

Ansell Limited Advances Transformation Program; Closing Mexico and South Korea Production Facilities

3 December 2018 – Ansell Limited (ASX:ANN), a global leader in protection solutions, today announces the closing of three production facilities, two located in Juarez, Mexico and one in Janggye, South Korea.

This rationalization of manufacturing facilities represents a major milestone in the implementation of Ansell's [Transformation Program](#) originally announced in July 2017. The Program is on track to realize the targeted \$30m annual cost savings by F'20 through focus on four main objectives: a simplified, lower cost organizational structure that is more agile and responsive to customer needs; an increased focus on global supply chain excellence; increased investment against Ansell's successful organic growth strategy; and enhanced returns on capital through a more innovative, efficient and effective manufacturing base. The decision to close Ansell's Mexican and South Korean production facilities is primarily about achieving the fourth of these objectives.

Over the past two years, Ansell has undertaken a comprehensive review of its global manufacturing footprint and developed a road map to create global Centers of Excellence in each of our differentiated product and manufacturing process technologies. Having benchmarked all facilities against long-term requirements for cost, quality, and process capability, the Company has made decisions to invest significantly in its Vietnam, Sri Lanka and Malaysia facilities, with other expected investments also in advanced stages of planning. As such, Ansell also determined that its production facilities in Juarez, Mexico and Janggye, South Korea would not be able to meet minimum global performance benchmarks. Ansell has therefore taken the difficult decision to close production at these three sites (with the exception of some Medical products which will continue to be produced in Juarez). Accordingly, Ansell will consolidate manufacturing activities into its leading facilities in Vietnam, Sri Lanka, Malaysia and Thailand.

"I thank our many high performing and dedicated workers and managers in Mexico and South Korea for their numerous contributions to Ansell over many years," said Magnus Nicolin, Chief Executive Officer and Managing Director at Ansell. "The implementation of the manufacturing aspects of the Transformation Program will enable Ansell to deliver significant benefits such as larger scale, stronger competencies and added capacity while also achieving cost savings. Ansell remains committed to being an industry leader in product innovation and manufacturing capability. With our streamlined manufacturing footprint at our best-performing and most efficient sites, we expect to generate more than \$20m of annual cost savings, slightly above the plan announced in July 2017."

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ASX Announcement



About Ansell

Ansell is a world leader in providing superior health and safety protection solutions that enhance human well-being. The world's need for better protection never stops, so Ansell is constantly researching, developing and investing to manufacture and distribute cutting edge product innovation and technology, marketed under well-known brands that customers trust.

Operating in two main business segments, Industrial and Healthcare, Ansell is the market leader that continues to grow, employing more than 12,000 people worldwide. With operations in North America, Latin America/Caribbean, EMEA and Asia Pacific, customers in more than 100 countries around the world trust Ansell and its protection solutions.

Information on Ansell and its products can be found at www.ansell.com. **#AnsellProtects**

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