Pre-Quarterly Results Communication Q4 2016

Issued: Wednesday, 11 January 2017

New information for Q4 2016

Foreign exchange

Average rates for the year ended 31 December 2016 were $1.36/£, €1.23/£ and Yen 149/£. On the basis of these rates, it is expected that the positive impact of foreign exchange on full year 2016 sales will be around 11%.

Average rates for the quarter ended 31 December 2016 were $1.27/£, €1.17/£ and Yen 137/£. On the basis of these rates, it is expected that the positive impact of foreign exchange on Q4 2016 sales will be around 18%.

As a result of the mix of currency movements relative to the mix of costs, we expect that the positive impact of foreign exchange on full year 2016 sterling core EPS will be greater than the positive impact on sales. Over the first nine months of 2016, the benefit of currencies to core EPS was 20% compared with the 8% benefit to sales.

We also expect that the positive impact of foreign exchange on Q4 2016 sterling core EPS will likely be greater than the positive impact on sales.

Average rates Cumulative - YTD	3M 2015	6M 2015	9M 2015	12M 2015	3M 2016	6M 2016	9M 2016	12M 2016
Key currencies								
US$	1.52	1.53	1.53	1.53	1.43	1.42	1.39	1.36
€	1.34	1.36	1.37	1.37	1.30	1.29	1.25	1.23
Yen	182	184	185	185	167	160	153	149
Other currencies								
Australian dollar	1.94	1.96	2.02	2.03	1.96	1.94	1.88	1.83
Brazilian real	4.33	4.53	4.85	5.09	5.54	5.25	4.95	4.74
Canadian dollar	1.88	1.89	1.93	1.95	1.95	1.89	1.84	1.80
Chinese yuan	9.49	9.53	9.58	9.60	9.33	9.32	9.15	8.99
Indian rupee	94.9	96.4	97.5	98.0	96.1	95.6	93.2	91.0
Russian rouble	94.7	89.4	92.1	94.4	104	98.8	94.7	90.8
FX impact on turnover	***-1%***	***-1%***	***-1%***	***-2%***	***+3%***	***+5%***	***+8%***	***+11%***
FX impact on CORE EPS	***-2%***	***-6%***	***-5%***	***-6%***	***+6%***	***+16%***	***+20%***	***n/a***

Average rates Quarterly	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Key currencies								
US$	1.52	1.54	1.53	1.53	1.43	1.41	1.33	1.27
€	1.34	1.38	1.39	1.37	1.30	1.28	1.17	1.17
Yen	182	186	187	185	167	153	139	137
Other currencies								
Australian dollar	1.94	1.98	2.14	2.06	1.96	1.92	1.76	1.68
Brazilian real	4.33	4.73	5.49	5.81	5.54	4.96	4.35	4.11
Canadian dollar	1.88	1.90	2.01	2.01	1.95	1.83	1.74	1.68
Chinese yuan	9.49	9.57	9.68	9.66	9.33	9.31	8.81	8.51
Indian rupee	94.9	97.9	99.7	99.5	96.1	95.1	88.4	84.4
Russian rouble	94.7	84.1	97.5	101.3	104	93.6	86.5	79.1
FX impact on turnover	***-1%***	***-1%***	***-2%***	***-2%***	***+3%***	***+7%***	***+15%***	***+18%***
FX impact on CORE EPS	***-2%***	***-9%***	***-5%***	***-6%***	***+6%***	***+26%***	***+27%***	***n/a***

The Q4 2016 period-end rates were $1.24/£, €1.17/£ and Yen 144/£.

Period end rates	Mar 2015	Jun 2015	Sep 2015	Dec 2015	Mar 2016	Jun 2016	Sept 2016	Dec 2016
Key currencies								
US$	1.48	1.57	1.51	1.47	1.44	1.33	1.30	1.24
€	1.38	1.41	1.36	1.36	1.26	1.20	1.16	1.17
Yen	178	192	181	177	162	137	132	144

Exchange Gains or (Losses)

Sharp movements and volatility in currencies during a quarter can result in Exchange Gains or Losses (EGOLs) which are recorded in SG&A. During Q4 2016 there was continued volatility in a number of currencies relative to Sterling.

EGOLs as reported (£m)	Q1	Q2	Q3	Q4	Full Year
2014	(20)	(27)	10	(19)	(56)
2015	(6)	(61)	0	13	(54)
2016	(3)	0	10		

Ready reckoner

In the 2015 FY results presentation on 3 February 2016, the following ready reckoner was provided on slide 28 to help estimate the expected impact of foreign exchange movements on core EPS*:

Currency	Impact on 2016 full year core EPS
US dollar	10 cents movement in average exchange rate for full year impacts EPS by approximately +/-3.5%
Euro	10 cents movement in average exchange rate for full year impacts EPS by approximately +/-2.0%
Japanese yen	10 yen movement in average exchange rate for full year impacts EPS by approximately +/-1.0%

*Please note that the ready reckoner does not include the impact of inter-company exchange gains or losses

The slide also included 2015 currency sales exposure for GSK:

Currency	2015 currency sales exposure
US dollar	34%
Euro	19%
Japanese yen	6%
Other‡	41%

‡The other currencies that each represent more than 1% of Group sales are: Australian dollar, Brazilian real, Canadian dollar, Chinese yuan and Indian rupee. In total they accounted for 12% of Group revenues in 2015

Basic weighted average number of shares (WANS)

The basic weighted number of shares in issue during Q4 2016 was 4,867m compared with 4,838m in Q4 2015 (an increase of 0.6%).
The basic weighted number of shares in issue during FY 2016 was 4,860m compared with 4,831m in FY 2015 (an increase of 0.6%).

In millions	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
WANS: Quarter	4,809	4,820	4,832	4,835	4,838	4,847	4,859	4,865	4,867
WANS: Cumulative - Year to date	4,808	4,820	4,826	4,829	4,831	4,847	4,853	4,857	4,860
Period end shares*	4,811	4,830	4,834	4,836	4,840	4,858	4,861	4,866	4,868

**excludes treasury shares and shares held by ESOP trusts*

Dividend

In the Q3 2016 press release we made the following comment on returns to shareholders:

"GSK expects to pay an annual ordinary dividend of 80p for each of the next two years (2016-2017).

In April 2016, GSK also returned approximately £1 billion (20p per share) to shareholders via a special dividend paid alongside GSK's Q4 2015 ordinary dividend payment.

