



# ASX Announcement

For immediate release

28 May 2009

## **CSL reaffirms commitment to Talecris Acquisition Intends to contest US FTC's opposition**

Melbourne, Australia (28 May 2009) - CSL Limited (ASX: CSL) today was informed that the US Federal Trade Commission ("FTC") will file a complaint in the US Federal District Court to challenge CSL's proposed acquisition of Talecris Biotherapeutics.

Dr. Brian McNamee, CEO and Managing Director of CSL Limited, said, "We strongly disagree with the FTC's decision to challenge the deal. CSL intends to vigorously oppose the FTC's actions. The FTC has failed to recognize that this combination is pro-competitive, provides significant efficiencies that will improve the supply of biotherapies, and is beneficial to the patient community. The Commission failed to take into account the substantial remedies that were offered by CSL which addressed their concerns especially in relation to plasma supply, Alpha-1 and RhoD."

Dr McNamee went on to say, "I'm particularly surprised and disappointed with the Commission's theory that there is any coordination in the Plasma industry. This sector is intensely competitive with manufacturers rapidly expanding."

"A combined company will have the ability to more quickly and efficiently meet the expected continuing demand for plasma therapies that are critical to patients suffering from bleeding disorders, immune deficiencies, CIDP, genetic emphysema, and other rare diseases."

"The merger would result in an improved ability for CSL to supply therapies to patients and customers through expanded and integrated manufacturing with greater efficiency and fewer bottlenecks. An integrated R&D platform would also result in innovative products reaching the marketplace sooner."

"These significant benefits have been understood by a number of patient groups and customers who have expressed their support for this transaction."

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CSL disagrees with the FTC's view of the competitive landscape. The plasma therapies market is robust. Four strong manufacturers will remain after the transaction, two companies are committed to launching new products in the near future and a number of substantial international manufacturers have announced plans to enter the U.S. market.

The Commission also alleges that there would be an increase in the likelihood of coordination in the market. The dynamics of the plasma therapeutics market render coordination all but impossible and expansion by current competitors and new US entrants negates such concern.

Dr McNamee concluded, "CSL strongly disagrees with the Commission's position that consolidation over the last 19 years has limited supply and driven prices higher. We believe the reverse is true and in fact consumers have benefited by increased output, innovation and lower prices than would otherwise have been the case."

## **About the deal**

On August 12, 2008 CSL Limited and Talecris Biotherapeutics, Inc. entered into an agreement under which CSL agreed to acquire Talecris for US\$3.1 billion in cash. The transaction required regulatory approvals including, among others, approval by US anti-trust authorities.

## **About CSL**

Headquartered in Melbourne, Australia, with major facilities in Germany, Switzerland and the U.S., CSL has more than 10,000 employees working in 27 countries. The CSL Group has a combined heritage of outstanding contribution to medicine and human health with more than 90 years experience in the development and manufacture of vaccines and plasma protein biotherapies. In fiscal 2008, the company produced revenues of approximately A\$3.8 billion.

## **About Talecris**

Talecris Biotherapeutics, with revenues of approximately US\$1.4 billion in 2008 and headquartered in Research Triangle Park, North Carolina is a global biotherapeutic

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and biotechnology company that discovers, develops and produces critical care treatments for people with life-threatening disorders in a variety of therapeutic areas including immunology, neurology, pulmonology, and hemostasis.

**Media Contacts:**

Australia

Dr Rachel David

Director, Public Affairs

Ph 61 3 9389 1821

Email: [rachel.david@csl.com.au](mailto:rachel.david@csl.com.au)

Tim Duncan

Hinton & Associates

Telephone: +61 (3) 9600-1979

Email: [tduncan@hintons.com.au](mailto:tduncan@hintons.com.au)

United States

Stan Neve & Robin Gilliland

Brunswick Group

+1-212-333-3810

Email: [sneve@brunswickgroup.com](mailto:sneve@brunswickgroup.com)

**Investor Contact:**

Mark Dehring

Head of Investor Relations

CSL Limited Telephone: +613 9389 2818

Email: [mark.dehring@csl.com.au](mailto:mark.dehring@csl.com.au)

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