



ASX Announcement

For immediate release

14 August 2019

CSL Delivers a Full Year Net Profit of over \$1.9 Billion¹

A strong year for CSL with reported net profit after tax of \$1,919 million, up 17% at CC² and revenue up 11% at CC², reflecting;

- Continued strong growth in immunoglobulin and albumin therapies
- High patient demand for specialty products Haegarda & Kcentra
- Successful evolution of the haemophilia therapies portfolio
- Seqirus delivering on strategy, with strong profit growth
- Earnings per share \$4.236, up 16% at CC²
- Final dividend³ of US\$1.00 per share (approximately A\$1.48)
 - Total full year dividend increased to US\$1.85 per share, up 8%
 - Converted to Australian currency, the total full year dividend is approximately A\$2.68 per share, up 18%
- FY20 net profit after tax anticipated to be in the range of approximately \$2,050 million to \$2,110 million at CC² representing a growth over FY19 of approximately 7-10%. This growth takes into account the one-off financial headwind of transitioning to a new model of direct distribution in China.

CSL Limited (ASX:CSL; USOTC:CSLLY) today announced a reported net profit after tax of \$1,919 million for the twelve months ended 30 June 2019, up 11%, or 17% on a constant currency (CC²) basis.

Mr Paul Perreault, CSL's Chief Executive Officer and Managing Director said, "I am pleased to report a robust result given it follows a very strong comparative period."

¹ All figures are expressed in US dollars unless otherwise stated.

² Constant currency (CC) removes the impact of exchange rate movements, facilitating comparability of operational performance. For further detail please refer to CSL's Financial Statements for the Full Year ended June 2019 (Directors' Report).

³ For shareholders with an Australian registered address, the final dividend of US\$1.00 per share (approximately A\$1.48) will be unfranked for Australian tax purposes and paid on 11 October 2019. For shareholders with a New Zealand registered address, the final dividend of US\$1.00 per share (approximately NZ\$1.55) will be paid on 11 October 2019. The exchange rates will be fixed at the record date of 11 September 2019. All other shareholders will be paid in US\$. CSL also offers shareholders the opportunity to receive dividend payments in US\$ by direct credit to a US bank account.

“Our largest franchise, the immunoglobulin portfolio, is performing exceptionally well, with Privigen® sales growing 23%² and Hizentra® sales up 22%². In part, driving the growth in demand has been our new CIDP (Chronic Inflammatory Demyelinating Polyneuropathy – a debilitating neurological disorder) indication for Hizentra® and the inclusion of this indication for Privigen® in the US market.”

Albumin sales into China made a strong resurgence in the second half. Global albumin sales grew 15%² when compared to the previous year.

“HAEGARDA®, our therapy for patients with Hereditary Angioedema (HAE) and IDELVION®, our therapy for Haemophilia B patients, have been transformational products and the sales growth reflects this. HAEGARDA® sales grew by 61%² and IDELVION® sales are up 40%²,” Mr Perreault added.

“Our Seqirus influenza vaccines business is delivering on strategy and is positioned well in the market place with a differentiated product portfolio and production process innovation.”

OPERATIONAL HIGHLIGHTS

CSL Behring

- Privigen® sales up 23%² and Hizentra® sales up 22%²
- Albumin sales up 15%²
- IDELVION® sales up 40%²
- HAEGARDA® sales up 61%²
- Kcentra® sales up 14%²

Seqirus

- Seasonal influenza vaccine sales up 19%²
- FLUAD® sales more than doubled
- Compelling real world effectiveness data for FLUCELVAX® (cell culture derived influenza vaccine).

Innovation & Development

- CSL112 trial (cardiovascular disease) phase III progressing
- CSL312 phase II study in patients with HAE enrolled
- CSL964 phase II/III study in prevention of GvHD with AAT initiated
- Hizentra® and Privigen® approved for CIDP in Japan

- Hizentra® approved for CIDP in Australia
- Good progress with early research portfolio

People & Culture

- CSL named in the Top 100 Global Diversity and Inclusion Index (Thomson Reuters)
- Employees grew to 25,000, a 13% increase over last year
 - Females representing 57% of the total employee base
- Key leadership appointments
 - Paul McKenzie – Chief Operating Officer
 - Anjana Narain – Seqirus EVP & GM

Efficiency

- New Enterprise Resource Planning systems implementation across global network
- New research facility (Bio21) opened in Melbourne
- Major capital projects at all manufacturing sites progressing to support future demand
- 30 new plasma collection centres opened in the US

OUTLOOK (at FY19 exchange rates)

Commenting on CSL's outlook, Mr. Perreault said, "Demand for CSL's plasma and recombinant products continues to be strong. We expect to again outpace the market in growing plasma collections and plan to open around 40 new collection centers in FY20."

"Investors should note that, as previously announced in June, CSL will transition to a direct distributor model in China, bringing distribution into line with our global operating model for major markets. This will have a one-off financial effect on FY20 albumin sales, which are expected to reduce by approximately \$340 - \$370 million."

"Seqirus is expected to continue to perform well and deliver in line with prior guidance, benefiting from product differentiation and process improvement."

"CSL's net profit after tax for FY20 is anticipated to be in the range of approximately \$2,050 million to \$2,110 million at constant currency, representing a growth over FY19 of approximately 7-10%. This growth takes into account the one-off financial headwind of transitioning to a new model of direct distribution in China." Mr. Perreault concluded.

In compiling the company's financial forecasts for FY20, a number of key variables that may have a significant impact on guidance have been identified and these have been included in the footnote⁴ below.

FURTHER INFORMATION

Additional details about CSL's results are included in the company's 4E statement, investor presentation slides and webcast, all of which can be found on CSL's website www.csl.com. A glossary of medical terms can also be found on the website. For further information, please contact:

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⁴ Key variables that could cause actual results to differ materially include: the success and timing of research and development activities; decisions by regulatory authorities regarding approval of our products as well as their decisions regarding label claims; competitive developments affecting our products; the ability to successfully market new and existing products; difficulties or delays in manufacturing; trade buying patterns and fluctuations in interest and currency exchange rates; legislation or regulations that affect product production, distribution, pricing, reimbursement, access or tax; acquisitions and divestitures; research collaborations; litigation or government investigations; and CSL's ability to protect its patents and other intellectual property.

Group Results

Full year ended June US\$ Millions	Jun 2018 Reported	Jun 2019 Reported	Jun 2019 at CC ⁵	Change %
Sales	7,588	8,205	8,418	11%
Other Revenue / Income	327	333	339	
Total Revenue / Income	7,915	8,539	8,757	11%
Earnings before Interest, Tax, Depreciation & Amortisation	2,677	2,879	2,960	11%
Depreciation/Amortisation	(297)	(375)	(381)	
Earnings before Interest and Tax	2,380	2,504	2,579	8%
Net Interest Expense	(99)	(163)	(113)	
Tax Expense	(552)	(422)	(450)	
Net Profit after Tax	1,729	1,919	2,015	17%
Total Dividend	1.72	1.85		8%
Earnings Per Share	3.822	4.236	4.449	16%

⁵ Constant currency removes the impact of exchange rate movements to facilitate comparability of operational performance. For further details, please refer to CSL's Financial Statements for the Full Year ended June 2019 (Directors' Report).