Any future returns to shareholders of surplus capital will be subject to the Group's strategic progress, visibility on the put options associated with ViiV Healthcare and the Consumer Healthcare joint venture, and other capital requirements."

Dividend per share (p)	Q1	Q2	Q3	Q4	Full Year
2014	19	19	19	23	80
2015 – ordinary dividend	19	19	19	23	80
2015 – special dividend	-	-	-	20	20
2016	19	19	19		80†
2017					80†

†The actual dividend amount is determined by the Board of Directors.

Factors impacting recent quarterly comparisons

As usual there were a number of events in 2016 and during 2015 which impact the year on year comparison for Q4 2016 and Full Year 2016. This includes the following noteworthy items which you may wish to consider in your modelling.

Please note that the items listed below are not intended to be a complete list of all items that may impact the comparisons for Q4 2016 versus Q4 2015.

For further comments, please refer to quarterly press releases and webcast/analyst presentation transcripts.

Pharmaceuticals

Pharmaceuticals (£m)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016
Total turnover	3,523	3,540	3,340	3,763	14,166	3,586	3,882	4,061
Reported growth - CER	-7%	-6%	-7%	-9%	-7%	-1%	+2%	+6%
Pro forma* growth - CER	**-5%**	**+2%**	**+1%**	**-1%**	**-1%**	**+5%**	**n/a**	**n/a**
Operating profit	993	1,116	1,079	1,063	4,251†	1,153	1,348	1,384
Reported growth - CER	-17%	-1%	-5%	-24%	-12%	+8%	+4%	+0%
Pro forma* growth - CER	**-15%**	**+11%**	**+7%**	**-16%**	**-4%**	**+19%**	**n/a**	**n/a**
Operating margin	28.2%	31.5%	32.3%	28.2%	30.0%†	32.1%	34.7%	34.1%

**pro forma growth rates for Pharmaceuticals for Q1 to Q4 2015 were calculated by comparing reported turnover for the quarter with the corresponding quarter of 2014 adjusted to exclude the sales of the former GSK Oncology business. Pro-forma growth rates for Q1 2016 are calculated comparing reported turnover for Q1 2016 with the turnover for Q1 2015 adjusted to exclude sales of the former GSK Oncology business for January and February 2015.*
†Full year 2015 pro forma sales £14.0bn; operating profit £4.2bn; operating margin 29.7%

Respiratory

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following comments on Respiratory:

"In Respiratory, we continued to transition the portfolio from its previous reliance on Advair/Seretide to a much broader one. Total Respiratory sales were up 8% globally, with double digit growth in the US and International, more than offsetting a 9% decline in Europe. This is primarily the result of growth in the new Ellipta products and Nucala, up £179 million in Sterling terms, which more than offset the 7% decline in Advair/Seretide, which slowed its rate of decline in the quarter. This primarily reflected a mix in the period of better RAR in the US and an improved performance in the emerging markets, offset by continued competitive pressures in Europe.

In the US we are continuing to see greater volatility in our RAR rates quarter to quarter than might have been the case in the past and that trend seems likely to continue given the dynamic conditions in the respiratory market in the US. However, looking through that volatility for Advair specifically we

are expecting an overall rate of decline in CER terms for the year as a whole towards the mid-teens, more in line with what we saw in the first half"

Seretide/Advair (£m)	FY 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016
US	1,972	392	484	397	592	1,865	339	487	447
Europe	1,330	291	267	224	232	1,014	226	213	195
International	927	215	209	173	205	802	188	200	215
Total	**4,229**	**898**	**960**	**794**	**1,029**	**3,681**	**753**	**900**	**857**
CER growth									
US	-25%	-21%	-17%	-18%	+2%	-13%	-19%	-7%	-2%
Europe	-5%	-11%	-16%	-23%	-22%	-18%	-24%	-25%	-24%
International	*n/a*	-4%	+0%	-13%	-14%	*-8%*	-11%	-11%	+5%
Total	***-15%***	**-14%**	**-13%**	**-19%**	**-8%**	***-13%***	**-19%**	**-13%**	**-7%**

Cardiovascular, metabolic and urology

In the Q3 2016 press release we made the following comments relating to Prolia as well as the performance of Avodart in Q3 2016:

"The Avodart franchise was down 24% to £161 million, primarily due to a 84% decline in the US, following the launch of generic competition in Q4 2015. ... Prolia was divested at the end of 2015 and therefore no sales were recorded in Q3 2016, compared with £11 million in Q3 2015."

HIV

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following comments with regard to the HIV business:

"Moving on to HIV, our second largest therapeutic area, sales were up 32% as Tivicay and Triumeq continue to generate substantial growth. Both are now amongst the largest individual products in the group and while we continue to see very strong momentum in the dolutegravir franchise, we are starting to annualise the significant acceleration we saw for both products last year and in the quarter we also started to see a more meaningful impact on generics for Epzicom and Kivexa. We expect the generic impact to accelerate in Q4 and into 2017."

HIV (£m)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016
Tivicay	112	145	157	174	588	188	225	250
Triumeq	81	149	211	289	730	328	409	468
Epzicom	176	185	175	162	698	154	157	143
Other	77	80	79	70	306	59	74	79
Total turnover	**446**	**559**	**622**	**695**	**2,322**	**729**	**865**	**940**
CER growth	*+42%*	*+59%*	*+65%*	*+51%*	*+54%*	*+57%*	*+44%*	*+32%*

Please note that generic versions of Epzicom/Kivexa are now available in the US and Canada as well as a number of European markets including Germany and the UK.

Established Products

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following comments with regard to Established Products:

"Established products had a stronger quarter than trend, declining by just 3% which reflects some better supply but also some tender orders and other similar one-offs. Looking forward, remember also that we announced a series of deals with Aspen in September. That when completed will simplify our Established Product Portfolio but will also remove around £100 million of revenues on a full year basis."*

*Please see page 14 of this document for an update on the progress of these agreements with Aspen.

Vaccines

Sales of vaccines are vulnerable to volatility on a quarterly basis – particularly in emerging markets. Since quarterly sales can be very lumpy due in part to the impact of large tenders as well as competitor outages we highlight in the tables below the 2015 and 2016 to date quarterly results for the Vaccines business.

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following comments with regard to Vaccines:

"Moving on to Vaccines, up 20%, strong execution across the business. In flu we shipped much higher volumes with earlier deliveries this year than in 2015 as well as an improved product mix, driving sales growth of 55% in the quarter. Part of this success was delivering early in the season so we are not expecting as many deliveries in the fourth quarter compared to last year, as our campaign has been very deliberately more concentrated to deliver that progress.

