

Acquisition of a Chinese plasma fractionator

13 June 2017

Legal Notice

Forward looking statements

The materials in this presentation speak only as of the date of these materials, and include forward looking statements about CSL Limited and its related bodies corporate (CSL) financial results and estimates, business prospects and products in research, all of which involve substantial risks and uncertainties, many of which are outside the control of, and are unknown to, CSL. You can identify these forward looking statements by the fact that they use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “may,” “assume,” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. Factors that could cause actual results to differ materially include: the success 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; litigation or government investigations, and CSL’s ability to protect its patents and other intellectual property. The statements being made in this presentation do not constitute an offer to sell, or solicitation of an offer to buy, any securities of CSL.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including CSL). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements are based.

Subject to any continuing obligations under applicable law or any relevant listing rules of the Australian Securities Exchange, CSL disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in these materials to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of CSL since the date of these materials.

Acquisition of 80% equity of a Chinese plasma fractionator - Wuhan Zhong Yuan Rui De Biological Products, for US\$352 million⁽¹⁾

- Provides CSL with a strategic presence in the Chinese plasma fractionation market
- Complements CSL Behring's position as the leading supplier of imported albumin in China
- Better serve patients with rare and serious diseases
- Wuhan Zhong Yuan Rui De Biological Products ("Ruide")
 - A wholly owned subsidiary of Humanwell Healthcare Group
 - Includes a manufacturing facility and four plasma-collection centers

(1) The agreement includes a milestone based performance mechanism to enable CSL to increase its ownership in Ruide over time.

China is an important market with significant potential to expand

	US	China
Population (Million)¹	320	1,380
GDP Growth (%)²	1.6	6.7
Plasma Collection Volume (Tons)³	31,100	7,120
Plasma Product Market (\$Billion)⁴	8.6	3.3
-Growth rate (%)	10	15
Plasma product usage⁵		
-Albumin (gram per 1000 capita)	548	223
-Ig (gram per 1000 capita)	210	15
-FVIII (IU per capita)	8.8	<0.2

Source:

(1) US population: National Consensus in 2010; China population: National Bureau of Statistics in 2016.

(2) US GDP Growth % in 2016: Ministry of Commerce; China GDP growth % in 2016: National Bureau of Statistics.

(3) US 2015 collection volume: MRB; China 2016 collection volume: Goldman Sachs Equity Research Report "Building China's Blood Bank" on May 30, 2017

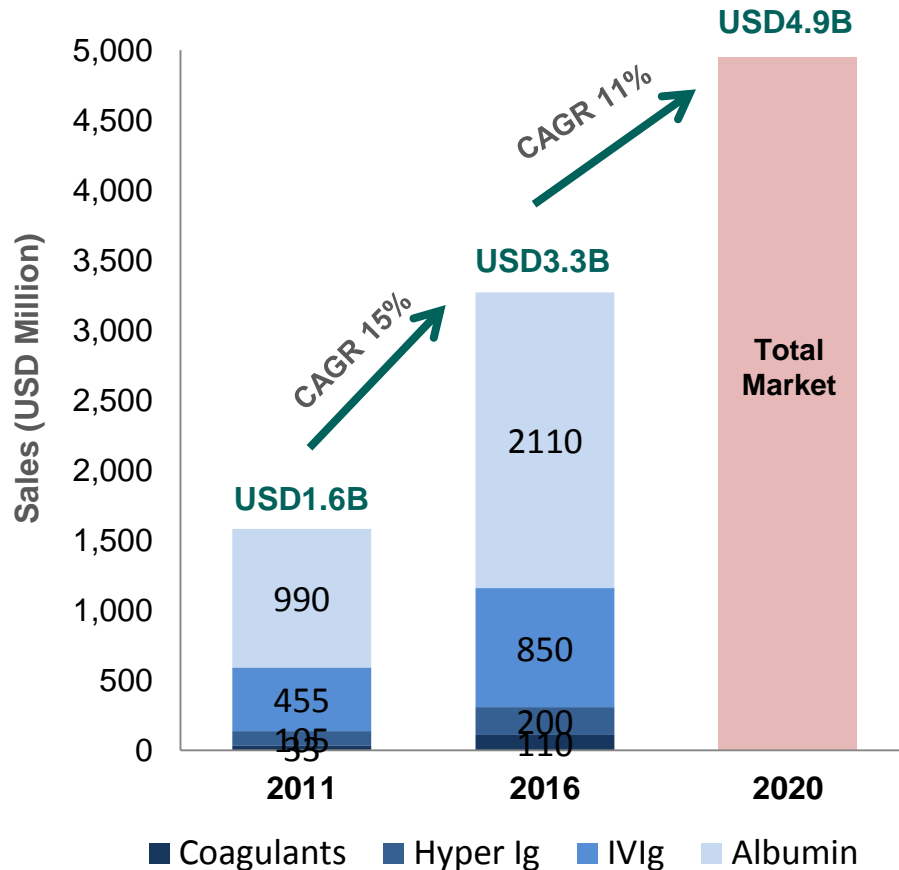
(4) US 2015 plasma market size: MRB; China 2016 plasma market size: Goldman Sachs Equity Research Report "Building China's Blood Bank" on May 30, 2017

