



ASX Announcement

For immediate release

13 February 2019

Half Year Result 2019¹

CSL continues to deliver double-digit profit growth against a strong comparative period, with standout performance from its Immunoglobulin, Specialty Products and Influenza Vaccines franchises.

OPERATING PERFORMANCE 1H19 V 1H18

- Reported sales revenue of \$4,505 million, up 11% at CC². Drivers include;
 - Increased usage of immunoglobulin products for chronic therapies
 - Sales of transformational Hereditary Angioedema (HAE) product, HAEGARDA[®], tripling in the period
 - Seqirus' portfolio of influenza vaccines transitioning towards higher valued Quadrivalent vaccines, and increased sales of adjuvanted influenza vaccine
- Earnings before interest and tax \$1,553 million, up 6% at CC
- Reported net profit after tax of \$1,161 million, up 10% at CC
- Earnings per share \$2.56, up 10% at CC
- Interim dividend³ \$0.85 per share, up 8%
 - Converted to Australian currency, the interim dividend is approximately \$1.20 per share, up 20%
- FY19 net profit after tax guidance now expected to be around the upper end of previously provided range of \$1,880 million to \$1,950 million at CC

CSL Limited (ASX:CSL; USOTC:CSLLY) today announces a reported net profit after tax of \$1,161 million for the six months ended 31 December 2018 up 7%, or 10% on a

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

² Constant currency removes the impact of exchange rate movements, facilitating comparability of operational performance. For further detail please refer to CSL's Financial Statements for the Half Year ended December 2018 (Directors' Report).

³ For shareholders with an Australian registered address, the interim dividend of US\$0.85 will be unfranked for Australian tax purposes and paid on 12 April 2019 in A\$ at an amount of A\$1.203175 per share (at an exchange rate of A\$1.4155/US\$1.00). For shareholders with a New Zealand registered address, dividends will be paid in NZD at an amount of NZ\$1.264205 per share (at an exchange rate of NZ\$1.4873/US\$1.00). The exchange rates used are fixed at the date of dividend determination. 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.

constant currency (CC) basis. Earnings per share grew 7%, or 10% on a constant currency basis.

Mr Paul Perreault, CSL's Chief Executive Officer and Managing Director said, "This is a solid result and particularly pleasing given it follows a very strong comparative period."

"Our immunoglobulin portfolio is performing very well, with Privigen® sales growing 17%² and Hizentra® sales growing 14%². In part, driving the growth in demand has been our new CIDP (Chronic Inflammatory demyelinating polyneuropathy – a debilitating neurological disorder) label claim for Privigen® and Hizentra®."

"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 have tripled and Idelvion® sales are up 55%²," Mr Perreault added.

"Our Seqirus influenza vaccines business is running to plan. Only three years ago it posted a full year loss of more than \$200 million. Acknowledging its sales are heavily skewed to the first half of the financial year, Seqirus delivered a first half earnings before interest and taxes of over \$300 million," said Mr Perreault. "Under the leadership of President Gordon Naylor, the Seqirus team have done an excellent job in taking this business into profitability. After a successful 31-year career at CSL, Gordon has decided to retire from the company later this year. He will continue to lead Seqirus until his replacement is appointed. I would like to recognize and thank Gordon for his stellar leadership, outstanding contributions and loyal service to CSL since 1987."

OPERATIONAL HIGHLIGHTS

CSL Behring

- Privigen® sales up 17% & Hizentra® sales up 14%, both at CC
- IDELVION® sales up 55% at CC
- Haegarda® sales more than tripled
- Kcentra® sales up 19% at CC

Seqirus

- Seasonal influenza vaccine sales up 23% at CC
- FCC 3.0 process approved for Holly Springs, influenza cell culture facility, delivering future capacity expansion

- FLUCELVAX® real world data indicating greater effectiveness than standard egg-based quadrivalent influenza vaccine in preventing influenza-like illness in the 2017/18 season in the US
- FLUAD® (adjuvanted influenza vaccine) sales more than doubled with a record 9.8 million doses being distributed in the UK

Innovation & Development

- Subcutaneous immunoglobulin, Hizentra® (20% liquid SCIG), approved for CIDP in Australia
- 5 new products into human clinical trials
- Patient recruitment for CSL112 trial (cardiovascular disease) progressing well
- Transplant franchise continues to emerge

People & Culture

- CSL named in the Top 100 Global Diversity and Inclusion Index (Thomson Reuters)
- CSL named in the Top 50 companies for Diversity in the US (Forbes)

Efficiency

- New ERP systems
- New research facility (BIO-21) opened in Melbourne
- Major capital projects at all manufacturing sites progressing to support future demand

OUTLOOK (at FY18 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. Our plan to open between 30 and 35 new collection centres this financial year is on track."

"Seqirus is tracking to plan but due to the seasonality of this business we anticipate it to post a loss in the second half of the fiscal year."

"As previously guided, CSL's net profit after tax for FY19 would be in the range of approximately \$1,880 to \$1,950 million at constant currency. We now anticipate the profit figure to be around the upper end of this range," Mr. Perreault concluded.

In compiling the company's financial forecasts for FY19, 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

Half year ended Dec US\$ Millions	Dec 2017 Reported	Dec 2018 Reported	Dec 2018 at CC ⁵	Change %
Sales	3,999	4,343	4,417	11%
Other Revenue / Income	148	162	164	
Total Revenue / Income	4,147	4,505	4,581	11%
Earnings before Interest, Tax, Depreciation & Amortisation	1,617	1,719	1,734	7%
Depreciation/Amortisation	(141)	(166)	(168)	
Earnings before Interest and Tax	1,476	1,553	1,566	6%
Net Interest Expense	(52)	(93)	(58)	
Tax Expense	(338)	(300)	(311)	
Net Profit after Tax	1,086	1,161	1,196	10%
Interim Dividend	0.79	0.85		8%
Earnings Per Share	2.40	2.56	2.64	10%

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 Half Year ended December 2018 (Directors' Report).