



## **Appendix 4D**

### **Condensed consolidated half year financial report For the six months ended 31 December 2015**

#### **Ansell Limited and Subsidiaries**

**ACN 004 085 330**

**This half year financial report is a general purpose financial report prepared in accordance with the ASX listing rules and Accounting Standard AASB 134: Interim Financial Reporting and is presented in United States dollars (\$). It should be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements to the market made by the entity during the period. The financial statements in this report are 'condensed financial statements' as defined in AASB 134: Interim Financial Reporting. This report does not include all the notes of the type normally included in an annual financial report.**

# Appendix 4D

## Condensed consolidated half year financial report

**For the six months ended 31 December 2015**

### Ansell Limited and Subsidiaries

ACN 004 085 330

#### Results for Announcement to the Market

		%	\$m
Revenue from ordinary activities	down	(7.4)%	784.8
Profit from ordinary activities after tax attributable to members	down	(20.6)%	69.6
Net profit for the period attributable to members	down	(20.6)%	69.6

Dividends (distributions)	Amount per share	Franked amount per share
Dividend	20¢	Nil
Record date for determining entitlements to the dividend	15 February 2016	
Dividend Reinvestment Plan election cut off date	16 February 2016	
Dividend payment date	10 March 2016	

#### Net Tangible Asset backing

	31 December 2015 \$m	31 December 2014 \$m
Shareholders' Equity attributable to Ansell Limited shareholders	1,096.0	1,129.5
Less Intangible Assets	(1,092.7)	(1,049.2)
Net Tangible Assets	3.3	80.3
	No. Shares	No. Shares
Total fully paid ordinary shares on issue (millions)	151.3	153.1
Net tangible asset backing per ordinary share	\$0.02	\$0.52

Refer to the ASX Announcement for commentary on the figures reported above.

**ANSELL LIMITED**

**ABN 89 004 085 330**

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**DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

This Report by the Directors of Ansell Limited (**the Company**) is made pursuant to the provisions of the Corporations Act 2001 for the half-year ended 31 December 2015 and is accompanied by the Condensed Consolidated Half Year Financial Report of the Company and its subsidiaries (**the Group**), for the half-year ended 31 December 2015, in the form of ASX Appendix 4D.

The information set out in this Report is to be read in conjunction with that appearing in the attached Half-Year Results Announcement and in the Notes to the Condensed Consolidated Half Year Financial Report which accompanies this Report.

**1. Directors**

The name of each person who has been a Director of the Company at any time during or since the end of the half-year, is:

Glenn L L Barnes (Chairman)

John Bevan

Ronald J S Bell

L. Dale Crandall

W. Peter Day

Marissa T Peterson

Annie H Lo

Leslie Desjardins

Magnus R Nicolin (Managing Director and Chief Executive Officer)

**2. Review and Results of Operations**

A review of the operations of the Group during the half-year ended 31 December 2015 and the results of those operations is contained in the attached Half-Year Results Announcement.

**3. Auditor's Independence Declaration**

A copy of the independence declaration received from the Company's auditor, KPMG, in accordance with section 307C of the Corporations Act 2001, in respect of the audit review undertaken in relation to the Condensed Half Year Interim Financial Report for the half year financial period ending 31 December 2015, is attached.

#### 4. Rounding Off

The Company is of a kind referred to in ASIC class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the Condensed Consolidated Half Year Financial Report have been rounded off to the nearest one hundred thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

A handwritten signature in black ink, appearing to read "G L L Barnes", with a horizontal line drawn underneath.

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G L L Barnes  
Director

A handwritten signature in black ink, appearing to read "M R Nicolin", with a horizontal line drawn underneath.

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M R Nicolin  
Director

Dated in Melbourne this 8<sup>th</sup> day of February 2016



***Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001***

To: the directors of Ansell Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'KPMG'.

KPMG

A handwritten signature in black ink, appearing to read 'Gordon Sangster'.

