

24th August, 2006

Ansell Limited Full Year Results 30 June, 2006

Earnings Per Share Market Commitments Met

Highlights:

	Reported in Australian Dollars			Results in Operating Currency – US Dollars		
	F'05 A\$M	F'06 A\$M	%	F'05 US\$M	F'06 US\$M	%
Sales	1,081.1	1,138.2	5.3	812.1	849.1	4.6
Segment EBIT	153.7	144.2	(6.2)	115.7	107.6	(7.0)
Pre SPT Write-Down						
▪ Profit Attributable	134.4	121.6	(9.5)	101.0	90.8	(10.1)
▪ Earnings Per Share (¢)	80.2	76.9	(4.1)	60.2	57.3	(4.8)
Post SPT Write-Down						
▪ Profit Attributable	54.4	116.1	113.4	40.1	86.7	116.2
▪ Earnings Per Share (¢)	32.5	73.4	125.8	24.0	54.8	128.3
Dividend	17.0¢	21.0¢	23.5			

- Sales Up 4.6%, the largest annual increase for 8 years
- Strong Balance Sheet – with gearing of 10.8%
- F'06 full year dividend increased by 23.5%.
- Interest in South Pacific Tyres sold and A\$122 million realised.
- A\$100 million share buy-back concluded in August and a new 5.7 million share buy-back authorised.

F'07 Full Year Guidance:

- Taking into account Ansell's latex price expectations and additional "growth" expenditures, the Company expects F'07 EPS will be in the range of US46¢-US50¢ (see Outlook for details).

Ansell Limited Full Year 2006 Results Summary

Ansell (ASX:ANN) today announced a full year Profit Attributable to Shareholders of US\$86.7 million, up on the previous year's result of US\$40.1 million. These results include US\$4.1 million and US\$60.9 million write-downs of the (now fully exited) South Pacific Tyres (SPT) investment in F'06 and F'05, respectively.

The Board has declared a final dividend of A12¢ a share unfranked, payable on 5 October, 2006. The full year dividend will therefore be A21¢ a share, an increase of A4¢ or 23.5% on the previous year. At the same time, the Board announced a new on market share buy-back of 5.7 million shares, which will take the number of shares bought back over the course of this year to 10% of Ansell's issued capital, the maximum amount permitted without additional shareholder approval.

Chairman's Comments:

Mr. Peter Barnes, Ansell's Chairman, commented "Ansell had a positive year in many aspects of its performance and the Board is pleased with strategic developments and many of the operational results. However, the unprecedented increase in raw material costs, in particular, natural rubber latex, put substantial pressure on earnings. Management has undertaken a number of initiatives in an attempt to overcome this and F'06 is a very creditable result when these costs are recognised."

He continued "F'06 contained some important achievements, one of the most significant of which was the sale of our investment in SPT which realised A\$122 million. These proceeds were the basis of an A\$100 million share buy-back undertaken during the year and which concluded in August. The acquisition of Jissbon in China during the year was Ansell's first acquisition since 2000. Ansell continues to look for other such growth opportunities across the globe."

Business Review:

Mr. Doug Tough, Ansell's Chief Executive Officer, commented "F'06's top line growth of 4.6% was the highest in 8 years and this sales momentum has continued as we start our new fiscal year of 2007."

“The EBIT impact of a 73% increase in natural rubber latex prices in F’06, much of which occurred in the second half, could not be recouped with price increases, manufacturing productivity improvements and overhead cost controls. With the benefit of lower interest and tax expenses however, Ansell did meet its market commitment of EPS in the US 54–57¢ range. This achievement in meeting our commitments despite the volatile world commodity markets reflects the benefits of our diverse regional and business portfolios. More than 50% of our products contain no latex and so we were able to withstand relatively well, the unprecedented cost impacts on our latex-containing products”.

Corporate Development:

In April 2006, Ansell acquired 75% of a leading Chinese condom marketing business, Wuhan Jissbon Sanitary Products, for US\$18.5 million. Jissbon has approximately a 10% share of the rapidly growing Chinese retail condom market.

The previously announced establishment of an Occupational glove trading subsidiary in China has also occurred and Ansell has made good progress in this market. Ansell is also pleased with growth results in Russia and other emerging markets where business in all three sectors progressed well.

As previously announced, the offer for Unimil SA, a Polish condom manufacturer and marketer, lapsed after the 80% minimum acceptance condition was not met.

On 25 January 2006, the sale of Ansell’s 50% share of South Pacific Tyres was completed, realising A\$122.3 million. A loss against the carrying value of A\$5.5 million (US\$4.1 million) was recorded; however, this was done in exchange for the buyer accepting various residual liabilities under the Partnership Agreement.

Occupational Healthcare:

	A\$M		US\$M	
	F’05	F’06	F’05	F’06
Sales	545.7	569.2	409.8	424.6
Segment EBIT	81.3	81.3	61.0	60.7
EBIT/Sales	14.9%	14.3%	14.9%	14.3%

The Occupational business accounted for 50% of Revenue and 56% of Segment EBIT.

After a slow first half of the year (flat on last year), second half sales were strong and resulted in a net 3.6% increase year on year, with pleasing improvement in the U.S. and the emerging markets in Europe.

