

CSL Limited
45 Poplar Road Parkville
Victoria 3052 Australia

T +613 9389 1911
F +613 9389 1434
www.csl.com.au



ASX Announcement

For immediate release

12 February 2020

RESULTS PRESENTATION FOR THE HALF YEAR ENDED 31 DECEMBER 2019

Melbourne, Australia – CSL (ASX:CSL; USOTC:CSLLY)

Please find attached the slides for the presentation on the half year results that will be given by the Chief Executive Officer and Chief Financial Officer shortly.

The briefing will be webcast and can be accessed in the “Investor” section of CSL’s website (www.CSL.com).

A handwritten signature in blue ink, appearing to read 'F Mead'.

Fiona Mead
Company Secretary

For further information, please contact:

Investors:

Mark Dehring
VP Investor Relations
P: +61 3 9389 3407
E: mark.dehring@csl.com.au

Media:

Jemimah Brennan
Head of Communications, Asia Pacific
P: +61 412 635 483
E: jemimah.brennan@csl.com.au



CSL Limited

2020 Half Year Results

12 February 2020

Paul Perreault, CEO and MD

David Lamont, CFO

LEGAL NOTICE

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After struggling for years to get an accurate diagnosis, hereditary angioedema (HAE) patient Kathrin Schoen is working to ensure the next generation of patients doesn't have to wait so long.

1H20 Performance

A strong half year for CSL with revenue up 11%¹ and net profit after tax up 11%¹ reflecting:

- Strong growth in immunoglobulin portfolio
- Transition to own distribution model in China progressing well
- Continued evolution of the haemophilia portfolio
- Strong performance from Seqirus