Gordon Sangster  
*Partner*

Melbourne  
8 February 2016

## Condensed Consolidated Income Statement

### of Ansell Limited and Subsidiaries for the six months ended 31 December

	Note	2015 \$m	2014 \$m
<b>Revenue</b>			
Sales revenue		784.8	847.3
<b>Expenses</b>			
Cost of goods sold		(470.6)	(486.9)
Distribution		(35.0)	(38.4)
Selling and administration		(179.9)	(203.7)
Total expenses, excluding financing costs		(685.5)	(729.0)
Net financing costs		(11.2)	(10.8)
<b>Profit before income tax</b>		<b>88.1</b>	<b>107.5</b>
Income tax expense		(17.4)	(18.6)
<b>Profit for the period</b>		<b>70.7</b>	<b>88.9</b>
<b>Net Profit for the period is attributable to:</b>			
<b>Ansell Limited shareholders</b>		70.7	88.9
Non-controlling interests		(1.1)	(1.2)
<b>Net profit attributable to Ansell Limited shareholders</b>		<b>69.6</b>	<b>87.7</b>

		cents	cents
Earnings per share is based on net profit attributable to Ansell Limited shareholders			
Basic earnings per share	5	45.6	57.3
Diluted earnings per share	5	45.2	56.8

## Condensed Consolidated Statement of Comprehensive Income

### of Ansell Limited and Subsidiaries for the six months ended 31 December

	2015 \$m	2014 \$m
<b>Profit for the period</b>	<b>70.7</b>	<b>88.9</b>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Change in fair value of financial assets fair valued through other comprehensive income	-	7.7
Tax expense on items that will not be reclassified to profit and loss	-	(2.5)
<i>Total items that will not be reclassified to profit or loss</i>	<i>-</i>	<i>5.2</i>
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Net exchange difference on translation of financial statements of foreign operations	(50.8)	(74.9)
Net movement in effective hedges for period	(8.1)	10.3
Tax (expense)/benefit on items that may subsequently be transferred to profit and loss	(1.2)	0.9
<i>Total items that may be subsequently reclassified to profit or loss</i>	<i>(60.1)</i>	<i>(63.7)</i>
<b>Other comprehensive income for the period, net of income tax</b>	<b>(60.1)</b>	<b>(58.5)</b>
<b>Total comprehensive income for the period</b>	<b>10.6</b>	<b>30.4</b>
Attributable to:		
Members of Ansell Limited	10.6	30.2
Non-controlling interests	-	0.2
<b>Total comprehensive income for the period</b>	<b>10.6</b>	<b>30.4</b>

## Condensed Consolidated Statement of Financial Position

### of Ansell Limited and Subsidiaries

	31 December 2015 \$m	30 June 2015 \$m
<b>Current Assets</b>		
Cash on hand	0.2	0.2
Cash at bank and on deposit	257.9	278.2
Cash - restricted deposits	3.0	3.0
Trade and other receivables	220.4	241.3
Derivative financial instruments	9.0	18.6
Inventories	336.7	339.6
Other current assets	19.6	16.6
<b>Total Current Assets</b>	<b>846.8</b>	<b>897.5</b>
<b>Non-Current Assets</b>		
Trade and other receivables	2.8	2.8
Derivative financial instruments	3.4	3.1
Property, plant and equipment	226.7	231.2
Intangible assets	1,092.7	1,116.0
Deferred tax assets	93.8	101.2
Other non-current assets	23.1	24.6
<b>Total Non-Current Assets</b>	<b>1,442.5</b>	<b>1,478.9</b>
<b>Total Assets</b>	<b>2,289.3</b>	<b>2,376.4</b>
<b>Current Liabilities</b>		
Trade and other payables	224.3	229.7
Derivative financial instruments	12.7	13.8
Interest-bearing liabilities	7.5	7.1
Provisions	43.1	62.8
Current tax liabilities	14.9	15.7
<b>Total Current Liabilities</b>	<b>302.5</b>	<b>329.1</b>
<b>Non-Current Liabilities</b>		
Trade and other payables	5.5	7.1
Derivative financial instruments	1.8	2.1
Interest-bearing liabilities	737.7	734.0
Provisions	11.9	14.7
Retirement benefit obligations	18.1	18.1
Deferred tax liabilities	81.3	84.4
Other	20.2	20.3
<b>Total Non-Current Liabilities</b>	<b>876.5</b>	<b>880.7</b>
<b>Total Liabilities</b>	<b>1,179.0</b>	<b>1,209.8</b>
<b>Net Assets</b>	<b>1,110.3</b>	<b>1,166.6</b>
<b>Equity</b>		
Issued capital	1,196.2	1,229.6
Reserves	(107.3)	(49.3)
Retained profits/(Accumulated losses)	7.1	(28.5)
<b>Total Equity Attributable to Ansell Limited Shareholders</b>	<b>1,096.0</b>	<b>1,151.8</b>
Non-controlling interests	14.3	14.8
<b>Total Equity</b>	<b>1,110.3</b>	<b>1,166.6</b>