Given the underlying trends we are seeing in the Vaccines business we now expect that this year as a whole we will see Vaccines sales growth at the top end of the guidance range we have previously given you for the business of mid to high single digits of rates of sales growth"

On the Q2 2016 results analyst/investor call on 27 July 2016, Andrew Witty made the following additional comments with respect to Vaccines:

"... As far as margin is concerned, we said we would get this business back up into close to 30% margin over the next several years, we are up in that high 20s, very close to 30%, I think we are going to bounce around there. I don't see this dramatically changing. It is quite sensitive to the sales levels, so if you have a quarter where a couple of big tenders slip out then you can see the margin affected that way and vice versa, but broadly speaking on a multi-quarter basis I think we are now getting up into the territory we would expect to be, with the inevitable quarter-to-quarter volatility."*
*Please note that 30%+ refers to our target for the Vaccines operating margin in 2020.

Overleaf are the quarterly results for the Vaccines business in 2015 and 2016 to date:

GSK Vaccines (£m)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016
US	217	240	526	275	1,258	262	258	725
Europe	224	274	308	291	1,097	339	325	389
International	258	300	347	397	1,302	281	377	499
Total turnover	**699**	**814**	**1,181**	**963**	**3,657†**	**882**	**960**	**1,613**
Operating profit	161	177	464	164	966†	253	270	647
Operating margin	*23.0%*	*21.7%*	*39.3%*	*17.0%*	*26.4%†*	*28.7%*	*28.1%*	*40.1%*
CER growth								
US - reported	*+14%*	*+13%*	*+42%*	*+15%*	*+24%*	*+13%*	*-2%*	*23%*
US - PF*	***+11%***	***-5%***	***+22%***	***+0%***	***+9%***	***+6%***	***n/a***	***n/a***
Europe - reported	*+4%*	*+27%*	*+31%*	*+30%*	*+23%*	*+48%*	*+11%*	*+10%*
Europe - PF*	***-3%***	***+12%***	***+14%***	***+11%***	***+9%***	***+33%***	***n/a***	***n/a***
International - reported	*+13%*	*-2%*	*+22%*	*+16%*	*+12%*	*+10%*	*+20%*	*+25%*
International - PF*	***+3%***	***-16%***	***+3%***	***-8%***	***-5%***	***+3%***	***n/a***	***n/a***
Total turnover- reported	*+10%*	*+11%*	*+32%*	*+20%*	*+19%*	*+23%*	*+11%*	*+20%*
Total turnover - PF*	***+3%***	***-5%***	***+13%***	***-1%***	***+3%***	***+14%***	***n/a***	***n/a***
Operating profit								
- reported	*-31%*	*-32%*	*+30%*	*-23%*	*-9%*	*+56%*	*+39%*	*+30%*
- PF*	***-24%***	***-10%***	***+44%***	***-5%***	***+7%***	***>100%***	***n/a***	***n/a***

**PF (pro forma) growth rates for vaccines for Q1 to Q4 2015 were calculated by comparing reported turnover for the quarter with the corresponding quarter of 2014 adjusted to include the equivalent one month's sales of the former Novartis vaccines business in Q1 and three months of the former Novartis vaccines business in Q2, Q3 and Q4. Pro forma growth rates for Q1 2016 are calculated comparing reported turnover for Q1 2016 with the turnover for Q1 2015 adjusted to include the two months of sales for January and February 2015 of the former Novartis Vaccines business.*
†Full year 2015 pro forma sales £3.7bn; operating profit £0.9bn; operating margin 24.6%.

Consumer Healthcare

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following comments with regard to Consumer Healthcare:

"Consumer Healthcare remains on track continuing to grow in line with our mid-single-digit expectations of 5%, even though the business was lapping a strong comparator quarter last year.

This quarter, Veramyst OTC received FDA approval and we expect to launch in the first quarter of 2017. This will be the business's second switch in three years. Worth noting also that at the end of September we successfully divested the Nigerian drinks business, the last of our drinks businesses with annual sales of just over £50 million as we continue to focus and invest behind the core and power brands."

Overleaf are the quarterly results for the Consumer Healthcare business in 2015 and 2016 to date:

GSK Consumer Healthcare (£m)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016
Turnover	1,381	1,509	1,576	1,562	6,028†	1,761	1,690	1,868
Reported growth - CER	*+24%*	*+51%*	*+55%*	*+47%*	*+44%†*	*+26%*	*+7%*	*+5%*
Pro forma* growth – CER	***+8%***	***+6%***	***+7%***	***+5%***	***+6%***	***+4%***	***n/a***	***n/a***
Operating profit	182	108	210	180	680†	303	238	301
Reported growth - CER	*+53%*	*+41%*	*+92%*	*+73%*	*+66%*	*+59%*	*>100%*	*+28%*
Pro forma* growth - CER	***+35%***	***+0%***	***+22%***	***+38%***	***+24%***	***+49%***	***n/a***	***n/a***
Operating margin	*13.2%*	*7.2%*	*13.3%*	*11.5%*	*11.3%†*	*17.2%*	*14.1%*	*16.1%*

**pro forma growth rates for Consumer Healthcare for Q1 to Q4 2015 were calculated by comparing reported turnover for the quarter with the corresponding quarter of 2014 adjusted to include the equivalent one month's sales of the former Novartis Consumer products business in Q1 and three months of the former Novartis Consumer products business in Q2, Q3 and Q4. Pro forma growth rates for Q1 2016 are calculated comparing reported turnover for Q1 2016 with the turnover for Q1 2015 adjusted to include the two months of sales for January and February 2015 of the former Novartis Consumer products.*
†Full year 2015 pro forma sales £6.3bn; operating profit £0.7bn; operating margin 11.1%

Corporate and other unallocated turnover and costs

On the Q1 2016 results analyst/investor call on 27 April 2016, in response to a question, Simon Dingemans made the following comments relating to corporate and other unallocated costs:

"We are a bit higher than trend in the quarter, probably about £50 to £70 million higher, so if you were taking £70 or £80 million as a quarterly run-rate that is probably more normalised. It is a little bit part of the quarterly volatility point we were just flagging in our earlier remarks."