CSL BEHRING

- PRIVIGEN® +28%¹
- HIZENTRA® +37%¹
- ALBUMIN -33%¹ (GSP IMPACT)
- AFSTYLA® +30%¹
- IDELVION® +21%¹
- ZEMAIRA® +31%¹

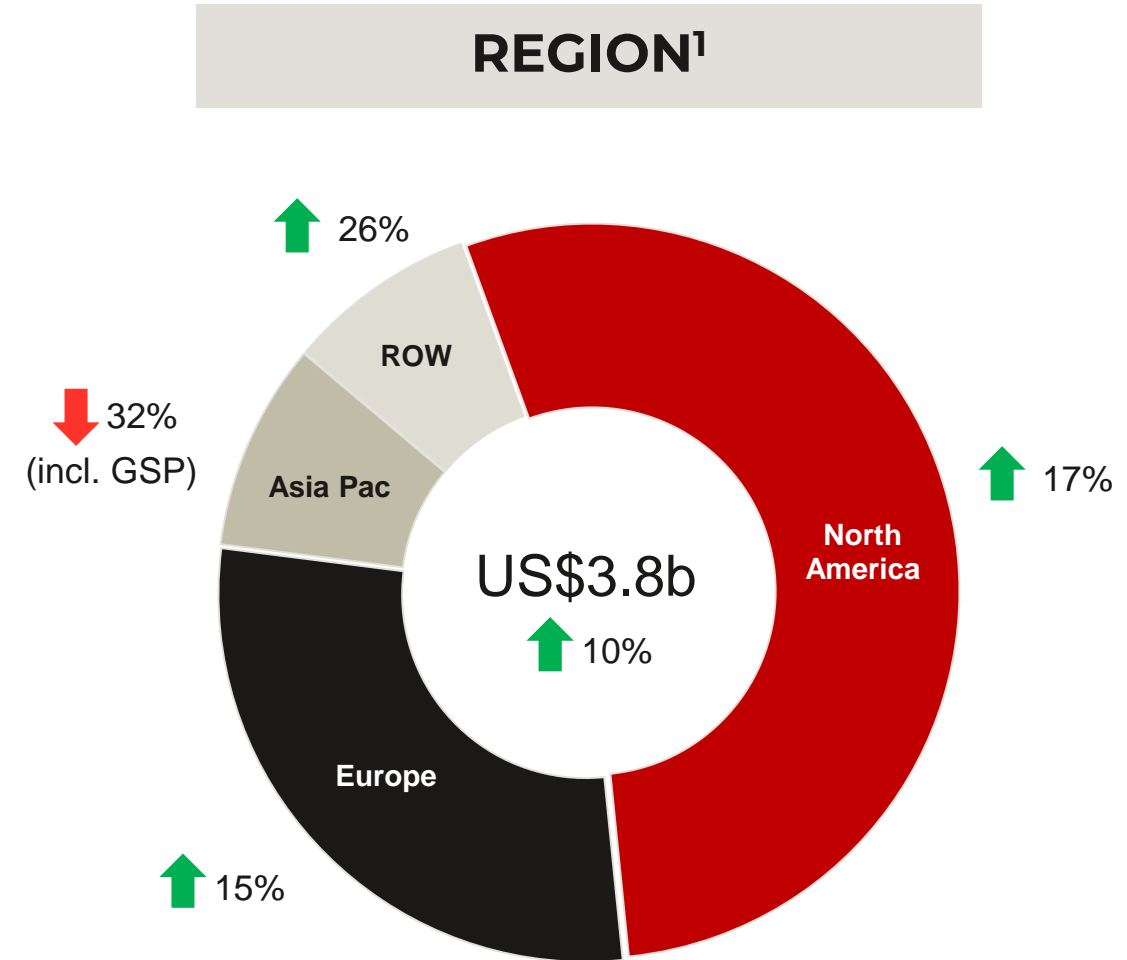
SEQIRUS

- Seasonal influenza +16%¹
- FLUCELVAX® launched in EU
- FLUAD® preferred recommendations in UK & Australia
- Positive real world effectiveness evidence continuing
- Commenced aQIVc development

1. Growth percentages shown at constant currency to remove the impact of exchange rate movements, facilitating comparability of operational performance. See end note for further detail.

CSL Behring Sales 1H20

Therapy	Sales \$m	Change ¹ %
Immunoglobulins	1,985	26%
- <i>IVIG</i>	1,361	21%
- <i>SCIG</i>	624	37%
Albumin	278	(33%)
Haemophilia	550	4%
- <i>Recombinants</i>	314	13%
- <i>Plasma</i>	236	(5%)
Specialty	851	7%
- <i>Peri-Operative Bleeding</i>	411	11%
- <i>Other Specialty</i>	440	3%
Other ²	104	5%
Total	3,768	10%



Immunoglobulins

Sales up 26%¹



- 28% growth¹
- Growth drivers
 - CIDP indication
 - Competitor supply challenges
 - Tender markets



- 37% growth¹
- Growth drivers
 - New patient starts in PID
 - CIDP indication
 - Competitor supply challenges
 - Mix shift
 - Convenience

Lyophilised Ig phased out

Industry

- Global Ig demand exceeding supply

Demand drivers

- Increased disease awareness & improved diagnosis
- Increased usage for chronic therapies
- CIDP indication
- Expanding usage for SID

Albumin

Sales down 33%¹

- Double digit sales growth in Europe & Emerging Markets
- US sales up 5%¹
- China sales impacted by one-off transition to new distribution model
 - Transition progressing well with sales commenced under new model
 - Sales impact consistent with previous guidance
 - No impact on supply to patients
- Strong underlying growth in China continues
- Achieved Chinese regulatory approval for AlbuRx[®] from Kankakee

**Transition to
Good Supply
Practices (GSP)
license in
China**



Benefits

- Improved participation in value chain
- Ability to work directly with clinicians
- Reduces reliance on 3rd parties
- CSL becomes a Tier 1 distributor

Haemophilia

Sales up 4%¹



- 21% growth¹
- Strong growth in US
- Highest rates of switches globally



- 30% growth¹
- Strong growth in US
- Patient retention and ongoing switches driving growth

