Ansell

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NEWS RELEASE

23 August, 2010

Ansell Limited Full Year Results 30 June, 2010
Strong Sales and Profit Growth

Highlights:

- Sales of US$1,086.2m, up 8% on the previous year.
- EBIT of US$127.3m was up 19% on the previous year.
- Profit attributable of US$106.2m was up 18% on the previous year.
- EPS was US79.7¢, up 20% on the previous year.
- The Board declared a final unfranked dividend of A17.5¢, up 9% year on year. The total dividend for F'10 is A30.5¢, also up 9% year on year.

Chairman's Comments:

"Your Board is pleased to announce that Ansell has rebounded strongly from a GFC affected F'09. Sales, EBIT, Profit Attributable and Earnings per Share are all up strongly, while Cash Generation remains solid. Management's fast response to the GFC enabled the Company to emerge healthy and primed for growth" said Ansell's Chairman, Peter Barnes.

He continued "We are also pleased with the strategic plan and organisational structure developed by our management team under the new CEO Magnus Nicolin. This will enable Ansell to accelerate sales and profit growth over the next few years and grow our capability and performance."

F'11 Guidance:

The Company currently expects F'11 EPS to be in the range of US86.0¢ to US91.0¢. This includes estimated Deferred Tax Asset ("DTA") credits of between US8¢-US10¢ a share.

Ansell Limited Full Year 2010 Results Summary

Ansell (ASX:ANN) today announced a full year Profit Attributable to Shareholders of US$106.2m, an 18% increase on the previous year's US$90.2m. Earnings per Share (EPS) was US79.7¢, up 20% on F'09's US66.3¢.

Ansell's Board has declared a final dividend of A17.5¢ per share unfranked, payable on 29 September, 2010. The financial year dividend declared will therefore be A30.5¢, up 9% on the prior year's A28.0¢.

During the year, 5.14m shares were bought back at a cost of A$51.2m under the on market share buy back program that expired in April.

F'10 Highlights:

	Reported in Australian Dollars			Reported in Operating Currency – US Dollars		
	F'09 A$M	**F'10 A$M**	%	**F'09 US$M**	**F'10 US$M**	**%**
Sales	1,352.1	1,230.6	- 9	1,002.9	**1,086.2**	**+ 8**
EBIT	142.4	143.1	-	107.3	**127.3**	**+ 19**
Profit Attributable	121.4	119.4	- 2	90.2	**106.2**	**+ 18**
Earnings Per Share (¢)	89.2	89.6	-	66.3	**79.7**	**+ 20**
Dividend	28.0¢	30.5¢	+ 9			

DTA credits and non-operational tax items (NOTI) for the year totalled US$12.6m compared to the previous year's US$6.9m.

Business Review:

Ansell's CEO Magnus Nicolin commented "F'10 has, for Ansell, turned out to be better than expected. Sales were up solidly across all our businesses with Occupational and Professional growing strongly at the EBIT line as well. Consumer was disappointing but plans are in place to turn this around.

Last month, we announced a major reorganisation designed to make Ansell more responsive and effective; we established four Global Business Units, integrated Manufacturing and Supply Chain into a single Operations Group, and consolidated Business Development/M&A into Finance. With our strong balance sheet and cash flows, we expect to generate additional profitable growth via attractive acquisitions.

Implementation of the first phase of the Fusion ERP Project will take place in F'11 and will provide us with greater ability to leverage our infrastructure. Ansell has exited F'10 with positive momentum and is well positioned for F'11".

Occupational Healthcare:

	A$M		US$M	
	F'09	F'10	F'09	F'10
Sales	641.4	595.5	477.4	525.7
Segment EBIT	69.4	84.0	53.6	74.8
EBIT/Sales	10.8%	14.1%	11.2%	14.2%

Occupational accounted for 48% of Revenue and 55% of Segment EBIT.

Sales have recovered from the GFC with 10% year on year growth and 15% HyFlex® volume growth. EBIT was up a very strong 40% on the previous year, with the EBIT to Sales margin also up strongly. Margin growth was driven by a better sales mix and the benefits of earlier cost reduction initiatives at our plants.

New product offerings such as the PowerFlex Tar Sands glove, the light weight AlphaTec and the General Purpose Performance glove (for the DIY market), have continued Ansell's track record of being an industry leader in innovation.

New channel development remains a major focus with progress continuing to be made in the DIY, Mining and Construction industries and Military. This is designed to provide greater security in times of downturn by diversifying the customer base.

Professional Healthcare:

	A$M		US$M	
	F'09	F'10	F'09	F'10
Sales	450.2	399.7	332.2	352.8
Segment EBIT	55.0	52.4	40.3	46.6
EBIT/Sales	12.2%	13.1%	12.1%	13.2%

Professional accounted for 33% of Revenue and 34% of Segment EBIT.