Corporate and other unallocated as reported* (£m)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016
Turnover	19	25	30	(2)	72	0	0	0
Total core operating profit (costs)†	(31)	(52)	(35)	(50)	(168)	(150)	(25)	(13)

**Corporate and other unallocated costs include the results of several Vaccines and Consumer Healthcare products which were held for sale in a number of markets in order to meet anti-trust approval requirements and divested in Q3 2015, together with the costs of corporate functions.*
†In 2015, the total core operating costs were net of the profit from the unallocated turnover.

Operating and financial performance

Operating performance

Year-on-year annual cost savings (per Q3 2016 results)

Restructuring and structural savings (£bn)*	2014 December achieved	2015 December achieved	2016 September achieved	2017 December expected
Restructuring savings (cumulative)	0.6	1.6	2.5	3.0
Structural savings	0.2	-	-	-
Total savings delivered/expected	0.8	1.6	2.5	3.0

** Expected phasing of annual savings. All expectations and targets regarding future performance should be read together with the "Assumptions related to 2016 guidance and 2016-2020 outlook" and "Assumptions and cautionary statement regarding forward-looking statements" sections of the Q3 2016 Results announcement dated 26 October 2016.*

In the Q3 2016 press release we made the following comments on restructuring:

"Major restructuring and integration charges of £573 million have been incurred (2015: £1,118 million), reflecting the phasing of planned restructuring projects following the completion of the Novartis transaction in Q1 2015, as well as reduced charges for Pharmaceuticals restructuring projects as this programme enters its later stages. Cash payments made were £798 million (2015: £867 million) including the settlement of certain charges accrued in previous quarters.

The programme delivered incremental cost savings of £0.9 billion in the 9 months to September 2016 and has now delivered approximately £2.5 billion of annual savings on a moving annual total basis. It remains on track to deliver £3 billion of annual savings in total. The programme is expected to be largely complete by the end of 2017."

Royalty income

In the Q3 2016 press release we made the following comments relating to the 9M 2016 performance:

"Royalty income was £281 million (9 months to September 2015: £238 million) primarily reflecting increased royalty income from Gardasil sales as well as the benefit of a prior year catch-up adjustment."

CORE royalties (£m)	Q1	Q2	Q3	Q4	Full Year
2014	70	72	101	67	310
2015	77	62	99	91	329
2016	91	83	107		

Financial performance

Net finance costs

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following comments:

"In the bottom half of the P&L core finance costs were up £12 million to £160 million and I continue to expect interest costs to be slightly higher in the full year at constant exchange rates."

CORE net finance costs (£m)	Q1	Q2	Q3	Q4	Full Year
2014	(161)	(156)	(161)	(168)	(646)
2015	(156)	(178)	(148)	(154)	(636)
2016 outlook	(159)	(163)	(160)		Modest increase reflecting higher debt

Associates and joint ventures

CORE associates and joint ventures (£m)	Q1	Q2	Q3	Q4	Full Year
2015	7	(2)	(2)	(5)	(2)
2016	0	(2)	6		

Taxation

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following comments:

"The core effective tax rate was 20.8% in the quarter versus 20% last year bringing our year to date rate to 21%. As in previous quarters this increase is due in part to the higher levels of profits being made in the US and for the full year I continue to expect a tax rate of between 20% and 21%, although the mix of trading and currency that we have seen this year is likely to land us at the upper end of that range."

CORE tax rate (%)	Q1	Q2	Q3	Q4	Full Year
2014	22.0%	22.0%	20.0%	15.3%	19.6%
2015	20.0%	20.0%	20.0%	17.9%	19.5%
2016 outlook	21.0%	21.3%	20.8%		20% to 21%

Profit / (loss) attributable to non-controlling interests (minority interests)

In the Q3 2016 press release we made the following comments:

"The allocation of earnings to non-controlling interests amounted to £157 million (Q3 2015: £141 million), including the non-controlling interest allocations of Consumer Healthcare profits of £73

million (Q3 2015: £57 million) and the allocation of ViiV Healthcare profits, which increased to £86 million (Q3 2015: £65 million) including the impact of changes in the proportions of preferential dividends due to each shareholder based on the relative performance of different products in the quarter. The allocation also reflected net losses in other entities with non-controlling interests primarily as a result of losses in some entities arising from exchange."

On the Q2 2016 results analyst/investor call on 27 July 2016, in response to a question Simon Dingemans made the following additional comments:

"On the minorities, there is definitely some phasing between Q1 and Q2 and I think if you look at the half as a whole then you will the trend more in line with what you were probably previously expecting. In Q2 we saw a number of bad debt provisions in some of the other minority interests we have around the Group, not the two big ones that we have just talked about, and obviously those create a credit in minority interests, so it is a bit lower than you would otherwise expect, but just look at the half as a whole [i.e. for others] and you will be, you know, in a more sensible place."

CORE profit/(loss) attributable to non-controlling interests (£m)	FY 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016
ViiV	132	51	62	65	46	224	66	79	86
Novartis Consumer Healthcare	n/a	12	29	57	40	138	46	67	73
Other	90	28	8	19	23	78	35	(25)	(2)
Total	**222**	**91**	**99**	**141**	**109**	**440**	**147**	**121**	**157**

Total results

In the Q3 2016 press release we made the following comments:

"Total operating profit was £1,431 million in Q3 2016 compared with £1,025 million in Q3 2015. Non-core items in the quarter resulted in an aggregate net charge of £888 million (Q3 2015: £693 million), primarily reflecting the impact of further accounting charges related to re-measurement of the contingent consideration liability related to the former Shionogi-ViiV Healthcare joint venture, along with re-measurement of the value attributable to the Consumer Healthcare Joint Venture put option and the Shionogi/Pfizer put options and preferential dividends in ViiV Healthcare. These re-measurements were driven by the unwinding of the discount applied to these future liabilities as well as updated trading forecasts and further changes in the exchange rate assumptions used to update them to the period-end rates which have increased the estimated total Sterling values of GSK's Consumer Healthcare and ViiV Healthcare businesses. Non-core items also included the continued impact of charges for restructuring costs related to the integration of the former Novartis businesses and the Pharmaceuticals restructuring programme and certain other adjusting items."

