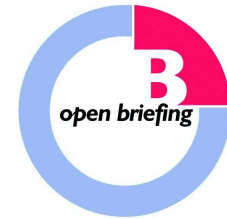


**Attention ASX Company Announcements Platform
Lodgement of Open Briefing®**



Ansell Limited
Level 3
678 Victoria Street
Richmond VIC 3121



corporatefile.com.au

Date of lodgement: 18-Aug-2008

Title: Open Briefing® . Ansell. CEO & CFO on Results & Outlook

Record of interview:

corporatefile.com.au

Ansell Limited today reported net profit of US\$91.7 million for the year ended June 2008, up 16 percent from the previous year. Excluding net positive US\$0.9 million tax and depreciation adjustments, underlying net profit was US\$90.8 million, up 27 percent and EPS was US\$0.654, up 35 percent. For the current year ending June 2009 you expect cost inflation and a slower economy, but look for EPS to grow to US\$0.70 to US\$0.74. What is your level of confidence that you can achieve the efficiencies and sales growth you expect to offset the impact of inflation and a global slowdown?

CEO Doug Tough

First I'd say that 2008 wasn't an easy year, and yet we were able to achieve very strong results. We feel that's testimony to the strength we derive from our diversity, the depth of our business and our strong number one or two positions in our global markets.

Our guidance for 2009 isn't just about efficiencies. Of course we'll continue to rationalise, outsource as appropriate and look for overhead synergies where we can. However we'll also continue to provide value to our customers through new products and improved existing products, and through services such as Occupational's Guardian solution selling program. At the same time, after many years of difficulty in getting price increases through, we think the market is now more conducive to price increases and we see opportunities in that area. This gives us confidence we'll meet our forecast.

corporatefile.com.au

Sales were US\$1.1 billion, up 14 percent. Excluding the contributions from Unimil and Blowtex, acquired in January and May 2007 respectively, sales growth was 12 percent. What were the relative contributions of price increases and volume growth?

CFO Rustom Jilla

We have such a diverse portfolio that it is difficult to be specific but in general terms, I'd say that volume growth contributed more than price increases did to that 12 percent number. However, product mix and the weaker US dollar also helped revenue growth. Take HyFlex for example. Sales volume grew 20 percent and revenue grew 29 percent. Product mix, pricing and forex movements all contributed to that revenue outcome.

corporatefile.com.au

Gross profit after distribution expenses was US\$384.0 million, up 24 percent. Growth was maintained in the second half in spite of higher latex prices. What were the drivers of the growth and is it sustainable in a higher inflation environment?

CFO Rustom Jilla

Some of that profit growth came from pricing, some from changes in product mix, some from new products and some from forex movements. However, we also continued to see benefits from closing less efficient factories, investing in new lines and outsourcing.

Are these sustainable? We believe so. In fact, in this more difficult environment we should use our business diversity, strong operational footprint and the knowledge base of our dedicated teams to put more distance between ourselves and the competition.

CEO Doug Tough

Just to amplify Rustom's point, nearly 12 percent of 2008's sales came from products we've introduced in the last three years. These products are typically positioned at different price points from existing products and target areas where we believe unmet demand exists.

corporatefile.com.au

Ansell's SG&A expenses increased 28 percent to US\$272.9 million. SG&A expenses were equivalent to 24.5 percent of sales, up from 21.9 percent. Do you intend to continue to grow SG&A spending at rates ahead of sales growth? What do you see as an appropriate SG&A to sales ratio going forward?

CEO Doug Tough

We intend to continue to invest in SG&A where it will help us grow sales and gross margins. Certainly we'll continue to invest in SG&A in the emerging markets, where we're gaining traction.

It's hard to specify an appropriate SG&A to sales ratio going forward. The ratio depends on where the business is growing. If we're growing our Consumer

businesses, we may see both higher gross margins and higher SG&A ratios. However, we don't expect our SG&A spending to grow at rates ahead of sales growth. As we gain further economies of scale, we should see the SG&A ratio decline through our improved leverage.

CFO Rustom Jilla

In fact, in the second half, the SG&A to sales ratio would have been lower than in the first half except for higher performance-related incentives and forex movements.

corporatefile.com.au

You've indicated that Unimil was EPS dilutive, and Consumer EBIT, down 25 percent to US\$17.5 million for the year and down 47 percent to US\$6.2 million in the second half, suggests that performance deteriorated in the second half. To what extent did the second half result reflect one-off items? What's your strategy to turn Unimil around and what's the expected time line?

CEO Doug Tough

The deterioration in Unimil in the second half was almost entirely due to operational issues. We took most of the one-off costs associated with its restructure, such as severance payments, in the first half. The performance of Unimil has been below expectations and it's going to take a lot of work to get earnings to an acceptable level. This is particularly disappointing because our other recent acquisitions – Jissbon in China and Blowtex in Brazil – have been stellar performers.

Our strategy to turn Unimil around is to revitalise sales by focusing on re-branding and going into growth channels such as supermarkets in Poland. We're also rolling out new products and introducing some of Ansell's range of condoms into Unimil's markets. On the operations side, we need to produce more in the German plant and the closure of the manufacturing plant in Poland in 2008 should help. But it's not going to be a quick fix.

corporatefile.com.au

Ansell's Occupational business booked EBIT of US\$79.3 million, up 27 percent, on sales of US\$547.7 million, up 14 percent. Excluding the impact of the depreciation adjustment, EBIT was US\$80.4 million, up 29 percent, and EBIT margin was 14.7 percent, up from 13 percent. What scope is there for further growth in emerging markets and can it offset the impact of a further slowing in the US?