HELIXATE[®] phased out

Recombinant Coags +13%¹

Plasma Coagulation Factors

- Modest growth in VWF in US
- Tender variability
- Competitive pressures

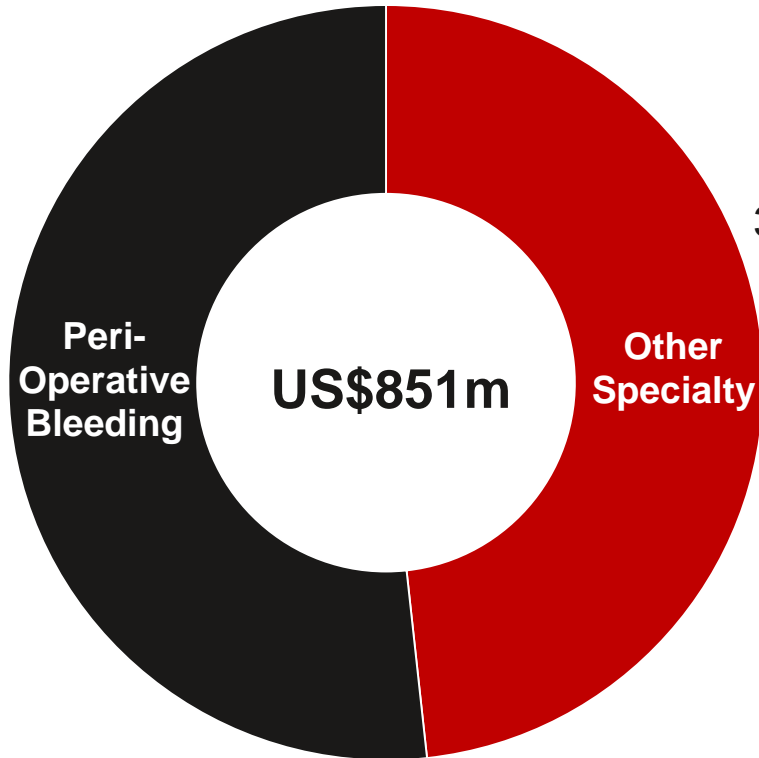
PD Coags -5%¹

Specialty Products

Sales up 7%¹



↑ 11%



3% ↑



Wound Healing



- Continued patient growth
- Capacity improvement in place
- New launches planned

- Modest growth

- Return of competitor
- Sales normalised

- 31% growth
- Supply normalised

¹ Growth percentages shown at constant currency to remove the impact of exchange rate movements, facilitating comparability of operational performance. See end note for further detail.

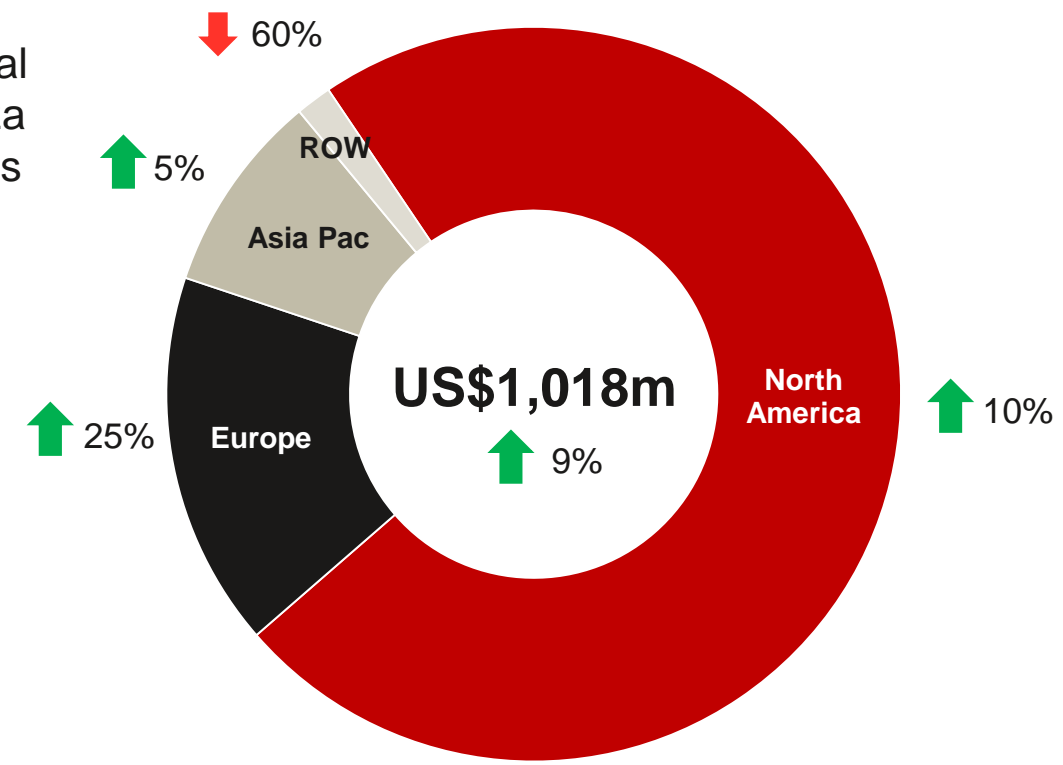
Seqirus Revenue 1H20

Revenue up 9%¹

	Sales \$m	% Change ¹
QIV	507	21%
TIV	30	(50%)
Adjuvanted	325	21%
Other / In-licence	80	(31%)
Total Product Sales	941	9%
Pandemic	72	14%
Other Income	5	
Total Revenue	1,018	9%

