



PROTECTION & PERFORMANCE

Annual Report Summary
2014

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Results in Summary

Organic growth

- A significant number of new product launches were made across the HyFlex®, Gammex®, and SKYN® range of protection solutions.
- Sales in emerging markets increased by 7 per cent over the previous year.
- Achieved sales of US\$1,590 million a 16 per cent increase on the previous year.

Profitability and cash flow

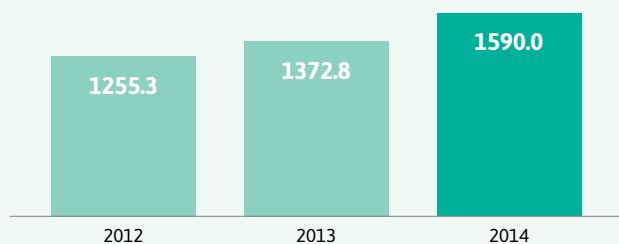
- Earnings Before Interest and Tax (EBIT) of US\$207 million was up 20 per cent on the previous year.
- Earnings Per Share (EPS) was US 110 cents, an increase of 3 per cent on the previous year.
- FY14 total dividend increased by 6 per cent to 39 cents per share.
- Balance Sheet continues to strengthen and operating cash flow was very strong at US\$178 million, compared to the previous year's US\$130 million.

Capital deployment

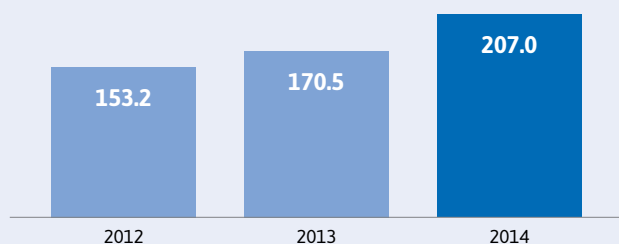
- Ansell completed two acquisitions during the year including Midas Co. Ltd. and BarrierSafe Solutions International, Inc. (BSSI).
- More than US\$50 million was invested in new products and new manufacturing technologies, improving manufacturing capabilities and productivity.

Review of Operations

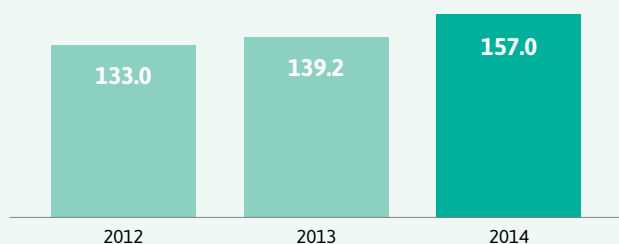
Sales (US\$m)



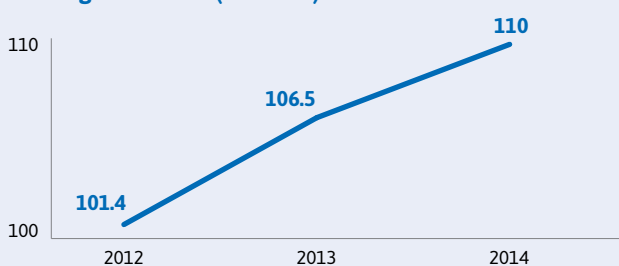
EBIT (US\$m)



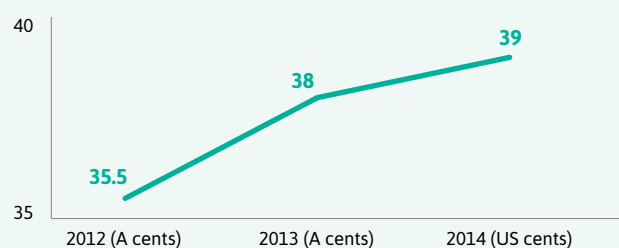
Profit Attributable (US\$m)



Earnings Per Share (US cents)



Dividend



Note: In FY14, the Company moved to US dollar reporting. The FY13 and FY12 data are presented in US dollars for clarity and correspond with data previously provided to ASX. The FY14 results exclude the \$123m pre tax one-off restructuring charge (\$115m after tax) announced on 30 June, 2014 and in management's view provides a better guide to future results.