## Condensed Consolidated Statement of Changes in Equity

### of Ansell Limited and Subsidiaries for the six months ended 31 December

	2015 \$m	2014 \$m
<b>Total Equity at the beginning of the financial year</b>	<b>1,166.6</b>	<b>1,140.5</b>
Total comprehensive income for the period attributable to:		
Ansell Limited shareholders	10.6	30.2
Non-controlling interests	-	0.2
Transactions with owners attributable to Ansell Limited shareholders:		
Shares issued under Dividend Reinvestment plan	2.8	2.3
Conversion of Executive Share Plan shares to fully paid and exercise of options	-	0.5
Share buy-back	(36.2)	-
Share-based payments reserve	1.0	3.1
Dividends	(34.0)	(31.6)
Transactions with owners attributable to non-controlling interests:		
Dividends	(0.5)	(0.4)
<b>Total Equity at the end of the period</b>	<b>1,110.3</b>	<b>1,144.8</b>

#### Share Capital

Balance at the beginning of the financial year	1,229.6	1,226.8
Transactions with owners as owners:		
Shares issued under Dividend Reinvestment plan	2.8	2.3
Conversion of Executive Share Plan shares to fully paid and exercise of options	-	0.5
Share buy-back	(36.2)	-
<b>Balance at the end of the period</b>	<b>1,196.2</b>	<b>1,229.6</b>