Sales grew 6% year on year with strong contributions from synthetic surgical gloves (up 16%) and powder-free surgical gloves (up 7%). Low margin powdered gloves continue to be de-emphasised in favour of powder-free and synthetics.

Segment EBIT was up 16% and the increase in EBIT/Sales came from improved mix in particular the reduction of low margin examination glove sales, pricing improvements particularly in Europe and lower input costs early in the year.

In May, Ansell's new world leading Anti Microbial Technology (AMT) Surgical Glove was released in Australia. This glove kills more than 99% of many common bacteria (see www.ansell.com for details) and is planned for global roll-out as regulatory approvals are obtained.

Other positives included being selected as a preferred supplier for the Premier surgical glove contract in the US, and commencing the regional launch of the Professional business in China.

Consumer Healthcare:

	A$M		US$M	
	F'09	F'10	F'09	F'10
Sales	260.5	235.4	193.3	207.7
Segment EBIT	28.5	17.5	21.2	15.5
EBIT/Sales	11.0%	7.4%	11.0%	7.5%

Consumer accounted for 19% of Revenue and 11% of Segment EBIT.

Sales grew solidly by 7% with SKYN® continuing to outperform in the US and Zero capturing market share in Australia. Europe saw the launch of SKYN® which has rapidly become a top 3 product in several countries.

Segment EBIT suffered from continued poor performance in the Polish business (which has now been stabilised), manufacturing issues, disruption surrounding distributor changes in a major market early in F'10 and lower tender and private label sales. The rollout of SKYN® continues on a global basis, with additional marketing spending and investments in additional manufacturing capacity.

Reorganisation:

In July 2010, an announcement was made providing details of Ansell's reorganisation for accelerated growth. Under this plan, four global business units (Medical Solutions, Industrial Solutions, New Verticals & Advanced Concepts, and Sexual Health & Well Being) have been established to work in tandem with the regional sales teams. This will streamline the product portfolio and speed up innovation.

In addition, an integrated operations team has been established to link together under one leader, the Sales and Operations Planning, Manufacturing, Sourcing, Quality Assurance and the Distribution functions. This will streamline operations, enable an enhanced focus on cost reduction and allow greater flexibility.

Finally, Business Development and Mergers & Acquisitions have been placed under the CFO to facilitate disciplined execution of attractive acquisitions.

Finance:

Foreign exchange provided a boost to year on year revenues (of approximately 3%), as the major revenue currencies (EUR, CAD, AUD) strengthened against the USD early in the year. FX also had a positive impact on EBIT.

Book taxes excluding DTA credits and NOTI, rose significantly to US$22.2m (previous year US$11.0m) mostly related to increased US profitability. This was, however, partially offset by recognition of an additional DTA in Australia of US$12.6m net of non-operational taxes (previous year US$6.9m) and the reported tax expense was US$9.6m (previous year US$4.1m).

Free cash-flow at US$107.0m was again very strong, although below F'09's record level of US$121.5m. EBITDA was up strongly, but the Working Capital reduction was lower than the previous year. Cash taxes paid and Capital Expenditure (including Fusion costs of US$16.6m) were also higher than last year.

For some years Ansell has maintained a strong Balance Sheet and F'10 was no exception. The Company therefore has significant capacity to invest in the business, pay dividends and make acquisitions or continue buybacks as considered appropriate.

During F'10, 5.14m shares were bought back and cancelled at a cost of A$51.2m, equating to an average price of A$9.95 a share.

Dividends:

The Board has announced an increased final dividend of A17.5¢ (A16.0¢ in 2009) per share unfranked. The dividend will have a record date of 6th September, 2010 and payment date of 29th September, 2010.

The total dividend paid for F'10 will therefore be A30.5¢, up 9% on F'09's A28.0¢.

For non resident shareholders, the dividend will not attract withholding tax.

Outlook:

While Ansell exited F'10 with solid momentum, economic uncertainty in key markets remains a concern. With this in mind, Ansell is providing EPS Guidance for F'11 of US86¢ to US91¢; an 8-14% increase over F'10. This Guidance includes a DTA adjustment that is estimated to be in the range of US8¢ to US10¢ a share (similar to F'10's level).

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For further information:

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Ansell is a world leader in providing superior health and safety protection solutions that enhance human well being. With operations in North America, Latin America, EMEA and Asia, Ansell employs more than 10,000 people worldwide and holds leading positions in the natural latex and synthetic polymer glove and condom markets. Ansell operates in four main business segments: Medical Solutions, Industrial Solutions, New Verticals & Advanced Concepts, and Sexual Health & Well Being. Information on Ansell and its products can be found at http://www.ansell.com.