Significant new product launches



HyFlex 11-840 Gloves



Gammex Non-Latex Accelerator-Free Sensitive Gloves



TouchNTuff® 73-500 Sterile Sensitive Neoprene Gloves



ActivArm® 97-210



HyFlex 11-927 Glove featuring RIPEL™ Liquid Repellence Technology and ANSELL GRIP™ Technology



Gammex Silver Barrier Burn Glove and Gammex Outer Dressing



Microflex® Ultraform® Powder-Free Nitrile Exam Gloves



SKYN Intense Feel

Ansell is organized in four Global Business Units (Medical, Industrial, Single Use (gloves) and Sexual Wellness) and four regions (EMEA, APAC, NA and LAC). Below is an overview of each of these entities, which highlight key strategies and provides examples of progress against these strategies.



"This past year could be viewed as a seminal one for Ansell. FY14 brought forth accelerated business momentum, based on our strategic investments in product development and market focus. It is also pleasing to see organic growth being reinvigorated, as new products, based on our internal investments in developing new technologies, processes and innovation – gain traction in the marketplace."

Glenn L L Barnes – Chairman

"In FY14 we made a number of organizational changes in order to prepare ourselves for further growth in the short and long term. With sales increasing 16 per cent year-over-year to nearly US\$1.6 billion, EBIT increasing 20 per cent to US\$206 million (underlying) and free cash flow increasing 38 per cent to US\$178 million, I am confident we are on the right track for continued success."

Magnus R Nicolin – Managing Director and Chief Executive Officer



Global Business Unit (GBU) Summary

To view Ansell GBU results in full visit:
ansell.com/annualreview



Medical GBU

Protection and performance are synonymous with Ansell and exemplified within the Medical GBU growth plan to further develop as a 'best in class' medical device company. The Medical GBU is a global leader in perioperative safety protection solutions for the modern Operating Room.

FY14 was another pivotal year for the GBU – one that included strengthening of its portfolio with clinically relevant and differentiated products, growing sales in key product categories and key emerging markets, empowering of its people, and yielding higher levels of productivity throughout the organization. In FY14, the Medical GBU product portfolio, coupled with enriched customer intimacy, evolved to meet the needs of healthcare workers

and patients around the globe. The Medical GBU delivered 7 per cent sales growth and very strong year-over-year EBIT improvement, resulting in the best performance in more than 10 years, with growth across almost all categories and regions.

The acquisition and integration of BSSI into the Medical GBU created an opportunity for additional expansion. The inclusion of BSSI is transformational and further positions the Medical GBU for continued earnings growth and increased shareholder value. In addition, the acquisition allowed for expanded growth in verticals including Dental and EMS leveraging the Ansell/BSSI combined portfolio. This resulted in Ansell achieving the number one market share in surgical gloves in global markets and with the BSSI acquisition, the number one market share also in dental gloves.

One of the most successful launches around the globe in FY14 was the introduction of SENSOPRENE®. In Japan this was the first Non-Latex Accelerator-Free Sensitive surgical glove introduced to the market. Not only does SENSOPRENE technology deliver market-leading sensitivity, it also provides advanced Type I and Type IV allergy protection. SENSOPRENE is gaining momentum and growth in other key global markets as well.

Another important milestone for the Medical GBU was the official launch of the Gammex Silver Barrier Burn Glove and the Gammex Outer Dressing. These offerings were the first products in a line of advanced wound care dressings for hard-to-dress areas of the body. This unique product is the first anatomically designed and adjustable burn and wound dressing on the market.

In addition, the PSP and Sandel® pipeline of protection solutions continues to grow.

The Medical GBU continued its mission of the past 20+ years providing education and safety consulting (Ansell Cares, Ansell Certified, Ansell Guardian®), while supporting key opinion leaders and clinical organizations to develop and publish appropriate clinical studies throughout the fiscal year.

Significantly, 26 March 2014 marked an important new chapter for the Medical GBU with the groundbreaking ceremony of a new Research and Development Center in Malaysia. This Center represents a new era of excellence in product and process development for the Business Unit to accelerate and further enable the product development capabilities of Ansell to ensure it maintains its position as the world leader in developing clinically relevant protection solutions for customers.



Industrial GBU

FY14 was a transformational year for Ansell and the Industrial GBU. After completing its objective to prioritize new verticals and turn around underperforming business areas, the Specialty Markets GBU was integrated into the Industrial GBU. With dedicated resources in place, the Industrial GBU continues to drive success in products such as Food and Oil and Gas transferred from Specialty Markets.

The Industrial GBU implemented a prioritized strategy that brought new and unique technology innovations to market making the R&D concepts and ideas from FY13 a reality during the fiscal year. The goal of the Industrial GBU was to better leverage global end-user research on unmet needs translated to technology-based solutions focused on three key benefits of 'Comfort, Performance, and Protection.' Additionally, through the reorganization, the GBU strengthened and further differentiated the product portfolio through innovation and core brand leadership focused on HyFlex, AlphaTec®, ActivArmr, and VersaTouch®.