## Condensed Consolidated Statement of Changes in Equity

### of Ansell Limited and Subsidiaries for the six months ended 31 December

	2015 \$m	2014 \$m
<b>Issued Capital</b>		
Balance at 1 July	1,229.6	1,226.8
Additional capital issued/options exercised	2.8	2.8
Buy-back of shares	(36.2)	-
<b>Total Issued Capital at 31 December</b>	<b>1,196.2</b>	<b>1,229.6</b>
<b>Reserves</b>		
<b>Share-Based Payments Reserve</b>		
Balance at 1 July	45.2	41.4
Charge to the income statement for the period	1.0	3.1
Balance at 31 December	46.2	44.5
<b>Hedging Reserve</b>		
Balance at 1 July	4.7	(0.8)
Net movement in effective hedges for the period	(9.3)	11.2
Balance at 31 December	(4.6)	10.4
<b>General Reserve</b>		
Balance at 1 July	11.6	10.8
Transfer from retained profits/(accumulated losses)	-	0.8
Balance at 31 December	11.6	11.6
<b>Foreign Currency Translation Reserve</b>		
Balance at 1 July	(102.5)	11.4
Currency translation differences arising during the period	(49.7)	(73.9)
Balance at 31 December	(152.2)	(62.5)
<b>Transactions with Non-Controlling Interests</b>		
Balance at 1 July	(10.9)	(10.9)
Balance at 31 December	(10.9)	(10.9)
<b>Fair Value Reserve</b>		
Balance at 1 July	2.6	(2.5)
Change in fair value of financial assets fair valued through other comprehensive income	-	5.2
Balance at 31 December	2.6	2.7
<b>Total Reserves at 31 December</b>	<b>(107.3)</b>	<b>(4.2)</b>
<b>Retained Profits/(Accumulated Losses)</b>		
Balance at 1 July	(28.5)	(151.2)
Transfer to reserves	-	(0.8)
Net profit attributable to Ansell Limited shareholders	69.6	87.7
Items of other comprehensive income recognised directly in retained profits/(accumulated losses):		
Dividends to Ansell Limited shareholders	(34.0)	(31.6)
<b>Retained Profits/(Accumulated Losses) at 31 December</b>	<b>7.1</b>	<b>(95.9)</b>
<b>Total Equity at 31 December attributable to Ansell Limited shareholders</b>	<b>1,096.0</b>	<b>1,129.5</b>
<b>Non-controlling interests</b>		
Issued Capital	1.5	1.5
Reserves	(4.7)	(2.9)
Retained Profits	17.5	16.7
<b>Total Non-controlling interests</b>	<b>14.3</b>	<b>15.3</b>
<b>Total Equity</b>	<b>1,110.3</b>	<b>1,144.8</b>

## Condensed Consolidated Statement of Cash Flows

### of Ansell Limited and Subsidiaries for the six months ended 31 December

	2015 \$m	2014 \$m
<b>Cash Flows Related to Operating Activities</b>		
Receipts from customers	806.7	880.5
Payments to suppliers and employees	(707.1)	(776.1)
Net receipts from customers	99.6	104.4
Income taxes paid	(14.1)	(10.2)
<b>Net Cash Provided by Operating Activities</b>	<b>85.5</b>	<b>94.2</b>
<b>Cash Flows Related to Investing Activities</b>		
Payments for businesses, net of cash acquired	-	(17.6)
Purchase of property, plant and equipment and capitalised software costs	(30.7)	(38.8)
Proceeds from sale of property, plant and equipment	2.7	0.1
Proceeds from the sale of other investments	-	11.6
<b>Net Cash Used in Investing Activities</b>	<b>(28.0)</b>	<b>(44.7)</b>
<b>Cash Flows Related to Financing Activities</b>		
Proceeds from borrowings	37.5	31.6
Repayments of borrowings	(23.6)	(68.2)
Net proceeds from/(repayments of) borrowings	13.9	(36.6)
Proceeds from issues of shares	-	0.5
Payments for share buyback	(36.2)	-
Dividends paid - Ansell Limited shareholders	(31.2)	(29.3)
Dividends paid - Non-controlling interests	(0.5)	(0.4)
Interest received	2.3	2.8
Interest and financing costs paid	(13.4)	(13.3)
<b>Net Cash Provided by Financing Activities</b>	<b>(65.1)</b>	<b>(76.3)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(7.6)</b>	<b>(26.8)</b>
Cash and cash equivalents at the beginning of the period	281.4	324.2
Effects of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies at the beginning of the period	(12.7)	(28.3)
<b>Cash and Cash Equivalents at the end of the period</b>	<b>261.1</b>	<b>269.1</b>
<b>Cash and Cash Equivalents at the end of the period comprises:</b>		
Cash on hand	0.2	0.2
Cash at bank and on deposit	257.9	265.6
Cash - restricted deposits	3.0	3.3
	<b>261.1</b>	<b>269.1</b>

## Notes to the condensed consolidated interim financial statements

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### 1. Summary of Significant Accounting Policies

#### General

Ansell Limited ("the Company") is a company domiciled in Australia. The Company and its subsidiaries (together referred to as the "Group") is a global leader in protection solutions. The Group is a for-profit entity and designs, develops and manufactures a wide range of hand and arm protection solutions, clothing and condoms and is organised around four Global Business Units (GBU):

- Industrial GBU: multi use hand, foot and body protection solutions for industrial worker environments and specialty applications.
- Medical GBU: surgical and examination gloves, healthcare safety devices and active infection prevention products for healthcare professionals and patients.
- Single Use GBU: single use industrial application gloves.
- Sexual Wellness GBU: condoms, lubricants and devices.