Seasonal
Influenza
vaccines
+16%¹

REGION¹



Seqirus – Operating Highlights

FLUCELVAX®

- All strains manufactured using cell-specific seed for NH 2019/20 season
- Launched in EU (9 years+)

FLUAD®

- Retention of preferred recommendations in UK and Australia
- QIV approved in Australia

FLUCELVAX®

- To launch in Australia SH21

aQIV







- To launch in Australia SH20
- US & EU registration anticipated in CY2020
- US launch NH20/21; EU launch anticipated NH21/22

Seqirus – Operating Highlights

- US FDA approval of AUDENZ™ - world's first adjuvanted, cell-based influenza A (H5N1) pandemic vaccine
- Real world evidence continues to demonstrate the potential for improved effectiveness of FLUCELVAX® & FLUAD®
- US Executive Order, calling for modernisation of influenza vaccines



R&D Highlights

 Immunology and Neurology	<ul style="list-style-type: none">• HIZENTRA® granted Orphan Drug Exclusivity for CIDP• HIZENTRA® Dermatomyositis (DM) Phase III Study initiated• Garadacimab (Anti-FXIIa) in Hereditary Angioedema (HAE) Phase II double blind period complete
 Haematology and Thrombosis	<ul style="list-style-type: none">• CSL200 (CAL-H) in Sickle Cell Disease (SCD) Phase I Study initiated• CSL889 Hemopexin in SCD Phase I Study initiated
 Respiratory	<ul style="list-style-type: none">• CSL311 (Anti-Beta Common) Phase I study commenced• Approval of convenient single-vial dosing for ZEMAIRA® (Alpha1-Proteinase Inhibitor) in the US
 Cardiovascular and Metabolic	<ul style="list-style-type: none">• CSL112 (ApoA-1) Phase III study (AEGIS-II) progressing well with >7000 patients recruited
 Transplant	<ul style="list-style-type: none">• CSL964 Alpha-1 Antitrypsin (AAT) for prevention of Graft versus Host Disease (GvHD) after Transplantation of Allogenic Hematopoietic Cell Transplantation (HCT) Phase III study actively recruiting and on track
 Influenza Vaccines	<ul style="list-style-type: none">• First cell-based quadrivalent seasonal influenza vaccine, FLUCELVAX® TETRA, approved in Europe• AFLURIA® QUAD (quadrivalent influenza vaccine) granted expanded indication for use in children 6M+ in Australia• aQIVc (MF59 plus FLUCELVAX® antigen) new product development commenced