New products enhanced by new technologies such as FORTIX™ Abrasion Resistance Technology, benefited the individual worker wherever high abrasion resistance is needed. In addition to FORTIX™, many other technologies were and are being developed 'in-house' at the new Research & Development Center in Colombo, Sri Lanka. Ansell product leadership is a result of an on-going investment and research to deliver new market leading technologies that satisfy unmet user needs and customer demand for high-performance products combining protection and performance.

The acquisition of Midas further expanded technological capabilities for innovative protection solutions for Ansell customers. Midas brought new manufacturing capabilities with specialized yarn and polyurethane dipping technology. Bringing these manufacturing capabilities in house will be important in accelerating the growth and global leadership of the HyFlex and ActivArmr range of products and the mechanical protection glove category.

In FY14, Worker Experience Innovation continued to provide global insights about unmet user needs regarding technology-based solutions that enhance worker comfort, performance and protection for a better day at work. The Ansell Worker Experience Innovation lab continued to advance worker safety and workplace performance.



Sexual Wellness GBU

As the Sexual Wellness GBU experienced many wins and successes in FY14, a major milestone was the development of the SKYN global franchise, which experienced 20 per cent growth year-over-year and more than 15 per cent in total retail sales. The SKYN brand also experienced market share gains in nearly every major market including two new major markets of India and Japan.

The Sexual Wellness GBU also launched two important new variants. SKYN Intense Feel was the first textured condom made from Polyisoprene with a wave design texture with intensely raised dots on the most sensitive areas to maximize stimulation and pleasure.

Also introduced was SKYN Elite in Europe, the Middle East and Africa, which now provides the ultimate sensation of wearing nothing thanks to its thinner and softer material. SKYN Elite is the ultimate condom for the most exigent consumer out there.

In FY14, the Sexual Wellness GBU propelled several digital campaigns around the globe, which provided regular engagement with consumers, while satisfying unmet needs for brand awareness.

In the year ahead the SKYN global franchise will continue to leave its lasting footprint around the globe with the expansion of the brand in China, focusing particularly on the booming e-commerce market in the region.



Single Use GBU

The January 2014 acquisition of BSSI caused the transformation of the North American footprint of Ansell and the creation of the Single Use GBU. This newly formed GBU contains the Ansell and BSSI single-use products, which are sold for non-medical applications. The size of the combined business totals US\$350 million and offers truly differentiated products to a worldwide market.

While the two businesses were strong on their own, together will provide customers with new products featuring grip technology, improved hand health, and enhanced ergonomics, in addition to addressing vital unmet user needs. Protection was a major theme in FY14 exemplified by the chemical permeation properties of the TouchNTuff gloves, with a sales growth of more than 15 per cent. The TouchNTuff nitrile glove range is a market leader and no other single-use nitrile glove resists a greater variety of industrial chemicals for a longer period or offers greater protection. The range utilizes a proprietary Ansell nitrile formulation, offering an exceptional soft feel and greater dexterity to handle intricate products with excellent dry grip (e.g. on glass).

Performance was brought to life through the ergonomics of the Microflex XCEED®, Neogard® and Ultraform ranges. The XCEED offering is the first certified ergonomic exam glove available in the United States. Traditionally, glove users have had to compromise strength in order to receive a more comfortable, lighter weight glove. XCEED gloves, made with the exclusive breakthrough formulation – Avantex™, coupled with a state-of-the-art manufacturing processes, have solved that dilemma. The Neogard glove is made from a non-latex formulation that delivers outstanding grip in wet and dry environments. Microflex Ultraform Powder-Free Nitrile Exam Gloves encompass a unique soft formulation that forms to a user's hand effortlessly as if it is second skin, ultimately allowing for greater performance of the job at hand.

GBU Summary

continued

The Single Use GBU offers customers a wide-range of comprehensive protection solutions in industrial markets where precision handling is critical, during inspection and tooling maintenance, and handling of paint/glue sprayers. This can include: Automotive, Manufacturing, Metal Fabrication, Transportation, and Warehousing. Offering varied thickness and polymers, the GBU offers the broadest portfolio and most diversified line of single-use products worldwide.

Looking ahead in FY15, the Single Use GBU will continue to drive global market growth with a comprehensive product portfolio and the introduction of differentiated technologies.