#### Statement of Compliance

The condensed consolidated half year financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and with IAS 34 *Interim Financial Reporting* and are presented in United States dollars. The consolidated financial statements were authorised for issue by the Board of Directors on 8 February 2016.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report and Directors' Report have been rounded off to the nearest hundred thousand dollars, unless otherwise stated.

#### Accounting Estimates and Judgements

In preparing these half year financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2015.

#### Significant Accounting Policies

The accounting policies applied in these half year financial statements are the same as those applied in the Group's consolidated financial statements for the year ended 30 June 2015. The accounting policies have been applied consistently by all entities in the Group.

## Notes to the condensed consolidated interim financial statements

### 2. Operating Segments

The Group comprises the following main operating segments:

Industrial GBU : hand and upper arm and body protective solutions for the industrial market  
Medical GBU : surgical and examination gloves for healthcare professionals and patients  
Single Use GBU : single-use hand protection solutions to a range of vertical markets, with a particular focus on Life Sciences and the Automotive Aftermarket  
Sexual Wellness GBU : condoms, lubricants and devices

	Operating Segments				Total Segments	Corporate	Total Group
	Industrial \$m	Medical \$m	Single Use \$m	Sexual Wellness \$m	\$m	\$m	\$m
<b>31 December 2015</b>							
Sales Revenue	329.9	196.3	149.3	109.3	784.8	-	784.8
Profit before net financing costs and income tax expense	36.6	22.1	31.2	14.2	104.1	(4.8)	99.3
Net financing costs						(11.2)	(11.2)
Profit before income tax expense	36.6	22.1	31.2	14.2	104.1	(16.0)	88.1
Income tax expense						(17.4)	(17.4)
Profit after income tax	36.6	22.1	31.2	14.2	104.1	(33.4)	70.7
Non-controlling interests						(1.1)	(1.1)
Net profit attributable to Ansell Limited shareholders	36.6	22.1	31.2	14.2	104.1	(34.5)	69.6
Segment depreciation and amortisation	8.0	4.2	2.1	2.0	16.3	1.7	18.0
Segment capital expenditure	14.2	6.8	1.6	5.5	28.1	2.6	30.7

	Operating Segments				Total Segments	Corporate	Total Group
	Industrial \$m	Medical \$m	Single Use \$m	Sexual Wellness \$m	\$m	\$m	\$m
<b>31 December 2014</b>							
Sales Revenue	349.5	228.8	160.3	108.7	847.3	-	847.3
Profit before net financing costs and income tax expense	44.4	34.9	28.7	12.7	120.7	(2.4)	118.3
Net financing costs						(10.8)	(10.8)
Profit before income tax expense	44.4	34.9	28.7	12.7	120.7	(13.2)	107.5
Income tax expense						(18.6)	(18.6)
Profit after income tax	44.4	34.9	28.7	12.7	120.7	(31.8)	88.9
Non-controlling interests						(1.2)	(1.2)
Net profit attributable to Ansell Limited shareholders	44.4	34.9	28.7	12.7	120.7	(33.0)	87.7
Segment depreciation and amortisation	6.5	4.2	3.0	1.8	15.5	1.8	17.3
Segment capital expenditure	13.4	9.5	4.8	6.5	34.2	4.6	38.8