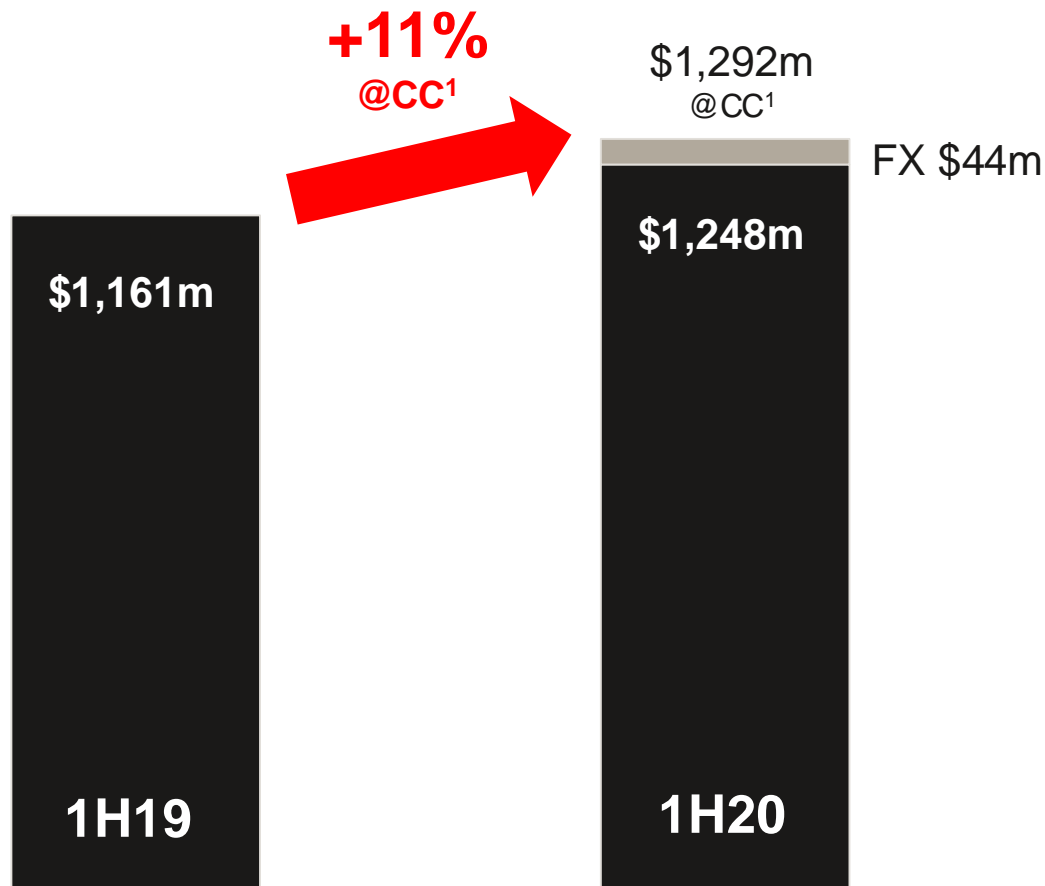
Financials

David Lamont, CFO



Financial Highlights

Net Profit After Tax



GSP transition in China

- Financial impact split evenly 1H v 2H

Other income

- One-off benefit \$30m

New Lease Standard

- Balance sheet gross up
- P&L impact immaterial

Financial Highlights

CSL Group

Half year ended Dec US\$ Millions	1H19 Reported	1H20 Reported	1H20 at CC ¹	Change %
Total Revenue	4,505	4,911	4,980	11% ¹
Gross Profit	2,623	2,842	2,891	10% ¹
<i>GP margin</i>	58.2%	57.9%	58.0%	
EBIT	1,553	1,632	1,679	8% ¹
NPAT	1,161	1,248	1,292	11% ¹
Cashflow from Operations	535	1,245		133%
Capex	539	685		27%
EPS (\$)	2.56	2.75	2.85	11% ¹
DPS (\$)	0.85	0.95		12%

1. Growth percentages shown at constant currency to remove the impact of exchange rate movements, facilitating comparability of operational performance. See end note for further detail.

Financial Highlights

Segments

CSL BEHRING

US\$ Millions	1H19 Reported	1H20 Reported	Change % at CC ¹
Sales	3,468	3,768	10%
Other Revenue	88	125	42%
Total Revenue	3,556	3,893	11%
Gross Profit	2,117	2,278	10%
<i>GP margin</i>	<i>59.5%</i>	<i>58.5%</i>	
EBIT	1,249	1,289	7%

SEQIRUS

US\$ Millions	1H19 Reported	1H20 Reported	Change % at CC ¹
Sales	874	941	9%
Other Revenue	75	77	4%
Total Revenue	949	1,018	9%
Gross Profit	506	564	10%
<i>GP margin</i>	<i>53.3%</i>	<i>55.4%</i>	
EBIT	304	343	13%

Financial Highlights

Reported Expenses

	1H20	Change at CC ¹	
	\$m	\$m	%
Research & Development	446	61	16
Sales & Marketing	435	18	4
General & Admin	329	63	24
Finance (Net)	71	(24)	(26)
Tax	313	19	6

CSL 112

{ Down 1%¹ on trailing period
Facilities expansion & new technology
Staff up 10% on pcp