(5) US 2015 plasma product usage rates: MRB; China plasma product usage rates in 2015: MRB.

Transaction provides CSL an opportunity to participate fully in China, a strategically important market

- China's plasma products market estimated to be US\$3.3 billion in 2016, with an annual growth rate of 15%.
- China is the fastest growing immunoglobulin (Ig) market worldwide, second only in volume to the US. Over the next five years, China's Ig demand is expected to grow strongly and significantly outstrip supply.
- Current regulatory restrictions on the sale or distribution of all imported plasma products (except for albumin)
- Tremendous opportunity for both patients and donors in China to benefit from CSL's extensive plasma capabilities
 - Leverage CSL's expertise in plasma collection, manufacturing and new product innovation
 - Enhance the plasma donor experience

China plasma market has been growing at 15% per year



China Plasma Market Top 10 Companies (2016)

Rank	Company	Market Share
1	CSL	16%
2	China Biologic (CBPO)	11%
3	China National Biotech Group (CNBG)	10%
4	Hualan	10%
5	Grifols	9%
6	Shanghai RAAS	9%
7	Shuyang	6%
8	Shire	6%
9	Octapharma	5%
10	Kangbao	3%
	Others	15%

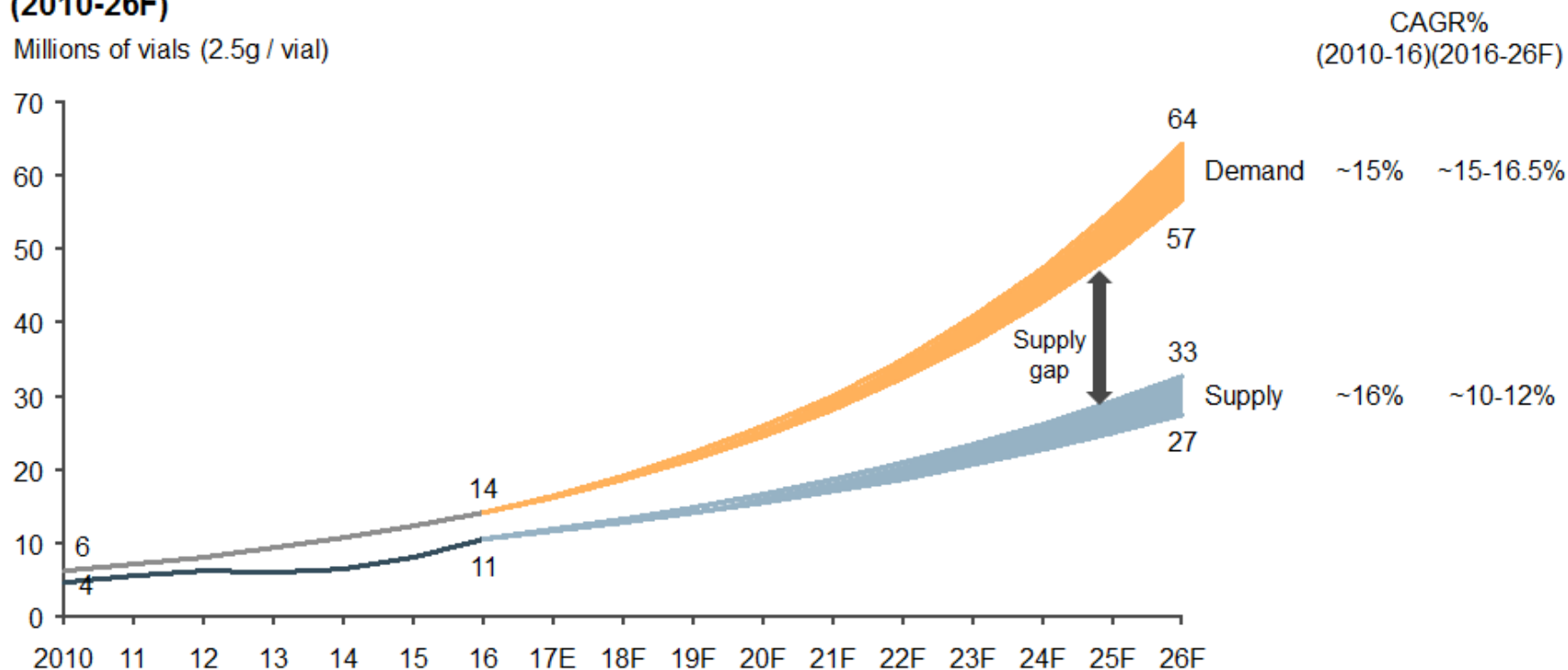
CSL Behring China is the market leader – currently limited to importation of Albumin only