	Assets		Liabilities	
	December 2015 \$m	June 2015 \$m	December 2015 \$m	June 2015 \$m
<b>Operating segments</b>				
Industrial	737.7	772.0	107.0	106.4
Medical	444.6	466.2	73.9	98.2
Single Use	482.5	475.0	29.2	26.3
Sexual Wellness	197.5	199.8	43.4	45.0
<b>Total operating segments</b>	<b>1,862.3</b>	<b>1,913.0</b>	<b>253.5</b>	<b>275.9</b>
Corporate	427.0	463.4	925.5	933.9
<b>Total consolidated</b>	<b>2,289.3</b>	<b>2,376.4</b>	<b>1,179.0</b>	<b>1,209.8</b>

## Notes to the condensed consolidated interim financial statements

### 2. Operating Segments (continued)

#### Regional Information

The allocation of Sales Revenue reflects the geographical regions in which the products are sold to external customers.

Assets (excluding goodwill and brand names) are allocated to the geographical regions in which the assets are located.

Asia Pacific - manufacturing facilities in Malaysia, Thailand, India, Sri Lanka, South Korea and Vietnam and sales activity.

Europe, Middle East and Africa - manufacturing facilities in Lithuania and Portugal and sales activity.

Latin America and Caribbean - manufacturing facilities in Brazil and sales activity.

North America - manufacturing facilities in USA and Mexico and sales activity.

	Sales Revenue		Regional Assets	
	December 2015 \$m	December 2014 \$m	December 2015 \$m	June 2015 \$m
<b>Regions</b>				
Asia Pacific	137.6	134.2	347.2	343.7
Europe, Middle East and Africa	257.7	294.7	206.1	222.9
Latin America and Caribbean	46.0	54.7	46.8	51.2
North America	343.5	363.7	223.5	232.0
Total Regions	<b>784.8</b>	<b>847.3</b>	<b>823.6</b>	<b>849.8</b>

#### Country of Domicile

The Company's country of domicile is Australia. The Sales Revenue and Assets for the Australian trading operations (reported within the Asia Pacific region) are as follows:

	31 December 2015 \$m	31 December 2014 \$m
Sales Revenue	52.1	58.4
	<b>December 2015 \$m</b>	<b>June 2015 \$m</b>
Assets	45.9	46.6

### 3. Issued Capital

	31 December 2015	31 December 2014
<b>Movement in shares on issue</b>		
<b>Fully Paid Ordinary Shares</b>		
Balance at 1 July	153,154,841	152,937,881
Issue of new shares under Dividend Reinvestment plan	183,492	133,952
Conversion of performance share rights and exercise of options	434,773	64,091
Share buy-back	(2,481,751)	-
Conversion of Executive Share Plan shares to fully paid	-	4,000
Balance at 31 December	<b>151,291,355</b>	<b>153,139,924</b>
<b>Executive Share Plan Shares</b>		
Balance at 1 July	58,900	62,900
Conversion of Executive Share Plan shares to fully paid	-	(4,000)
Balance at 31 December	<b>58,900</b>	<b>58,900</b>

## Notes to the condensed consolidated interim financial statements

### 4. Dividends Paid and Declared

	31 December 2015 \$m	31 December 2014 \$m
<b>Dividends Paid</b>		
A final dividend of 23.0 cents per share unfranked for the year ended 30 June 2015 (June 2014 - 22.0 cents unfranked) was paid on 10 September 2015 (2014 - 24 September 2014)	34.0	31.6

#### Dividends Declared

An interim dividend for the year ended 30 June 2016 of 20 cents per share unfranked, has been declared and is payable on 10 March 2016.

The balance of available franking credits in the franking account as at 31 December 2015 was Nil (2014 - Nil).