The total earnings per share was 16.6p, compared with earnings per share of 11.1p in Q3 2015. On a CER basis, total EPS was down 1% primarily reflecting increased re-measurement charges driven by changes in the Sterling valuations of the contingent consideration and the put options liabilities associated with the Group's Consumer Healthcare and HIV businesses, partly offset by improved core performance and reduced restructuring costs"

Net debt

In the Q3 2016 press release we made the following comments:

"At 30 September 2016, net debt was £14.7 billion, compared with £10.7 billion at 31 December 2015, comprising gross debt of £19.4 billion and cash and liquid investments of £4.7 billion. The increase in net debt primarily reflects dividends paid to shareholders of £3.9 billion, as well as a £1.4 billion adverse exchange impact from the translation of the non-Sterling denominated debt, partly offset by free cash flow of £1.3 billion."

On the Q3 2016 results analyst/investor call on 26 October 2016, Simon Dingemans made the following additional comments with regard cashflow and net debt:

"As well as generating stronger free cash flow, we have also realised attractive values on the disposal of various non-core assets including a second milestone payment on ofatumumab of £150 million and almost £500 million from the sale of our residual Aspen stake. We will receive the proceeds for the Aspen disposal in early October, so they are not yet reflected in the quarterly cash flows or net debt position"

Net debt (£m)	31 Mar	30 Jun	30 Sep	31 Dec
2014	13,660	14,423	14,788	14,377
2015	8,098	9,553	10,551	10,727
2016	12,495	14,910	14,663	

Put options

In the Q3 2016 press release we made the following comments:

"At 30 September 2016, the estimated present value of the potential redemption amount of the Consumer Healthcare Joint Venture put option recognised in Other non-current liabilities was £7,287 million (31 December 2015: £6,287 million). The estimated present value of the potential redemption amount of the put options related to ViiV Healthcare was £2,523 million."

Put options (£m)	31 Dec 2015	31 March 2016	30 June 2016	30 Sept 2016
Consumer Healthcare joint venture	6,287	6,547	7,141	7,287
ViiV Healthcare	-	1,999	2,299	2,523
Total	**6,287**	**8,546**	**9,440**	**9,810**

Contingent consideration

In the Q3 2016 press release we made the following comments:

"Contingent consideration amounted to £5,271 million at 30 September 2016 (31 December 2015: £3,855 million), of which £4,768 million (31 December 2015: £3,409 million) represented the estimated present value of amounts payable to Shionogi relating to ViiV Healthcare. This included £196 million in respect of preferential dividends of which £154 million was recognised directly in equity in the nine months. The liability for preferential dividends due to Pfizer at 30 September 2016 was £26 million. An explanation of the accounting for the non-controlling interests in ViiV Healthcare is set out on page 52. The estimated present value of amounts payable to Novartis related to the Vaccines acquisition was £458 million (31 December 2015: £405 million).

Contingent consideration (£m)	31 Dec 2015	31 March 2016	30 June 2016	30 Sept 2016
Shionogi – relating to ViiV Healthcare	3,409	3,686	4,462	4,768
Novartis – relating to Vaccines acquisition	405	426	468	458
Other	41	40	44	45
Total	**3,855**	**4,152**	**4,974**	**5,271**

Historic London Stock Exchange announcements (LSE announcements) and press releases

Acquisitions and divestments

GSK confirms closure of agreement to divest non-core assets to Aspen

GlaxoSmithKline today announced the closure of one of its series of agreements with Aspen Pharmacare Holdings Limited (JSE: APN) and certain of its subsidiaries ("Aspen"), which were the subject of announcements by both companies on 12 September 2016.

GSK and Aspen have terminated their collaboration in Sub-Saharan Africa and Aspen has exercised its option to acquire GSK's remaining thrombosis business in certain retained markets. The collaboration between GSK and Aspen in South Africa remains in place.

This transaction is aligned with GSK's strategy of simplification through focusing on core therapeutic areas.

- Both parties will continue to commercialise their own respective portfolios in SSA.
- In 2013, GSK divested its thrombosis portfolio to Aspen, but retained ownership of the franchise in certain territories. These 'Retained Markets' are defined as China including Hong Kong and Macau, India and Pakistan. Aspen has now exercised the existing option to acquire the Retained Markets.
- The net impact of the termination of the SSA collaboration and divestment of the thrombosis portfolio in the Retained Markets is not material to GSK.

As announced in September, GSK has also agreed to divest its anaesthesia portfolio, consisting of Ultiva, Nimbex, Tracrium, Mivacron and Anectine to Aspen in all countries (excluding US and Canada, which had been previously divested) for an upfront payment of £180m plus milestone payments of up to £100m. This deal is subject to anti-trust and regulatory clearances.

(Press release 3 January 2017)

GlaxoSmithKline Consumer Nigeria PLC announces the Completion of the Divestment of the Drinks Bottling and Distribution Business to Suntory Beverage & Food Nigeria Limited

Today, we announce the completion of the divestment of the GSK Consumer Nigeria plc Drinks bottling and distribution business to Suntory Beverage & Food Nigeria Limited (SBFN). This follows the recent approvals obtained from the shareholders and the Nigeria Securities & Exchange Commission (SEC). Following this approval, GSK has transferred ownership of the Drinks business in Nigeria to Suntory Beverage & Food Nigeria Ltd effective 1st October 2016.

(Nigerian Stock Exchange announcement 30 September 2016)

http://www.nse.com.ng/Financial_NewsDocs/15036_GLAXOSMITHKLINE_PRESS_RELEASE_CORPORATE_ACTIONS_SEPTEMBER_2016.pdf

GlaxoSmithKline completes sale of remaining Aspen shares

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(LSE announcement 29 September 2016)

http://www.londonstockexchange.com/exchange/news/market-news/market-news-detail/GSK/12983208.html

News flow on key assets during the quarter and to date

Since the beginning of Q4 we have issued a number of LSE announcements and press releases, each of which can be accessed using the following links:
http://www.gsk.com/en-gb/media/press-releases/
http://us.gsk.com/en-us/media/press-releases/

ViiV Healthcare announces start of phase III study evaluating long-acting cabotegravir for HIV prevention

- ***First injectable to be studied for efficacy in pre-exposure prophylaxis***

ViiV Healthcare, the global specialist HIV company majority-owned by GSK, with Pfizer Inc. and Shionogi Limited as shareholders, today announced the start of a phase III study to evaluate long-acting injectable cabotegravir for the prevention of HIV infection. The study will evaluate injections of cabotegravir given every two months compared to daily oral Pre-Exposure Prophylaxis (PrEP) with Truvada® and is being conducted through a public-private collaboration of ViiV Healthcare, the HIV Prevention Trials Network (HPTN), the US National Institute of Allergy and Infectious Disease (NIAID) and Gilead Sciences. **(LSE announcement 20 December 2016)**