Maintaining Segment EBIT at F'05 levels was a good result, given increased cost pressures on synthetic materials and natural rubber latex and changes in mix.

The HyFlex® range continues to expand, with volume growth of 17% in F'06. The new AlphaTEC™ grip technology glove has also had an excellent first six months, with strong demand from the petrochemical industry.

Professional Healthcare:

	A\$M		US\$M	
	F'05	F'06	F'05	F'06
Sales	367.7	387.4	276.3	289.0
Segment EBIT	43.3	38.9	32.7	29.0
EBIT/Sales	11.8%	10.0%	11.8%	10.0%

The Professional business accounted for 34% of Revenue and 27% of Segment EBIT.

Sales increased a healthy 4.6% for the year, with the Americas and European Regions driving growth. Gross margins however, were hit hard by latex price increases, resulting in a sharp reduction in EBIT and return on sales.

F'06 saw the expansion of Ansell's synthetic surgical range with the introduction of a new DermaPrene® PI glove made from polyisoprene. Synthetic surgical sales globally continued to grow, up 10% in F'06.

Examination glove sales were strong, up 14% (synthetics up over 19%); however cost pressures meant margins were down.

Consumer Healthcare

	A\$M		US\$M	
	F'05	F'06	F'05	F'06
Sales	167.7	181.6	126.0	135.5
Segment EBIT	29.1	24.0	22.0	17.9
EBIT/Sales	17.4%	13.2%	17.4%	13.2%

The Consumer business accounted for 16% of Revenue and 17% of Segment EBIT.

A strong second half in retail condom sales resulted in a year on year revenue increase of 7.5%. However, dampening this was a reduction in margins mostly due to U.S. retail market promotions, though higher latex costs also contributed. EBIT was also impacted negatively in F'06 by the Surat Thani plant detention by the US Food and Drug Administration, which cost over \$1.5 million.

The expansion in China, through the acquisition of Jissbon in April, provided an additional \$3.1 million of sales and a positive EBIT contribution. Ansell is pleased that this business is performing in line with business case expectations.

The bid and tender parts of the condom business grew strongly with sales up 18%.

Finance:

Higher latex costs and new products contributed to higher inventories and strong sales in the fourth quarter led to an increase in trade receivables as at 30 June. Even though average Days Working Capital for F'06 declined, the dollar value of Working Capital at year end rose US\$16.3 million (excluding the impact of the Jissbon acquisition). Operating EBIT was down US\$6.9 million (excluding SPT), and capital expenditure rose US\$1.7 million. Net interest paid, even after the buy-back and Jissbon acquisition, declined by US\$6.5 million but this could not offset the other movements and Free Cash Flow was US\$76.7 million in F'06 vs. US\$94.5 million in F'05.

Ansell's gearing continues to be low and at 10.8%, well below last year's 19.1%. Interest cover is also robust at 26.9X and above F'05's level of 17.7X.

Given the strength of Ansell's Balance Sheet and cash flow projections, the Board has authorised a further on market buy-back of 5.7 million shares. The Board has also determined to seek shareholder approval at the Annual General Meeting to refresh the Company's ability to purchase up to 10% of its issued capital.

Impact of AIFRS:

AIFRS required changes affected the 30 June, 2005 comparative figures as follows:-

	Reported F'05	AIFRS Adjustment	Post AIFRS F'05
EBIT (US\$M)	33.0	+16.0	49.0
Profit Attributable (US\$M)	7.9	+32.2	40.1
EPS (US¢)	4.7	+19.3	24.0
Equity (US\$M)	459.7	+15.6	475.3

Dividends:

The Board has declared an increased final dividend of A12¢ (A10¢ in 2005) per share unfranked with a record date of 14 September, 2006 and a payment date of 5 October, 2006. For non resident shareholders, dividends will not attract withholding tax.

The total dividend paid relating to the F'06 year would therefore be A21¢, an increase of 23.5% on F'05 A\$17¢.

Outlook:

As the market has previously been advised, the net impact of significantly higher natural rubber latex costs, after increasing selling prices where possible and implementing new manufacturing initiatives, is expected to be approximately US\$10 million in F'07. This is based on Ansell's estimates of latex costs (~MYR5.5/wet kg) and the Company's ability to recover more of this increase.

In addition, the Board has supported increased spending on research, new product development, and business development initiatives in the pursuit of market share growth in current and emerging markets, and M&A activities. These investments in growth are likely to cost US\$12 million more in F'07.

Ansell's Chief Executive Officer, Doug Tough said: "based on our current analysis of the cost landscape and our increases in "growth" overheads budgeted for F'07, the market should expect Ansell's EPS to be in the range of US46¢ to US50¢. We recognise the volatility in the world commodity markets and will keep the market well apprised of any changes in our outlook."

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Ansell Ltd is a global leader in healthcare barrier protective products and in 2005 celebrated 100 years in its field. With operations in the Americas, Europe and Asia, Ansell employs more than 11,000 people worldwide and holds leading positions in the natural latex and synthetic polymer glove and condom markets. Ansell operates in three main business segments: Occupational Healthcare, supplying hand protection to the industrial market; Professional Healthcare, supplying surgical and examination gloves to healthcare professionals; and Consumer Healthcare, supplying sexual health products and consumer hand protection. Information on Ansell and its products can be found at <http://www.ansell.com>.