CEO Doug Tough

There's still tremendous scope in the emerging markets, where economies continue to grow and where occupational health and safety legislation is gradually being introduced. We believe growth in these markets can certainly offset the impact of any slowing in the US. It's also worth pointing out that our US business has been holding up quite well; revenue has continued to grow with solid demand from non-cyclical sectors such as food and from the booming oil, and chemicals sectors. The US performance shows the benefit we gain from the diversity of our products and customer base.

corporatefile.com.au

The Professional business booked EBIT of US\$26.6 million, up 35 percent, on sales of US\$356.6 million, up 11 percent. Excluding the impact of the change in depreciation methodology, EBIT was US\$31.8 million, up 61 percent and EBIT margin was 8.9 percent, up from 6.1 percent. What scope is there in the current environment to return to the margin levels of three years ago of over 11 percent?

CEO Doug Tough

We believe that with a stronger pricing environment, with the new products we're rolling out, with the mix of products we sell and with our continuing focus on cost management, we'll be able to return to at least that margin level. The US surgeons' glove market, where we've had challenges for some time, continues to improve for us with solid gains in powder free and good success with our synthetic polyisoprene gloves. Our current aim is to get margins to at least 12 percent as soon as possible.

corporatefile.com.au

Ansell's Consumer business booked sales of US\$211.7 million, up 20 percent, and EBIT margin dropped to 8.3 percent from 13.3 percent. Apart from the impact of Unimil, results were also affected by continuing weakness in the US. What is the outlook in the US and to what extent is the underperformance of these parts of the business distracting management from growth opportunities in more attractive markets?

CEO Doug Tough

We've slipped back to third place in the US condom market and it's quite a battle to fight back from there. That remains an issue. However, we've been introducing some promising new products like the SKYN polyisoprene (non-latex) condom which is a premium product that's selling very well, and which we expect to create a halo effect around the rest of our Lifestyles range. We've also taken a new approach to marketing, including the launch of "guerrilla" initiatives like the photo booth we're moving around US nightclubs that dispenses both photos and condoms.

corporatefile.com.au

Ansell's free cash flow increased 27 percent to US\$79.8 million however second half free cash flow of \$32.9 million was down 10 percent year on year, with working capital increasing versus a slight decrease in the first half. Is the second half cash flow performance indicative of the expected trend in the current year?

CFO Rustom Jilla

As we said at our interim result announcement, our first half cash flow was unsustainably high. Rather than look at this in terms of half year performance, it's better to look at free cash flow over the 12 month period – where we've had a solid improvement of 27 percent. We ended the year with average working capital days down to 75 from 81. We've also increased our investment in capex, which will drive growth and give us capacity for good new products. Cash taxes paid were roughly in line with our guidance.

corporatefile.com.au

What scope is there to further reduce average working capital days?

CFO Rustom Jilla

Reducing working capital days certainly continues to be an objective as part of our continuing quest for higher cash velocity and a higher ROA. But maintaining these levels would be an achievement in itself. We're proud of what we've accomplished in recent years. We've improved our working capital metrics despite our expansion into emerging markets where inventories of various kinds need to be stocked.

corporatefile.com.au

As at the end of June, Ansell had net debt of US\$133.3 million, up from US\$114.5 million a year earlier. Gearing was 20.3 percent, up from 18.1 percent. In light of the mixed performance of your acquisitions, are you still looking for M&A opportunities?

CEO Doug Tough

Absolutely. We recognise Unimil's performance is disappointing but it's given us a good platform in markets we previously hadn't tapped and we have initiatives in place that will turn the business around over time. Our other acquisitions – Blowtex and Jissbon – are doing very well and we have great expectations in relation to our recent purchase of the Hawkeye military glove business. We believe now is the time to use our strong balance sheet and available cash to grow the company.

CFO Rustom Jilla

Gearing actually came down in the six months to June. Over that period we paid down debt to the tune of US\$35 million, and as we said we'd do, we built up cash for acquisitions. In fact, we spent US\$11 million last month to acquire Hawkeye in the US.

Hopefully, in the current environment, there will be M&A opportunities at good values for well capitalised companies such as ourselves.

CEO Doug Tough

We'll continue to search for both bolt on and larger acquisitions that can drive our future. Hawkeye for example, is an acquisition that makes absolute strategic sense, giving us exposure to a channel that's new to us.

corporatefile.com.au

Ansell announced an unfranked final dividend of A\$0.155 per share, bringing the full-year payment to A\$0.265, up from A\$0.24 last year. The dividend payout ratio was flat at 36 percent. In light of slower EPS growth in the current year, what scope is there to increase the payout ratio?

CEO Doug Tough

We've established a track record of steadily growing dividends and in 2008 that was continued. Given our dividends are unfranked, we expect our payout ratio will remain modest and believe that it's more important to steadily increase dividends,

provided profits enable us to do so. We would expect to sustain our track record in 2009.

corporatefile.com.au

Thank you Doug and Rustom.

For more information about Ansell, visit www.ansell.com or call David Graham on (+61 3) 9270 7215

For previous Open Briefings by Ansell, or to receive future Open Briefings by e-mail, visit www.corporatefile.com.au

DISCLAIMER: Corporate File Pty Ltd has taken reasonable care in publishing the information contained in this Open Briefing®. It is information given in a summary form and does not purport to be complete. The information contained is not intended to be used as the basis for making any investment decision and you are solely responsible for any use you choose to make of the information. We strongly advise that you seek independent professional advice before making any investment decisions. Corporate File Pty Ltd is not responsible for any consequences of the use you make of the information, including any loss or damage you or a third party might suffer as a result of that use.