FX unfavourable \$35m pcp
AASB 16 - \$13m

Guidance Upgraded – FY20 growth 10-13%^{1,2}

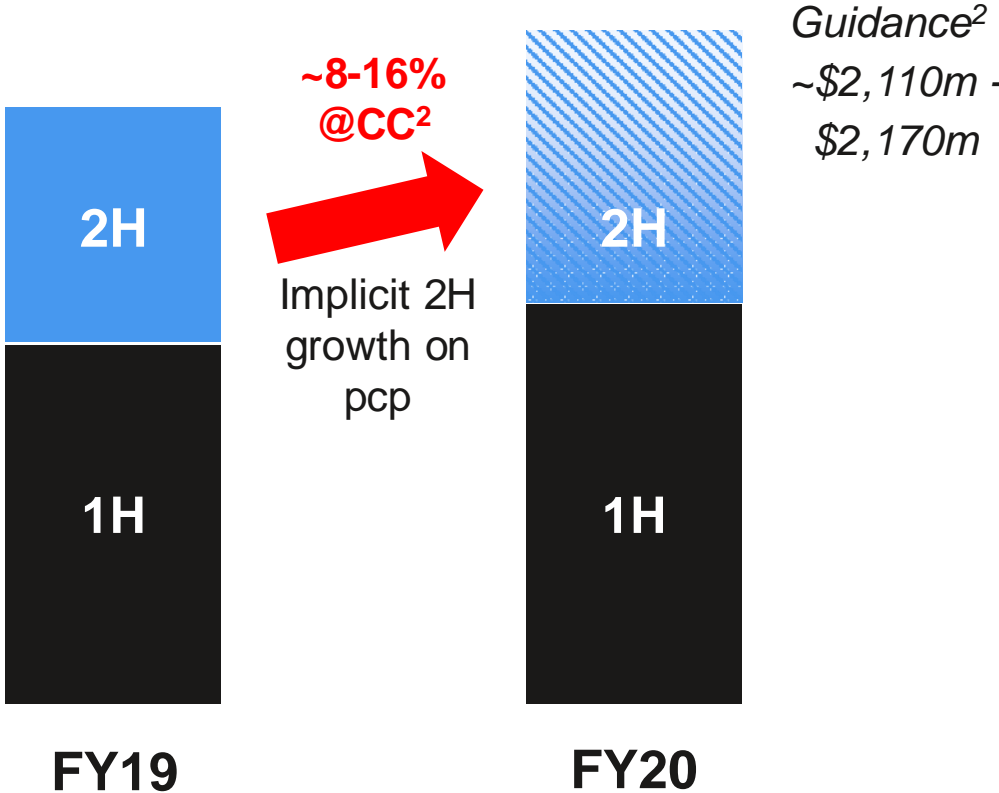
Business expectations 2H20

- Continued strong demand for CSL’s therapies
- One-off effect on albumin sales arising from transition to new distributor model in China
- Seqirus seasonality (loss making 2H)

