



CELEBRATING

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CSL™

CSL Limited
Half Year Report
2015-2016

CSL™



About CSL

CSL is a leading global biotherapeutics company with a dynamic portfolio of life-saving innovations, including those that treat haemophilia and immune deficiencies, as well as vaccines to prevent influenza. Since our start in 1916, we have been driven by our promise to save lives using the latest technologies.

Half Year Financial Results

CSL Group Results in US Dollars

SIX MONTHS ENDED DECEMBER

US\$ MILLIONS

Sales

Other Revenue / Income

Total Revenue / Income

Earnings before Interest, Tax, Depreciation and Amortisation

Depreciation / Amortisation

Earnings before Interest and Tax

Gain on Novartis influenza business acquisition

Net Interest Expense / (Income)

Tax Expense

Net Profit after Tax

Interim Dividend (US\$)

Basic EPS (US\$)

¹ Underlying excludes financials relating to the Novartis influenza vaccine business. Constant currency removes the impact of exchange rate movements to facilitate comparability. For further details, please refer to the ASX announcement of Half Year results lodged on 16 February 2016.

Today, CSL — including our two businesses CSL Behring and Seqirus — operates in over 30 countries with more than 16,000 employees. Our unique combination of commercial strength, R&D focus and operational excellence enables us to identify, develop and deliver innovations so our patients can live life to the fullest. For more information, visit www.csl.com.au.

Dec 2014	Dec 2015	Dec 2015	Change²
REPORTED	REPORTED	UNDERLYING CONSTANT CURRENCY ¹	%
2,744	3,056	2,996	9
96	80	79	
2,841	3,136	3,075	8
969	848	1,053	9
91	102	102	
878	746	952	8
	176		
21	27	26	
165	176	188	
692	719	738	7
0.58	0.58		
1.46	1.55	1.59	9

² Change between December 2015 results at constant currency and December 2014 reported results.

Chairman's Report



Professor John Shine AO
Chairman

Dear Shareholder,


As CSL reaches a remarkable milestone this year, marking 100 years of developing and delivering innovations to help patients live life to the fullest, I am pleased to report an exceptional first half year result.

For the six months ended 31 December 2015, CSL reported net profit after tax of US\$719 million, an increase of US\$27 million (4% on a reported basis) on the same period last year.

On a reported basis CSL Group sales revenue increased 11% to US\$3,056 million, with cash flow from operations reaching US\$705 million, up 8% on the same period last year, and earnings per share grew 6%.

In October 2015, CSL announced an on-market share buyback¹ of up to A\$1 billion which, as at 11 March, was about 53% complete with around 5.2 million shares repurchased for approximately A\$528 million. Shareholders continue to benefit from this current and previous capital management initiatives through improved investment return ratios, such as earnings per share and return on equity.

Your Directors have announced an interim unfranked dividend of US\$0.58 per share, payable on 15 April 2016². When converted to Australian currency, this interim dividend converts to approximately A\$0.81 per share, up 10% on the same period last year.



Our operational highlights and our business review for the half year ended 31 December 2015 (unless otherwise stated) are set out below.

Operational Highlights

Product Portfolio


- On the 4 March 2016, CSL Behring's novel recombinant coagulation factor medicine Idelvion® (coagulation factor IX (recombinant), albumin fusion protein) was approved by the US Food and Drug Administration (FDA). It is also approved by Canada and under review by the EU, Australia, Japan and Switzerland. CSL Behring's novel recombinant coagulation factor medicine Afstyla® (coagulation factor VIII (recombinant), single chain) is under review by the EU and US.
- Following marketing authorisation in Europe, Respreeza®, a maintenance treatment for severe Alpha-1 Antitrypsin Deficiency, was launched in Germany with other European countries to follow.
- CSL's licensee Janssen commenced the Phase II clinical study for CSL 362, a product to treat patients with acute myeloid leukaemia.
- CSL Behring's breakthrough therapy CSL 112, which is designed to reduce recurrent heart attacks in high risk patients by rapidly reducing cholesterol from the arteries and stabilising lesions at risk of rupture, moved into phase IIb clinical study. This trial is now fully enrolled.