Source: CSL Behring internal analysis based on China lot release data from government official testing agencies, and Goldman Sachs Equity Research Report "Building China's Blood Bank" on May 30, 2017.

Demand for Immunoglobulin is expected to significantly increase in the future

China IVIg domestic supply and demand (2010-26F)

Millions of vials (2.5g / vial)

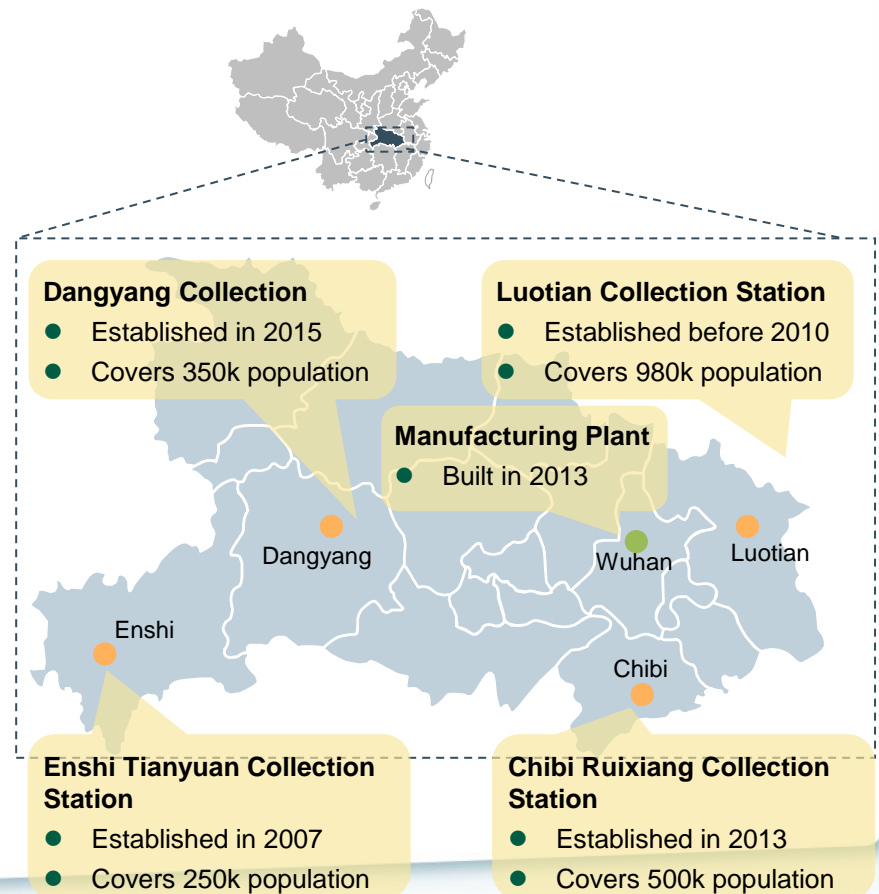


Source: L.E.K. research and analysis

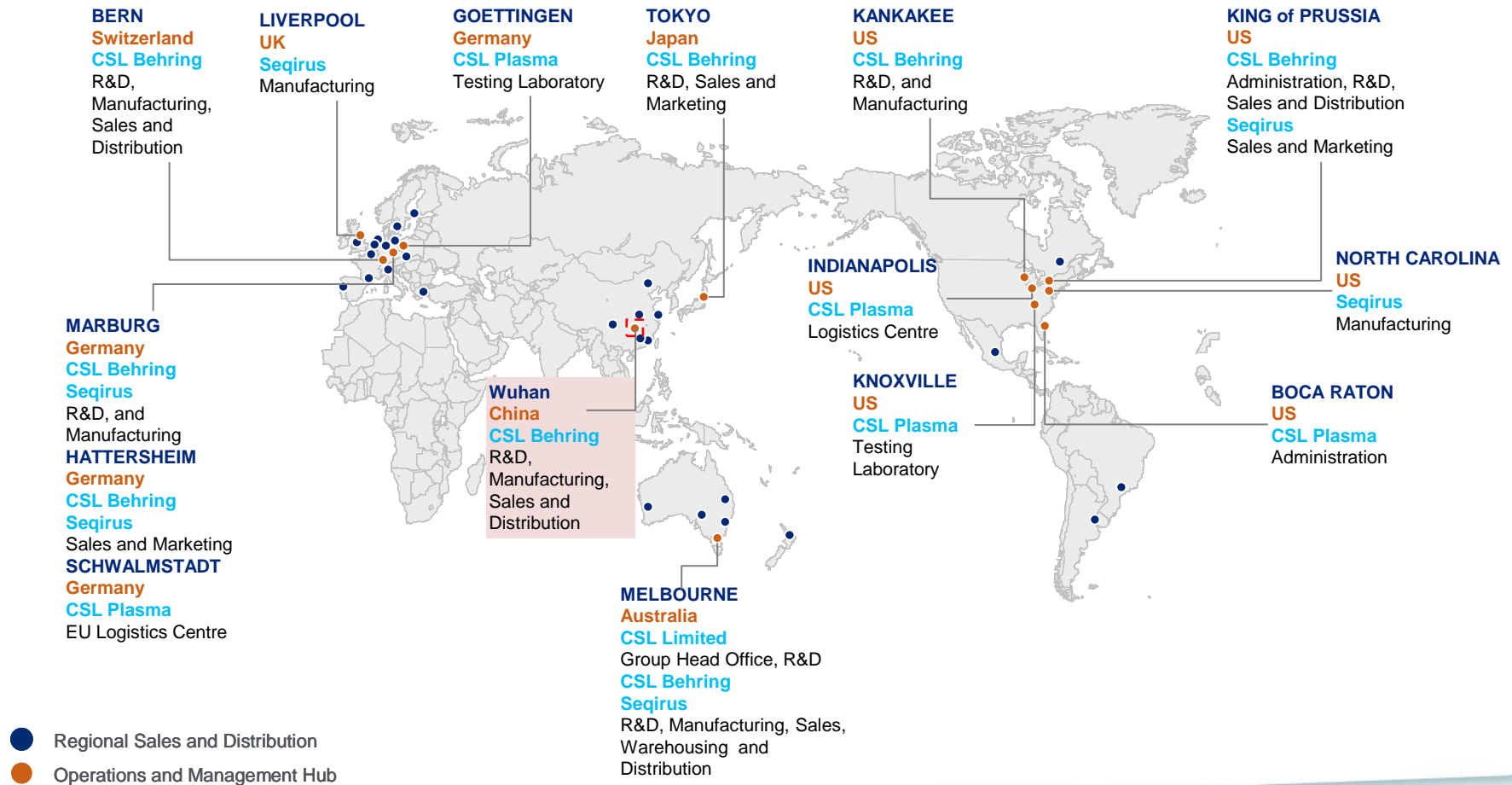
Acquisition of Ruide provides CSL with domestic manufacturing presence

- Founded in 1995 and has 300+ employees
- Acquired by Humanwell in 2010
- Operates four plasma collection stations
 - Plasma collection 127 tonnes in 2016
- Manufacturing facility located in Wuhan
 - Processing capacity ~400 tonnes
- Six products approved, including Albumin, Ig for IV Injection, Rabies Ig, and other hyperimmunes
- Planning to launch multiple coagulation factors over the coming years (e.g. Factor VIII, Fibrinogen and PCC)

Ruide's manufacturing plant and plasma collection stations located in central China



Adding China to CSL's global manufacturing footprint



Key Financials

- Ruide business is profitable
- Key metrics for 12 Months to 31 December 2016
 - Sales US\$30m
- One off costs ~\$10 million
- Acquisition will be debt funded
- Inclusion of financing costs give rise to a small EPS dilution in initial years
- Outlook - 5 years post acquisition
 - Sales of ~US\$100m
 - EBIT margin comparable to CSL Behring business

Transaction details

- CSL will take full operational control of Ruide, including the nomination and appointment of management
- Transaction expected to close in the second half of calendar year 2017, subject to regulatory approval
- Residual 20% equity
 - Clear path to 100% ownership on achievement of milestones
 - Total acquisition value
 - Initial 80% stake - US\$352m
 - Remaining 20% stake - between US\$96m & US\$142m
 - Est. based on timing & achievement of performance milestones
- No impact on the current share buy-back program