FY20 NPAT

- ~\$2,110m to \$2,170m @CC^{2,3}
- Includes impact of China GSP transition

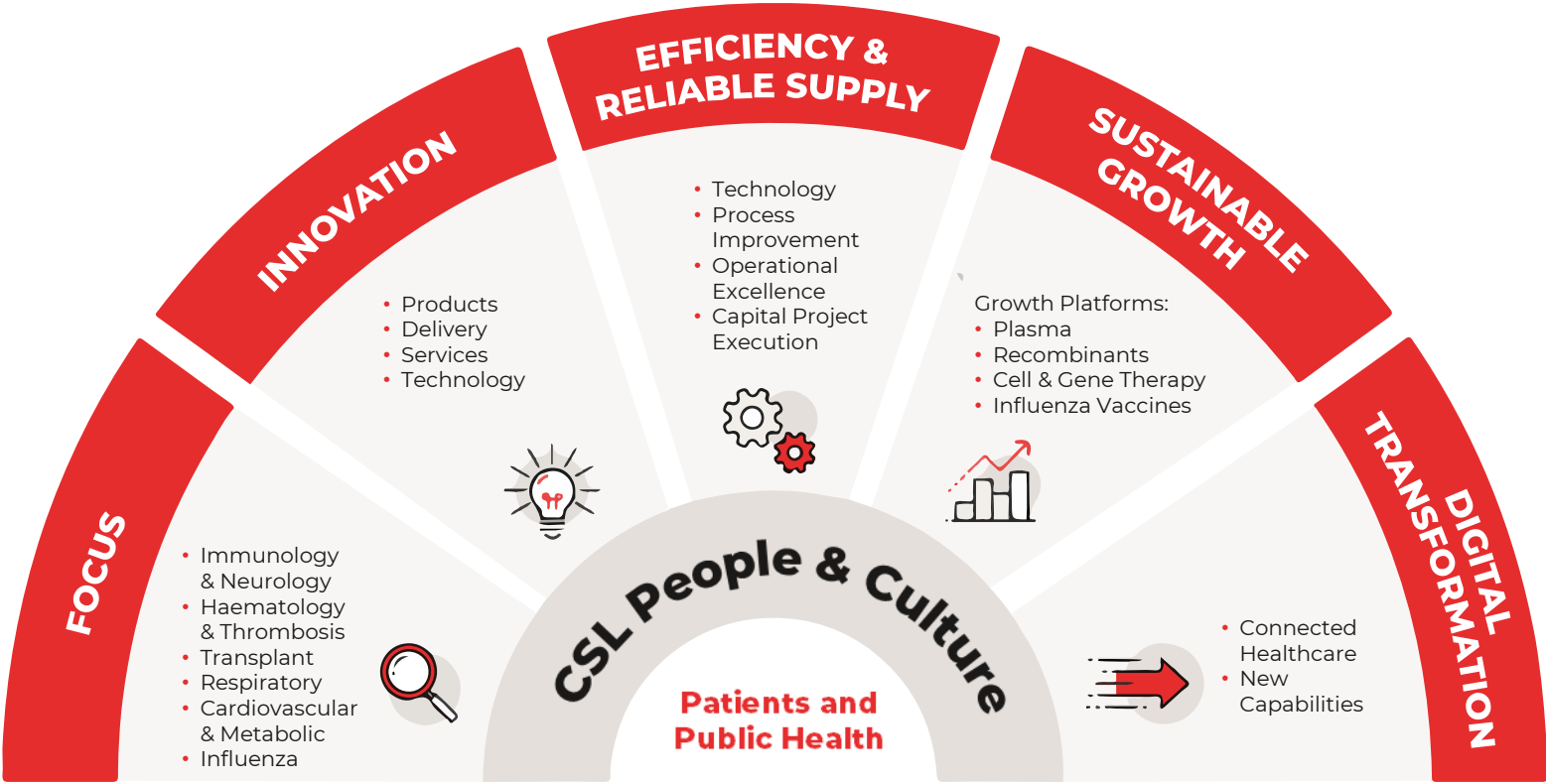
Strong growth in 2H20 compared to pcp



¹ For forward looking statements, refer to Legal Notice on page 2
² Constant Currency (CC) removes the impact of exchange rates movements to facilitate comparability. See end note for further detail
³ Full year FX impact expected to be \$70 million unfavourable assuming exchange rates remain steady for the remainder of the financial year



Strategy



CSL Limited

Contact

Mark Dehring

VP Investor Relations

📞 +61 3 9389 3407

✉️ mark.dehring@csl.com.au

Bernard Ronchi

Senior Manager, Investor Relations

📞 +61 3 9389 3470

✉️ bernard.ronchi@csl.com.au



Notes

(#) Constant currency removes the impact of exchange rate movements to facilitate comparability of operational performance for the Group. This is done in three parts: a) by converting the current year net profit of entities in the group that have reporting currencies other than US Dollars, at the rates that were applicable to the prior comparable period (translation currency effect); b) 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 comparable period (transaction currency effect); and c) by adjusting for current year foreign currency gains and losses. The sum of translation currency effect, transaction currency effect and foreign currency gains and losses is the amount by which reported net profit is adjusted to calculate the operational result.

Summary NPAT

Reported net profit after tax	\$1,248.0m
Translation currency effect (a)	\$ 3.0m
Transaction currency effect (b)	\$ 22.4m
Foreign Currency (gains) & losses (c)	\$ 18.1m
Constant currency net profit after tax *	\$ 1,291.5m

a) Translation Currency Effect \$3.0m

Average Exchange rates used for calculation in major currencies (six months to Dec 19/Dec 18) were as follows: USD/EUR (0.90/0.86); USD/CHF (0.99/0.99).

b) Transaction Currency Effect \$22.4m

Transaction currency effect is calculated by reference to the applicable prior year exchange rates. The calculation takes into account the timing of sales both internally within the CSL Group (ie from a manufacturer to a distributor) and externally (ie to the final customer) and the relevant exchange rates applicable to each transaction.

c) Foreign Currency Loss \$18.1m

Foreign currency gains recorded during the period.

Summary Sales

Reported sales	\$4,709.4m
Currency effect	\$ 67.8m
Constant currency sales*	\$ 4,777.2m

* Constant currency net profit after tax and constant currency sales have not been audited or reviewed in accordance with Australian Auditing Standards.

