation of the Talecris merger and certain tax items

# Performance V guidance



*“...We expect towards upper end of range...”*

# G&A Expense – no significant movement

<b>General &amp; Admin</b>	<b>\$M</b>
FY2009	407
Less merger discontinuation*	<u>134</u>
	<b>FY09 273</b>
FY2010	238
Add FX	<u>25</u>
	<b>CC adj. FY10 263</b>

# Strong Financial Discipline

Cashflow from operations \$1.2 billion (up 14%)

Capital expenditure \$265m

## Working Capital

- Days debtors
- Inventory turns
- Inventory

**2009**

**2010(@cc)**

60

63

1.6

1.5

\$1,522m

\$1,595m

## Financial Leverage

- Cash on hand
- Debt

**2009**

**2010**

\$2,528m

\$1,001m

\$718m

\$462m

**- Balance Sheet Strength -**



# Capital Management

## On-Market Buybacks

- \$900m on-market share buyback\*
- ~27m shares at current share price
- Timing subject to 10/12 limit

## Dividends

- Payout ratio increased to ~43%

# NPAT Phasing & non recurring items

## Phasing 1H v 2H

Foreign currency

Pandemic influenza vaccine H<sub>1</sub>N<sub>1</sub> sales

CSL Behring customer ordering

Influenza vaccine seasonality

R&D phasing

HPV royalties

*2H > 1H after adjusting for phasing and non recurring items*



# FX Headwind - \$187m NPAT FY2010

## Translation\*

	FY09	FY10	%
AUD/USD	0.74	0.88	19%
AUD/EUR	0.54	0.63	17%
AUD/CHF	0.85	0.93	9%

## Transaction

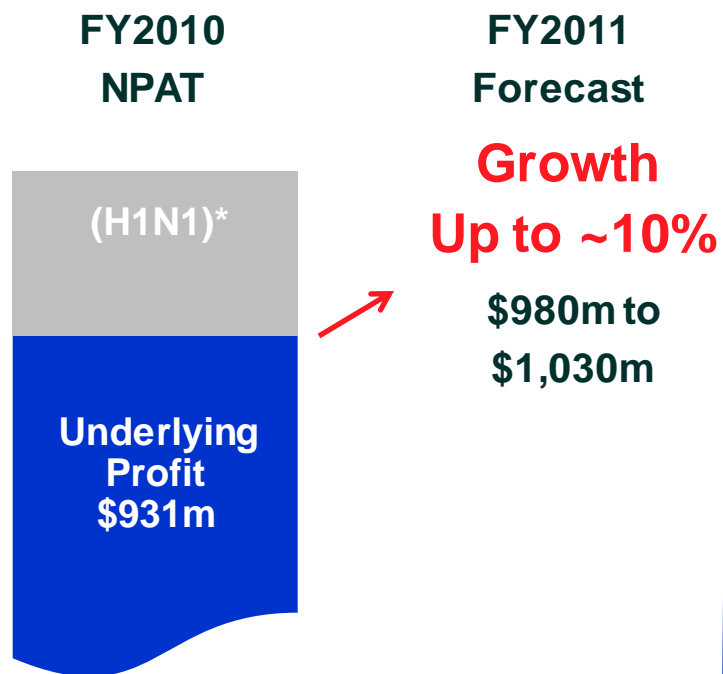
	FY09	FY10	%
USD/CHF	1.15	1.06	8%
USD/EUR	0.73	0.72	1%



\* Includes GARDASIL Royalties

# FY2011 Outlook in Constant Currency

## Underlying Profit Growth of up to ~10%



## FY2011 considerations

- CSL Behring sales growth of high single digit at const. FX
- Ongoing medical demand for products
- Continued transition to Privigen<sup>®</sup> & Hizentra<sup>®</sup>
- Continued growth in specialty products
- US & EU healthcare reform
- Gardasil<sup>®</sup> royalties
- Influenza
- R&D growth 5-7% at cc

# CSL Growth Strategy

## Market Development

*Influenza*  
*Privigen® Hizentra®*  
*Specialty products*  
*Expanded geographies*