Operations

- CSL Behring's new Privigen® manufacturing facility in Broadmeadows, Australia, gained US FDA approval, with the first two product shipments to the US achieved in December 2015.
- Our global sales footprint expanded with a new commercial sales office in Russia.

Influenza

- CSL successfully closed the acquisition of the Novartis influenza vaccines business on 31 July 2015 and combined them with our bioCSL business to form a new subsidiary called Seqirus - creating the second largest influenza vaccines developer and producer in the world.

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- Seqirus' FLUAD™, the first adjuvanted seasonal influenza vaccine in the US for use in adults 65 years of age and older, was approved by the US FDA.
 - Seqirus' quadrivalent influenza vaccines were filed for regulatory review.

Capital Management

- As at 11 March 2016, approximately 53% of our 8th on-market share buyback¹ has been completed.
- CSL successfully closed a new private placement of an amount equivalent to US\$500 million and renegotiated its major bank facilities, totaling US\$1.25 billion with a maturity of 5 years.

Business Review

CSL Behring sales grew 10% in constant currency³ to US\$2.5 billion compared to the same period last year with increased sales of 13% for immunoglobulins, 10% for albumin, 2% for haemophilia products and 14% for our specialty products.

Immunoglobulin sales reached US\$1,181 million underpinned by strong demand (13% growth over the previous period) for intravenous immunoglobulin, Privigen®, and exceptional growth in sales (31% at constant currency³) of subcutaneous immunoglobulin, Hizentra®, which now has a market reach into 40 countries.

Albumin sales growth to US\$376 million was driven by ongoing strong global demand, boosted by greater penetration in China.

Haemophilia product sales of US\$509 million included growth in plasma-derived haemophilia sales of 13%, assisted by successful tenders for Beriate® in Europe, Poland and Russia. Solid growth in Humate® in the US, with an uplift in sales of Biostate® in Europe, also supported modest growth in the portfolio.

Specialty products sales grew by 14% in constant currency³ terms to US\$466 million. Increased brand awareness and promotional activity delivered strong demand for Kcentra® (4 factor pro-thrombin complex concentrate), with the launch of Respreeza® in Europe another highlight for the speciality products portfolio.

Seqirus - the combined bioCSL and Novartis influenza vaccine business - reported for the first time sales of US\$519 million. The mild influenza season in the northern hemisphere has impacted vaccine sales.

CSL Intellectual Property revenue declined 29% to US\$64 million in constant currency³ terms, largely due to a payment in the comparable period from CSL's licensee Janssen Biotech Inc to develop and commercialise CSL 362, a product used to treat patients with acute myeloid leukaemia.

Business Outlook

CSL continues to be well positioned for growth. Along with a focus on expanding our geographic reach and growing existing markets, we are investing in our commercial capabilities to capitalise on pending launches of our novel recombinant coagulation products. We continue to invest in our research and development pipeline and in capacity expansion through our manufacturing footprint and CSL Plasma collection centre network. CSL has a well-defined strategy for profitable growth and sustained financial performance, driven by a culture committed to delivering on our promises to patients.

On behalf of the Board, I would like to thank you for your ongoing support.



Professor John Shine AO, Chairman
March 2016

¹ CSL reserves the right to suspend or terminate buybacks at any time.

² For further details, please refer to the ASX announcement of Half Year results lodged on 16 February 2016.

³ Constant currency removes the impact of exchange rate movements to facilitate comparability. For further details, please refer to the ASX announcement of Half Year results lodged on 16 February 2016.

Shareholder Information

Share Registry

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GPO Box 2975 Melbourne VIC 3001

Enquiries within Australia: 1800 646 882
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Investor enquiries online: www.investorcentre.com/contact
Website: www.investorcentre.com

Shareholders with enquiries should go online to www.investorcentre.com/contact where most common questions can be answered, or telephone or write to the Share Registry using the contact details above.

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.investorcentre.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 is required for shareholders with an Australian or New Zealand registered address. These shareholders must provide a payment instruction online via the Investor Centre at www.investorcentre.com or by obtaining a direct credit form from the Share Registry or by advising the Share Registry in writing with particulars.

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