### 5. Earnings per Share (EPS)

	31 December 2015 \$m	31 December 2014 \$m
<b>Earnings Reconciliation</b>		
Net profit	70.7	88.9
Less Net profit attributable to non-controlling interests	(1.1)	(1.2)
<b>Earnings used in calculation of Basic and Diluted EPS</b>	<b>69.6</b>	<b>87.7</b>

	No. Shares	No. Shares
<b>Weighted average number of ordinary shares used as the denominator</b>		
<b>Number of ordinary shares for basic earnings per share</b>	152,820,898	153,049,120
Effect of partly paid Executive Plan shares and Performance Share Rights	1,237,113	1,339,859
<b>Number of ordinary shares for diluted earnings per share</b>	<b>154,058,011</b>	<b>154,388,979</b>

Partly paid Executive Plan shares and Performance Share Rights have been included in diluted earnings per share.

	cents	cents
<b>Earnings per share</b>		
Basic earnings per share	45.6	57.3
Diluted earnings per share	45.2	56.8

## Notes to the condensed consolidated interim financial statements

### 6. Financial Instruments

#### Financial risk management

Ansell has a range of financial policies designated to enable management to ensure financial risk (including foreign exchange and interest rate exposures) does not negatively affect the Group's results. These policies remain consistent with those disclosed in the consolidated financial statements for the year ended 30 June 2015.

#### Financial instruments carried at fair value

##### *Fair Value Hierarchy*

The table below analyses financial instruments carried at fair value, by valuation method. The different methods have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	31 December 2015			Total \$m
	Level 1 \$m	Level 2 \$m	Level 3 \$m	
Derivative financial assets	-	12.4	-	12.4
Derivative financial liabilities	-	14.5	-	14.5

In order to determine the fair value of the financial instruments, management used valuation techniques in which all significant inputs were based on observable market data.

### 7. Acquisition of Subsidiaries and Businesses

#### Hands International

The acquisition accounting for Hands International, acquired effective 1 November 2014, was completed during the six months to 31 December 2015 and resulted in an increase of \$0.2 million to previously reported goodwill.

#### Microgard Ltd

The provisional accounting for Microgard Ltd, acquired effective 1 May 2015, has resulted in a reduction of \$0.5 million to previously reported goodwill.

### 8. Performance Share Rights

Ansell Limited incorporates the granting of Performance Share Rights (PSRs) to the Managing Director and certain senior executives in its Long Term Incentive (LTI) Plan. Grants of PSRs were made in August 2013, August 2014 and August 2015 and are due to vest (upon the achievement of the performance hurdles stipulated in the LTI Plan) during the 2016, 2017 and 2018 financial years respectively. The value of these PSRs has been calculated by an external valuations expert and the related cost is amortised over the three year vesting periods.



**ANSELL LIMITED**

**ABN 89 004 085 330**

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**Directors' Declaration**

In the opinion of the Directors of Ansell Limited (**the Company**):

1. the Condensed Consolidated Half Year Financial Report (including the notes to the Condensed Consolidated Half Year Financial Report) of the Company and its subsidiaries (**the Group**), for the half-year ended 31 December 2015, in the form of ASX Appendix 4D, is in accordance with the Corporations Act 2001 including:
  - (a) giving a true and fair view of the financial position of the Group as at 31 December 2015 and of its performance for the half-year ended 31 December 2015; and
  - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001.
2. as at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



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G L L Barnes  
Director



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M R Nicolin  
Director

Dated in Melbourne this 8<sup>th</sup> day of February 2016.



## **Independent auditor's review report to the members of Ansell Limited**

### **Report on the financial report**

We have reviewed the accompanying half-year financial report of Ansell Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2015, condensed consolidated income statement and condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 8 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

#### *Directors' responsibility for the half-year financial report*

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Ansell Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ansell Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in black ink, appearing to read 'K Sangster'.

KPMG

A handwritten signature in black ink, appearing to read 'Gordon Sangster'.

Gordon Sangster  
*Partner*

A handwritten signature in black ink, appearing to read 'Suzanne Bell'.

Suzanne Bell  
*Partner*

Melbourne  
8 February 2016

## Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
- 2 This report, and the accounts upon which the report is based, use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 This report is based on accounts which have been subject to review by external auditors.
- 5 The entity has a formally constituted audit and compliance committee.



Signed: ..... Date 8 February 2016  
Company Secretary

Name: A. I. Grant

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