## Royalties & Licensing

*HPV*  
*ISCOMATRIX®*  
*adjuvant*  
*Technology partnering*

## Novel Products

*Biotech*  
*rCoag*  
*CSL 360*  
*Plasma*  
*rHDL*

## Global Specialty Bio-pharmaceutical Company

*Plasma sector growth*  
*Global focus*  
*Growth in R&D investment*  
*New products – unmet medical needs*

## Financial Strength

Identify Complementary Assets



# Appendix

# Group Results

Full year ended June \$ Millions	June 2009 Reported	Adj.*	June 2009 Underlying	June 2010 Reported	June 2010 CC**	Change %
<b>Sales</b>	<b>4,622.4</b>		<b>4,622.4</b>	<b>4,455.8</b>	<b>5,079.7</b>	<b>10%</b>
Other Revenue / Income	416.0	190.1	226.9	171.2	190.3	
<b>Total Revenue / Income</b>	<b>5,039.4</b>	<b>190.1</b>	<b>4,849.3</b>	<b>4,627.0</b>	<b>5,270.0</b>	
<b>Earnings before Interest, Tax, Depreciation &amp; Amortisation</b>	<b>1,549.8</b>	<b>23.4</b>	<b>1,526.4</b>	<b>1,513.7</b>	<b>1,784.3</b>	<b>17%</b>
Depreciation/Amortisation	181.6		181.6	156.6	173.3	
<b>Earnings before Interest and Tax</b>	<b>1,368.2</b>	<b>23.4</b>	<b>1,344.8</b>	<b>1,357.1</b>	<b>1,611.0</b>	<b>20%</b>
Net Interest Expense / (Income)	(1.5)	(6.7)	5.2	(22.3)	(21.2)	
Tax Expense	223.8	(95.5)	319.3	326.6	391.9	
<b>Net Profit</b>	<b>1,145.9</b>	<b>125.6</b>	<b>1,020.3</b>	<b>1,052.9</b>	<b>1,240.3</b>	<b>22%</b>
Total Ordinary Dividends (cents)	70.00			80.00		
Final Dividend (cents)	40.00			45.00		
Basic EPS (cents)	192.51			185.8		

\* One-off non operational items relating of the discontinuation of the Talecris merger and certain tax items

\*\* Constant currency removes the impact of exchange rate movements to facilitate comparability

# CSL Behring Sales

Year ended June	FY09 USD\$M	FY10 USD\$M	FY10 USD\$M CC	Change %
<b>rFVIII</b>	<b>434</b>	<b>489</b>	<b>486</b>	<b>12</b>
<b>pdCoag</b>	<b>517</b>	<b>544</b>	<b>540</b>	<b>4</b>
<b>Specialty Critical Care</b>	<b>285</b>	<b>313</b>	<b>305</b>	<b>7</b>
<b>Albumin*</b>	<b>267</b>	<b>279</b>	<b>275</b>	<b>3</b>
<b>Wound Healing</b>	<b>84</b>	<b>90</b>	<b>84</b>	<b>0</b>
<b>Immunoglobulins</b>	<b>1,063</b>	<b>1,197</b>	<b>1,191</b>	<b>12</b>
<b>Other Product Sales</b>	<b>45</b>	<b>72</b>	<b>72</b>	<b>60</b>
<b>Total Product Sales</b>	<b>2,695</b>	<b>2,984</b>	<b>2,953</b>	<b>10</b>
<i>Other sales (mainly plasma)</i>	<i>86</i>	<i>85</i>	<i>85</i>	<i>-1</i>
<i>Total Sales</i>	<i>2,781</i>	<i>3,069</i>	<i>3,038</i>	<i>9</i>



\* Excludes CSL: Behring critical care products sold in Asia by CSL Biotherapies

# Foreign Exchange Sensitivity

*FY2011 - Full year impact*

## Translation

*Sensitivity to 1% movement in key currency pairs*

	FY10 Rates	1% rate change impact on FY11
• AUD/USD*	0.88	+/- \$1.9m
• AUD/EUR	0.63	+/- \$3.9m
• AUD/CHF	0.93	+/- \$4.3m

## Transaction

*Full year impact estimate +ve \$10m – \$20m*