



ASX Announcement

For immediate release

12 February 2020

CSL Delivers a Strong Half Year Result¹ Full Year profit guidance upgraded

CSL continues to deliver strong profit growth with reported net profit after tax of \$1,248 million, up 11% at CC⁴ reflecting:

- Strong growth in immunoglobulin products
- Transition to own distribution model in China progressing well
- Continued evolution of the haemophilia therapies portfolio
- Seqirus influenza vaccines business delivering another strong performance
- Earnings per share \$2.75, up 11% at CC⁴
- Interim dividend² of US\$0.95 per share
 - Converted to Australian currency, the interim dividend is approximately A\$1.42 per share, up 18%
- FY20 net profit after tax now expected to be in the range of approximately \$2,110 million to \$2,170 million at CC⁴ representing approximately 10-13% growth over FY19.

CSL Limited (ASX:CSL; USOTC:CSLLY) today announced a reported net profit after tax of \$1,248 million for the six months ended 31 December 2019, up 8%, or 11% on a constant currency (CC⁴) basis.

CSL's Chief Executive Officer and Managing Director, Mr Paul Perreault said, "I am pleased to report a strong first-half result of the 2020 financial year. Our results reflect the focused execution of our strategy, robust demand for our differentiated medicines and a deep, inherent passion for meeting the evolving needs of our patients."

"Our largest franchise, the immunoglobulin portfolio, performed exceptionally well, with PRIVIGEN[®] sales growing 28%⁴ and HIZENTRA[®] sales up 37%⁴. Underpinning this growth has been continued strong patient demand together with an expanded label

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

² For shareholders with an Australian registered address, the interim dividend of US\$0.95 per share (approximately A\$1.42) will be unfranked for Australian tax purposes and paid on 9 April 2020. For shareholders with a New Zealand registered address, the dividend of US\$0.95 per share (approximately NZ\$1.49) will be paid on 9 April 2020. The exchange rates will be fixed on the record date of 12 March 2020. 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.

claim for both PRIVIGEN® and HIZENTRA® to now include CIDP (Chronic Inflammatory Demyelinating Polyneuropathy), a debilitating neurological disorder.”

“Albumin sales grew well in key markets with the exception of China, where we are transitioning to our new direct distribution model. This transition has seen overall albumin sales decrease 33%⁴, which is in line with guidance. The China transition is progressing well and will improve our participation in the value chain as well as allowing us to now work directly with clinicians. The availability of albumin to patients has not been impacted and reported sales are expected to return to a more normalised level in FY21,” Mr Perreault said.

“Our haemophilia portfolio continues to evolve with strong growth in our recombinant haemophilia products, AFSTYLA® and IDELVION®, which grew 30%⁴ and 21%⁴ respectively,” Mr Perreault added.

“We’ve worked hard with our specialty product ZEMAIRA® to regain patients and have grown sales by 31%. Peri-operative bleeding products, which includes KCENTRA®, also performed well, with double-digit growth. Overall specialty products growth, however, has been tempered by manufacturing capacity constraints in the production of HAEGARDA®, following exceptionally robust patient demand since its launch. New capacity has now received regulatory approval, removing this supply constriction.”

Mr Perreault said, “Our Seqirus influenza vaccines business executed well and delivered another strong performance in the first half, driven by sales of new and differentiated products - FLUCELVAX® and FLUAD®.”

OPERATIONAL HIGHLIGHTS

CSL Behring

- PRIVIGEN® +28%⁴
- HIZENTRA® +37%⁴
- ALBUMIN -33%⁴ (GSP IMPACT)
- IDELVION® +21%⁴
- AFSTYLA® +30%⁴
- ZEMAIRA® +31%⁴

Seqirus

- Seasonal influenza vaccine sales up 16%⁴
- FLUCELVAX® launched in EU
- FLUAD® retained preferred recommendations in the UK and Australia
- Real world evidence continues to demonstrate the potential for improved effectiveness of FLUCELVAX® (cell culture derived influenza vaccine) and FLUAD® (adjuvanted influenza vaccine)

Innovation & Development

- HIZENTRA® granted Orphan Drug Exclusivity for CIDP
- HIZENTRA® Dermatomyositis Phase III study initiated
- CSL112 trial (cardiovascular disease) Phase III progressing
- CSL964 Phase III study in prevention of GvHD with AAT actively recruiting
- Garadacimab (Anti-FXIIa) in HAE Phase II double blind period complete
- aQIVc (cell antigen + MF59) new product development commenced

People & Culture

- CSL named in the Top 500 companies for Diversity in the US by Forbes

Efficiency

- Major capital projects at all manufacturing sites progressing to support future demand
- 20 new US plasma collection centers opened in the first half.

OUTLOOK (at FY19 exchange rates)

Commenting on CSL's outlook, Mr Perreault said, "CSL is well positioned for sustainable growth. Exceptional demand continues for our differentiated therapies. We expect to again outpace the market in expanding plasma collections and our objective to open 40 new collection centers this financial year is on track."

"Seqirus is performing well, however, consistent with the seasonal nature of this business we anticipate it posting a loss in the second half of the fiscal year."

"We are upgrading our FY20 profit outlook today. CSL's net profit after tax for FY20 is now anticipated to be in the range of approximately \$2,110 million to \$2,170 million at constant currency, representing approximately 10-13% growth over FY19. This growth

incorporates the one-off financial impact of transitioning to a new direct distribution model in China,” Mr Perreault concluded.

In compiling the company’s financial forecasts for FY20, a number of key variables that may have a significant impact on guidance have been identified and these have been included in the footnote³ below.

FURTHER INFORMATION

Additional details about CSL’s results are included in the company’s 4D 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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³ 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; government investigations; and CSL’s ability to protect its patents and other intellectual property. CSL Group is also involved in multiple litigations in the ordinary course of business.

Group Results

Full year ended June US\$ Millions	Dec 2018 Reported	Dec 2019 Reported	Dec 2019 at CC ⁴	Change %
Sales	4,343	4,709	4,777	10%
Other Revenue / Income	162	202	203	
Total Revenue / Income	4,505	4,911	4,980	11%
Earnings before Interest, Tax, Depreciation & Amortisation	1,719	1,836	1,886	10%
Depreciation/Amortisation	(166)	(204)	(207)	
Earnings before Interest and Tax	1,553	1,632	1,679	8%
Net Interest Expense	(92)	(71)	(68)	
Tax Expense	(300)	(313)	(319)	
Net Profit after Tax	1,161	1,248	1,292	11%
Total Dividend	0.85	0.95		12%
Earnings Per Share	2.56	2.75	2.85	11%

⁴ 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 Dec 2019 (Directors' Report).