Regional Results



Asia Pacific (APAC)

The APAC region delivered encouraging performance in FY14 through strategic new product launches and winning competitive business, despite a very challenging industrial economies. The Medical business in the APAC region continued to climb, fueled by a strong start for SENSOPRENE in Japan. APAC also experienced significant year-over-year Medical sales improvement in China (68 per cent), while establishing strong relationships with the largest pharmaceutical companies in the region. Improved sales effectiveness was achieved through Ansell Guardian Industrial training conducted across the region. The acquisition of Midas expanded market opportunities for innovative protection solutions for Ansell customers. Regional digital marketing programs influenced users through new, innovative web-based programs and created further inroads in the South East Asia market. The HyFlex 11-840 in ANZ outpaced sales throughout the globe and continues to experience global success.



Europe, the Middle East and Africa (EMEA)

The finalization of the Comasec® integration in FY14 provided the EMEA regional sales force with an enhanced geographical presence. Substantial new business in the EMEA region was secured in spite of turbulent economies, including currency fluctuation and devaluation, especially in Turkey and Russia. The Life Sciences business in the EMEA region grew by 20 per cent, aided by a new dedicated vertical structure. Countless numbers of dedicated employees also finalized the implementation of the SAP Enterprise Resources Planning program in the region, which provides industry-specific solutions, ultimately benefiting both internal and external key constituents.



Latin America and Caribbean (LAC)

The LAC region continued its pace as a significant and growing part of Ansell. In FY14, Industrial products experienced double-digit (11 per cent) growth, fueled by new products as well as solid HyFlex sales, and marking 10 consecutive years of overall growth. Highlights in FY14 included a significant transformation renaissance, spear-headed by enhanced operations in Brazil, which allowed for increased productivity and performance. Dedicated warehouses became operational in Mexico, building the infrastructure to support the growing regional expansion. Six significant new medical products gained regulatory clearance in FY14, and both Ansell and Hercules received 'Top of Mind 2014' awards in Brazil, which gauge consumers in regards to what product brands come to mind and the popularity of these brands in Brazil.

Regional Results continued



North America

The acquisition of BSSI opened doors to new vertical opportunities for Ansell customers. The Ansell Guardian value proposition continued to deliver value for customers,

and exceeded \$20 million in new business in FY14. Several national programs including the Ansell Nurse Service H.E.R.O. Award saw a monumental increase in results from the previous year. New product development within the Medical business unit contributed US\$3.2 million from new products launched in FY14 and continued to play a major role in the regional success achieved including the launch of FORTIX. The Oil and Gas segment in North America grew 22 per cent, driven by sales of end-user focused innovative new products supporting this high-growth industry in the United States and Canada.

A featured Oil and Gas thought leadership roundtable in Houston positioned Ansell at the forefront of this vertical and leading the industry by creating a world where people and products enjoy optimal protection against the risks to which they are exposed. Products throughout the region were granted numerous awards including the entire HyFlex 18-gauge product portfolio.

Corporate Social Responsibility

Our Vision

Ansell strives to be recognized for excellence in corporate, environmental, governance and social practices.

Our Mission

We will:

- deliver profitable growth and become a preferred, responsible business partner;

- honour our commitments to safety, ethics, the environment and the communities in which we operate; and

- attract and retain top talent by valuing teamwork and creating a great place to work.

CSR Technology Roadmap Focus Areas

Water Use Reduction



- Eliminate post-processing production steps.
- Grip technology process improvement.
- Installation of 'low flow' equipment in facilities.
- Waste water recycle and water usage optimization.

Energy Down



- Process simplification.
- Alternate curing technologies.
- Alternate energy sources.

Raw Material Reductions



- Online washing, drying, powdering for major dipping lines.
- Waste and raw material reduction through new equipment designs.
- New equipment retrofits to reduce changeover and start-up waste.

Productivity Improvements



- Process automation improvements on all high-volume lines.
- Combination of processing steps.
- Reduced footprints of new equipment.

FY15 Outlook

There will be greater emphasis on fully integrating our acquisitions; streamlining internal processes and systems; and improvements to our New Product Development initiatives. We will maintain a balanced approach to capital deployment driving for business growth, while assessing capital management options to deliver further value for shareholders. We will aim to focus on core global brands; deliver strong organic growth; making on-going productivity savings; and successfully integrating our acquisitions.

Visit Ansell Limited's corporate website at www.ansell.com to listen to the FY14 full results briefing, to view the full year results presentation or to view the 2014 Annual Report.