ANSELL LIMITED
CHAIRMAN'S ADDRESS TO 2005 AGM
17 NOVEMBER 2005

Ladies and gentlemen it is with pride that I address you today, in this, the centenary year of the Ansell business.

Firstly, a little bit of history…...Back in October 1905, Eric Ansell, an employee of the Dunlop Company in Australia, left Dunlop, bought its condom and balloon manufacturing equipment and started his own business that has grown into your Ansell Limited of today. Interestingly, Eric Ansell started his business in premises in Richmond here in Melbourne just a stone's throw from where our corporate office is now situated.

You will have seen in our 2005 Annual Review a timeline that includes the major events that have occurred as the Ansell business has grown over the last 100 years

When shareholders registered your attendance at this meeting this morning, you will have received a sample bag containing some of your company's products. As you will appreciate, your company has a wide range of products, only some of which we have been able to include in your gift pack. We trust you will find these products useful.

Shareholders will recognise that there have been a number of changes to the Board that have occurred since our 2004 Annual General Meeting. For a start you have a new Chairman standing before you this morning.

My election, by fellow Board members, came about as a consequence of the unfortunate passing on 4 August of this year of Dr Ed Tweddell who was appointed Chairman in late 2001 and under whose leadership the program for the company's turnaround was established in 2002 and seen through to its successful completion this year. It was with great sadness that we learnt of Dr Tweddell's passing, and your Board and the Company again express sincere condolences to Ed's wife Sue, and her family.

In accepting the Board's nomination to become Chairman, I stood aside from my previous role as Chairman of the Audit Committee. That responsibility has been assumed by Dale Crandall who has been a member of the Audit Committee since he joined the Board in 2002.

We have welcomed two new Directors, Ronnie Bell and Glenn Barnes, to the Board this year. These appointments were made following a global search that was initiated earlier this year as we looked to augment the existing skills and geographic experience of Directors, and also in recognition of the company's growth objectives and the Board's own succession planning requirements.

Both Ronnie Bell and Glenn Barnes are standing for election today, and I will provide more details of their respective backgrounds a little later. You will also hear directly from them.

Without pre-empting the outcome of the elections to be conducted shortly, we welcome both new Directors to the Board and very much look forward to the contributions that I know they will make.

As of the conclusion of this meeting this morning, Mike McConnell who has served as an alternate or as a Director in his own right since late 2001, will retire from the Board. Mike's intention to retire, to concentrate on his business activities in the US, was announced in July of this year.

The Board, and your Company, have benefited greatly from Mike's contributions over the past 4 years and on behalf of all shareholders and your Board colleagues, I thank you Mike, and wish you every success for the future.

The new Board structure will now comprise five independent non-executive Directors plus the Managing Director, who, of course, cannot be considered independent.

As was mentioned when the full-year results for the 2005 financial year were announced, and again in the Annual Review, the 2005 financial year marked the completion of the program that commenced in 2002, which had as its central goal, a 50% increase in the earnings before interest, tax and amortisation of the Ansell Healthcare business measured over 4 years.

The Board and management have focused intensely since 2002 on achieving the commitments that were made to shareholders, and I'm pleased to report that we achieved our objective.

Evidence of the success of Ansell's financial performance can be seen in the company's share price which has risen over the 2002 – 2005 period from $6.40 to around the $10.90 mark yesterday, with a recent high of $11.65.

Having delivered on the promises made in 2002, the Company is now in a much stronger position with a solid earnings base, good cash flow, new technologies and products coming on stream, to be well-placed for continued profitable growth.

The Board considers that the key to our future success is the expansion of our top line revenue, and Doug Tough will shortly touch on our strategies to address this issue.

A final dividend for the 2005 financial year of 10 cents per share was paid to shareholders on 18 October. It was unfranked because most of the group's earnings are generated outside of Australia, and the company doesn't have sufficient Australian tax liabilities to generate franking credits. Future dividends are also unable to be franked.

The total dividend for the year of 17 cents per share is an increase of 31% on the previous year.

The full-year dividend, together with the $155 million share buy-back which was completed in December 2004 as part of the Company's ongoing balanced capital management strategy, means that the Company returned over $180 million to shareholders this year.

One less satisfactory aspect of our results for the 2005 year was the non-cash write-down by $80 million of our investment in the South Pacific Tyres partnership.

This write-down became necessary when we judged that the value of the investment in our books was greater than the estimated amount recoverable from that investment based on the trading conditions and the future outlook of SPT as we saw it in June.

We have previously announced our intention to sell our interest in SPT at an appropriate time and at a price that would optimise the return to Ansell. We are hopeful that a sale on favourable terms will be achieved within the next 12 months.

The subject of executive remuneration is one that has been commanding a lot of attention of recent time and, on occasion, may even have overshadowed other important aspects of business.

Ansell's objective is to provide information that is both compliant with applicable regulations, is meaningful to shareholders and has regard for the structure of the Company.

Our executive leadership team has been significantly revamped over the last 3 years with the majority of that group having only joined the Company in that 3 year period. We have been successful in securing a young and vital team that is capable of leading the Company into the future.

We have recruited in the international markets in the regions in which the Company operates and where the executive team members are located.

It is important to reflect that, although we are an Australian-domiciled and, proudly, basically an Australian-owned company, only a very small part of our business is located here in Australia.

Most members of our management team are located outside Australia with many based at our operating headquarters in Red Bank, New Jersey. Others are located in Europe and Asia.

For the sake of clarity, the executive remuneration tables in the Remuneration Report are expressed in the currency in which the executives are paid.

Later in the meeting you will be asked to cast your non-binding advisory vote on the Remuneration Report. Although your vote on this item is advisory only and does not bind the Company or the Board, the outcome of the vote will be given appropriate consideration when we review our remuneration practices going forward.

I will provide some additional comments regarding our remuneration principles and practices when we get to that item on the agenda, and you will have an opportunity to ask questions on the Remuneration Report prior to the vote being taken.

I want to emphasise that we remain committed to the principles of good governance and practices within the Company whether it is at Board or senior management level, or across the entire employee base.

One example of our ongoing commitment is that during the year just completed, a computer-based Code of Conduct training program was introduced and implemented across the organisation globally.

We continue to satisfy the ASX Corporate Governance Council's recommendations, and those provisions are incorporated in our ongoing review of our corporate governance practices.

I referred earlier to commitments that were made to shareholders regarding the expected earnings for the 2002 – 2005 financial years. Those year by year projections were provided after several years of deteriorating performance and were aimed at restoring the company's financial credibility to shareholders.

Going forward, the Board has decided in line with general business practice to only provide guidance for the year ahead. Therefore, when we announced the full-year results for 2005 we said that Ansell's earnings per share for the 2006 financial year are expected to be in the US 54 - 57 cent range.

We said that this would include the effect of adopting international financial reporting standards but would be exclusive of the effect of any further write-downs of our investment in South Pacific Tyres, if that were to occur, or any material acquisitions or divestitures. Guidance in this range compares with earnings per share of US 50 cents for the 2005 financial year calculated on the same basis.

Based on the trading results for the 4 months to date and the current outlook for the remainder of this financial year we see no reason at this time to vary our guidance of US54-57 cents earnings per share.

Before I invite the Chief Executive Officer, Doug Tough to make some comments I would like to express to the management and all staff of Ansell the Board's thanks and congratulations for another year of strong results in 2005 and for the commitment and dedication that they have shown to delivering the promises previously made to shareholders.

Now I'd like to invite Doug Tough to comment further on the results for the year just completed and our plans for the future.