GSK starts phase III study of once-daily closed triple combination therapy FF/UMEC/VI in patients with asthma

GlaxoSmithKline plc (LSE/NYSE: GSK) and Innoviva, Inc. (NASDAQ: INVA) today announced the start of a phase III study investigating the effects of once-daily closed triple combination therapy fluticasone furoate/umeclidinium/vilanterol (FF/UMEC/VI) when compared to therapy with the once-daily dual combination therapy, Relvar/Breo® (FF/VI), as a treatment for patients with asthma. **(LSE announcement 19 December 2016)**

ViiV Healthcare announces positive results from first phase III studies of two-drug HIV treatment regimen

- **First phase III studies to show efficacy of two-drug regimen as maintenance therapy**

ViiV Healthcare, the global specialist HIV company majority owned by GSK, with Pfizer Inc. and Shionogi Limited as shareholders, today announced that both of its Phase III studies to evaluate the safety and efficacy of switching virologically suppressed patients from a three or four-drug (integrase inhibitor-, non-nucleoside reverse transcriptase inhibitor-, or boosted protease inhibitor-based) antiretroviral regimen to a two-drug regimen of dolutegravir (ViiV Healthcare) and rilpivirine (Janssen Sciences Ireland UC) met the primary endpoint of non inferiority at Week 48.
The primary endpoint, based on FDA's snapshot analysis, was evaluated as the proportion of patients with plasma HIV-1 RNA <50 copies per milliliter (c/mL) at Week 48.
The safety profiles for dolutegravir and rilpivirine in these studies were consistent with the product labelling for each medicine. Detailed results from the studies will be presented at an upcoming scientific meeting. **(LSE announcement 19 December 2016)**

ViiV Healthcare Announces CHMP positive opinion to lower the age and weight limit for Tivicay® (dolutegravir) in children and adolescents living with HIV in Europe

ViiV Healthcare today announced that the Committee for Medicinal Products for Human Use (CHMP) has adopted a positive opinion on the Type II variation and extension applications to reduce the weight and age limit for the treatment of HIV in children and adolescents with Tivicay (dolutegravir) from at least 40kg to at least 15kg, in ages six to less than 12 years old, and to register new dose strengths of 10mg and 25mg oral tablets. **(Press release 16 December 2016)**

GSK submits regulatory application in Japan for belimumab in systemic lupus erythematosus

GSK today announced the submission of a regulatory application to the Japanese Ministry of Health, Labour and Welfare (MHLW) for belimumab, in adult patients with active, autoantibody-positive systemic lupus erythematosus (SLE) who have an inadequate response to standard therapy.
(Press release 13 December 2016)

Relvar® Ellipta® 100/25 mcg gains approval in Japan for use in patients with COPD

GlaxoSmithKline plc (LSE/NYSE: GSK) and Innoviva, Inc. (NASDAQ: INVA) today announced that the Japanese Ministry of Health, Labour and Welfare (MHLW) has approved Relvar® Ellipta® (fluticasone furoate / vilanterol 100/25 mcg) for the relief of various symptoms with chronic obstructive pulmonary disease (chronic bronchitis, pulmonary emphysema) (in the case where concurrent use of inhaled corticosteroid and long-acting inhaled beta2 agonist is required).
(LSE announcement 02 December 2016)

GSK files EU regulatory submission for once-daily closed triple combination therapy FF/UMEC/VI for patients with COPD

GlaxoSmithKline plc (LSE/NYSE: GSK) and Innoviva, Inc. (NASDAQ: INVA) today announced the filing by GSK of a regulatory submission with the European Medicines Agency for once-daily, closed triple combination therapy fluticasone furoate/umeclidinium/vilanterol (FF/UMEC/VI 100/62.5/25 mcg) for patients with chronic obstructive pulmonary disease (COPD). This follows the announcement of the submission of a New Drug Application for FF/UMEC/VI in the US in November 2016.
(LSE announcement 02 December 2016)

GSK announces EU regulatory submission of candidate vaccine for prevention of shingles - Follows regulatory submissions in US and Canada

GlaxoSmithKline plc (LSE/NYSE: GSK) today announced the regulatory submission of a Marketing Authorisation Application (MAA) to the European Medicines Agency (EMA) seeking approval for its candidate shingles vaccine, ShingrixTM, for the prevention of herpes zoster (shingles) in people aged 50 years or over. **(LSE announcement 25 November 2016)**

GSK starts phase III programme with daprodustat for anaemia associated with chronic kidney disease

GlaxoSmithKline plc (LSE/NYSE: GSK) today announced the start of a phase III development programme investigating daprodustat, an oral hypoxia-inducible factor prolyl hydroxylase inhibitor (HIF-PHI), as a treatment for anaemia associated with chronic kidney disease (CKD).

The phase III programme includes two studies evaluating the safety and efficacy of daprodustat compared to recombinant human erythropoietin:

- ASCEND-D (Anaemia Studies in CKD: Erythropoiesis via a Novel PHI Daprodustat-Dialysis) will enrol approximately 3,000 dialysis dependent subjects with anaemia associated with CKD switching from an erythropoietin-stimulating agent (ESA).
- ASCEND-ND (Anaemia Studies in CKD: Erythropoiesis via a Novel PHI Daprodustat-Non-Dialysis) will enrol approximately 4,500 non-dialysis dependent subjects with anaemia associated with CKD, and will include patients either switching from or naive to an ESA.

For both studies, the co-primary endpoints are time to first occurrence of major adverse cardiovascular events (MACE) and mean change in haemoglobin between the baseline and efficacy period (mean over Weeks 28-52). The studies will assess whether daprodustat is non-inferior to recombinant human erythropoietin on these endpoints as the primary analysis. If non-inferiority of the primary analysis is met, superiority will be assessed for the safety endpoint.
(LSE announcement 24 November 2016)

GSK announces phase lll study of mepolizumab meets co-primary endpoints and all secondary endpoints in patients with eosinophilic granulomatosis with polyangiitis

GlaxoSmithKline plc (LSE/NYSE: GSK) today announced that both co-primary endpoints and all secondary endpoints were met in a pivotal phase III study investigating the efficacy and safety of mepolizumab, an IL-5 antagonist, in patients with relapsing and refractory Eosinophilic Granulomatosis with Polyangiitis (EGPA), a rare disease characterised by widespread inflammation in the walls of small blood vessels (vasculitis). **(LSE announcement 23 November 2016)**

GSK files regulatory submission in US for once-daily closed triple combination therapy FF/UMEC/VI for patients with COPD

GlaxoSmithKline plc (LSE/NYSE: GSK) and Innoviva, Inc. (NASDAQ: INVA) today announced the filing by GSK of a regulatory submission with the US Food and Drug Administration for the once-daily, closed triple combination therapy fluticasone furoate/umeclidinium/vilanterol (FF/UMEC/VI 100/62.5/25 mcg) for patients with chronic obstructive pulmonary disease (COPD). This follows the announcement earlier this year of plans to bring forward the timing of the US filing from the first half of 2018.

The closed triple combination therapy comprises three medicines: fluticasone furoate, an inhaled corticosteroid (ICS), umeclidinium, a long-acting muscarinic antagonist (LAMA) and vilanterol, a long-acting beta2-adrenergic agonist (LABA), delivered once-daily in GSK's Ellipta® dry powder inhaler.
(LSE announcement 21 November 2016)

ViiV Healthcare launches phase III programme to evaluate a long-acting, injectable HIV treatment regimen

Studies will investigate monthly dosing with injectable cabotegravir and rilpivirine

ViiV Healthcare, the global specialist HIV company majority owned by GSK, with Pfizer Inc. and Shionogi Limited as shareholders, today announced the start of two phase III studies designed to evaluate an investigational long-acting, injectable regimen of cabotegravir (ViiV Healthcare) and rilpivirine (Janssen Sciences Ireland UC) for the treatment of HIV-1 infection. The two studies, FLAIR (First Long-Acting Injectable Regimen) and ATLAS (Antiretroviral Therapy as Long-Acting

Suppression), will examine the safety and efficacy of monthly dosing with the two-drug, injectable regimen in both treatment-naïve and treatment-experienced patients.
This investigational, long-acting, injectable regimen is being co-developed as part of a collaboration with Janssen Sciences Ireland UC. **(LSE announcement 18 November 2016)**

GSK receives FDA approval for expanded indication for FluLaval® Quadrivalent (Influenza Vaccine) for infants 6 months and older
GSK [LSE/NYSE: GSK] announced today it has received approval from the US Food and Drug Administration's (FDA) Center for Biologics Evaluation and Research expanding the indication for FluLaval® Quadrivalent (Influenza Vaccine) to include use in children 6 months and older. Prior to this, the vaccine was only approved for active immunization against influenza A subtype viruses and type B viruses, in persons 3 years of age and older. **(Press release 18 November 2016)**

GSK announces new data from phase III studies of sirukumab in adult patients with moderately to severely active rheumatoid arthritis
GlaxoSmithKline plc (LSE/NYSE: GSK) today announced results from two pivotal phase III studies evaluating subcutaneous sirukumab, a human anti-interleukin (IL)-6 monoclonal antibody in development for the treatment of adults with moderately to severely active rheumatoid arthritis (RA).
The first study (SIRROUND-T), in patients who were refractory to or intolerant to one or more anti-tumor necrosis factor (TNF) agents, demonstrated that sirukumab met the primary endpoint showing significant improvement in the signs and symptoms of moderately to severely active RA compared to placebo. The second study (SIRROUND-H), a head-to-head study in patients who were refractory to or intolerant to methotrexate (MTX), demonstrated that sirukumab monotherapy met the first of two co-primary endpoints showing significant improvement in disease activity compared to adalimumab monotherapy. **(LSE announcement 16 November 2016)**

GSK's Benlysta® (belimumab) shows sustained benefits in patients with SLE

- Results from 7-year Phase III continuation study in US patients

GSK today announced results from a 7-year safety and efficacy continuation study for Benlysta® (belimumab) in patients with active, autoantibody-positive systemic lupus erythematosus (SLE). The data being presented at the 2016 American College of Rheumatology/Association for Rheumatology Health Professionals Annual Meeting (ACR/AHRP) indicates that the long-term control of disease activity seen in patients receiving belimumab plus standard of care (SoC), shows meaningful benefits in their daily lives, including improvements in health-related quality of life (HRQoL) and fatigue, a common and debilitating symptom of SLE. **(Press release 16 November 2016)**

GSK announces positive results in fourth consecutive pivotal trial of Benlysta® (belimumab) in SLE
Data in Japan, China and South Korea will form basis of new regulatory submissions for Benlysta
GSK today announced positive efficacy and safety data from a pivotal study of patients with systemic lupus erythematosus (SLE) in Northeast Asia (Japan, China and South Korea). In the study, being presented at the 2016 American College of Rheumatology/Association for Rheumatology Health Professionals Annual Meeting (ACR/AHRP), Benlysta® achieved the primary and all four pre-specified

secondary endpoints with statistical significance. The information obtained will be used to submit files for the regulatory approval of belimumab in Japan and China in the next few months.
(Press release 13 November 2016)

GSK presents new data for shingles candidate vaccine at IDWeek scientific conference

- **New studies support flexible dosing and co-administration with flu vaccine**

GSK today announced new data for its shingles candidate vaccine ShingrixTM, at the Infectious Disease Week (IDWeek) scientific conference in New Orleans, Louisiana, USA. The data examined co-administration of GSK's candidate vaccine with the flu vaccine; a flexible dosing schedule; and the vaccine's impact on quality of life.
Summary of new data

- Using subjects from two multicentre, multinational studies from the global phase III candidate vaccine clinical programme, ZOE-50 (NCT01165177) and ZOE-70 (NCT01165229) the vaccine's impact on quality of life was analysed. Due to the high efficacy across all ages in these two pivotal trials, only a few subjects in the vaccines arm developed "breakthrough" shingles after vaccination, as expected. Using an established standard health survey, those who had developed shingles reported reduced levels of pain compared to the group that did not receive the vaccine. The study concluded that in addition to helping prevent shingles, the candidate vaccine also reduced the severity of shingles in the few patients who developed the disease after vaccination.
- In the phase III clinical trial programme, adults aged 50 years or over received two doses of the candidate vaccine two months apart. A new study (ZOSTER-026) of 354 patients showed that the second dose of the vaccine could be administered during a window of two to six months following the first dose, with a similar level of immune response and comparable safety profile.
- A study (ZOSTER-004) conducted during the 2013 Northern Hemisphere flu season with adults aged 50 years or over showed that when the candidate vaccine was given to patients at the same time as an unadjuvanted seasonal flu vaccine, both vaccines were well tolerated and the immune response to each vaccine was similar whether it was administered at the same time or separately.

(LSE announcement 27 October 2016)

GSK announces US regulatory submission of candidate vaccine for prevention of shingles

- **Regulatory submissions in the EU and Canada remain on track for 2016**

GlaxoSmithKline plc (LSE/NYSE: GSK) today announced that it has submitted a Biologics License Application (BLA) for its candidate shingles vaccine, ShingrixTM, to the United States Food and Drug Administration (FDA), seeking approval for the prevention of herpes zoster (shingles) in people aged 50 years or over.
The candidate vaccine is a non-live, recombinant vaccine to help prevent shingles and its complications. The phase III clinical trial programme showed that by reducing the incidence of shingles, the candidate vaccine also reduced the overall incidence of postherpetic neuralgia (PHN), a form of chronic pain associated with shingles. Regulatory approval is being sought for the vaccine to be given intramuscularly in two doses, with a two to six month interval between doses.
(LSE announcement 24 October 2016)

New data published for GSK's Nucala investigating hospitalisation reduction in severe asthma patients with an eosinophilic phenotype

GlaxoSmithKline plc (GSK) today announced the publication of a meta-analysis in the Journal of Allergy and Clinical Immunology, which demonstrates that the risk of hospitalisations or emergency room visits caused by asthma attacks was halved (51% reduction p<0.001) in severe asthma patients with an eosinophilic phenotype who received Nucala® (100mg fixed dose subcutaneous injection of mepolizumab) or an investigational dose of mepolizumab, compared to placebo and in addition to standard of care. **(Press release 07 October 2016)**

Other newsflow during the quarter and to date

GSK announces Board changes

GSK today announced the creation of a new Board committee and a number of changes to the membership of the Board and its committees, which will all take effect from 1 January 2017.

A new Board committee, the Science Committee, is to be established in order to provide oversight of, and expertise to the Board in relation to, GSK's R&D pipeline and scientific research strategy. It will be chaired by Non-Executive Director, Dr Jesse Goodman, the former Chief Scientist for the US FDA. Other members will include Sir Roy Anderson, who is Professor of Infectious Disease at Imperial College, London, Judy Lewent, former CFO of Merck & Co, and a further scientific and medical expert Non-Executive Director who is to be recruited. In light of this new committee and to ensure effective continuity, Professor Sir Roy, who joined the Board in 2007, has agreed to seek re-election at the 2017 AGM for a further year.

As previously announced, CEO Designate, Emma Walmsley, will join the Board as an Executive Director on 1 January 2017.

In addition, Patrick Vallance, President, R&D, will also join the Board as an Executive Director on 1 January 2017.

After nearly 6 years as a Non-Executive Director, Stacey Cartwright has informed the Company of her intention to step down from the Board on 31 December 2016. The Board wishes to acknowledge and thank Stacey for her service.

Dr Vivienne Cox and Urs Rohner will join additional Board Committees from 1 January 2017. Dr Cox will join the Remuneration Committee, in addition to her membership of the Corporate Responsibility Committee. Urs Rohner will join the Nominations Committee, in addition to his role as Chairman of the Remuneration Committee. **(LSE announcement 19 December 2016]**

GSK opens new global vaccines R&D center in Rockville, MD, USA

- **New state-of-the-art facility will house 450 scientists and support staff, creating up to 200 new jobs**
- **Supports discovery and development of innovative vaccines to meet public health needs in the USA and worldwide**

GSK will inaugurate its newest global vaccines research and development (R&D) center in Rockville, Maryland, further strengthening and expanding its vaccines presence in the USA. Up to 200 new jobs will be created at the Rockville facility, with GSK investing over $50 million in the next two years to continue to develop the site with latest state-of-the-art scientific research technology and equipment. **(Press release 13 December 2016)**

GSK announces intention to appoint Deloitte LLP as Auditor

GSK today announces it intends to appoint Deloitte LLP ("Deloitte") as its auditor with effect from the accounting year ending 31 December 2018.

This follows a competitive audit tender process overseen by an Executive Steering Committee of GSK's Audit & Risk Committee chaired by Judy Lewent, which culminated in a recommendation that was approved by the Board.

The current auditor PricewaterhouseCoopers LLP ("PwC") will continue in their role and undertake the audit of GSK until the year ending 31 December 2017, subject to reappointment by shareholders at GSK's 2017 Annual General Meeting. The appointment of Deloitte will be recommended to GSK's shareholders for approval at GSK's 2018 Annual General Meeting.

(LSE announcement 13 December 2016]

Dominique Limet to step down as CEO of ViiV Healthcare; Deborah Waterhouse to succeed him

After seven years as CEO of ViiV Healthcare, Dr Dominique Limet will step down at the end of March 2017. Deborah Waterhouse, currently Senior Vice President Primary Care, GSK US Pharmaceuticals, will succeed him, and will take up the CEO Designate role on 1 January 2017.

(Press release 05 December 2016)

GSK leads Access to Medicine Index 2016

- Index describes GSK as 'the most access-oriented company'

GSK has today been ranked first in the Access to Medicine Index for the fifth consecutive time, taking a leadership position in research & development; pricing, manufacturing and distribution; and product donations.

The Index, which recognises GSK for its clear access to medicines strategy and company-wide ownership, is an independent measure of the top 20 pharmaceutical companies' efforts to improve access to healthcare in developing countries. GSK has topped the Index, which ranks individual companies on their performance across seven categories, each time since its launch in 2008.

(Press release 14 November 2016)

GSK statement in response to New York Times article on China

These matters relating to our operations in China were deeply disappointing to GSK. They have previously been the subject of investigation by authorities in China and the United States. GSK cooperated fully with those investigations, which have since concluded and been resolved. GSK is committed to operating its commercial activities in an ethical and professional manner consistent with the Company's values. Over the last few years, GSK has made significant changes to its commercial practices globally, which include changes to the way the Company's sales representatives are compensated and stopping payments to Healthcare Practitioners to speak to other providers about its products.

More information on our business model changes is available here:
http://www.gsk.com/en-gb/behind-the-science/how-we-do-business/changing-the-way-we-work-with-healthcare-professionals/

(Press release 02 November 2016)

In order to illustrate underlying performance, it is the Group's practice to discuss its results in terms of constant exchange rate (CER) growth. This represents growth calculated as if the exchange rates used to determine the results of overseas companies in Sterling had remained unchanged from those used in the comparative period. All commentaries are presented in terms of CER growth, unless otherwise stated**.**

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