Pre-Quarterly Results Communication Q4 2014

New information for Q4 2014

Foreign Exchange:

Average rates for the quarter ended 31 December 2014 were $1.59/£, €1.27/£ and Yen 181/£. On the basis of these rates, it is expected that the impact of foreign exchange on Q4 2014 sales will be around -3%.

Average rates for the year ended 31 December 2014 were $1.65/£, €1.24/£ and Yen 175/£. On the basis of these rates, it is expected that the impact of foreign exchange on full year 2014 sales will be around -7%.

As a result of the mix of currency movements relative to the mix of costs, we expect that the negative impact of foreign exchange on full year 2014 sterling core EPS will be greater than the negative impact on sales. Over the first nine months of 2014, the impact of currencies on core EPS was -12% compared with the -8% impact on sales.

Average rates Quarterly	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Key currencies								
US$	1.56	1.54	1.55	1.63	1.66	1.68	1.67	1.59
€	1.19	1.17	1.18	1.18	1.21	1.23	1.25	1.27
Yen	142	150	155	165	171	173	175	181
Other Currencies*								
Australian Dollar	1.51	1.57	1.69	1.79	1.85	1.81	1.83	1.83
Brazilian Real	3.14	3.22	3.54	3.74	3.89	3.79	3.84	4.00
Canadian Dollar	1.58	1.58	1.61	1.71	1.83	1.83	1.80	1.82
Chinese Yuan	9.71	9.43	9.57	9.89	10.2	10.4	10.2	9.90
Indian Rupee	84.6	86.2	97.1	100.1	102.0	102.0	102.0	98.0
Russian Rouble	47.8	48.6	49.1	53.1	57.8	58.8	61.6	77.4
FX impact on turnover	***-1%***	***+0%***	***-1%***	***-3%***	***-8%***	***-9%***	***-7%***	***-3%***
FX impact on CORE EPS	***+6%***	***-3%***	***-6%***	***-8%***	***-22%***	***-13%***	***-5%***	***n/a***

* Each of the Other Currencies listed represented more than 1% of Group sales in 2013, and in total accounted for approximately 14% of Group revenues in 2013.

Average rates Cumulative - YTD	3M 2013	6M 2013	9M 2013	12M 2013	3M 2014	6M 2014	9M 2014	12M 2014
Key Currencies								
US$	1.56	1.55	1.55	1.57	1.66	1.67	1.67	1.65
€	1.19	1.18	1.18	1.18	1.21	1.22	1.23	1.24
Yen	142	146	149	153	171	172	173	175
Other Currencies*								
Australian Dollar	1.51	1.54	1.59	1.64	1.85	1.83	1.83	1.83
Brazilian Real	3.14	3.18	3.30	3.41	3.89	3.84	3.84	3.88
Canadian Dollar	1.58	1.58	1.59	1.62	1.83	1.83	1.82	1.82
Chinese Yuan	9.71	9.57	9.57	9.65	10.2	10.3	10.3	10.2
Indian Rupee	84.6	85.4	89.3	92.0	102.0	102.0	102.0	101.0
Russian Rouble	47.8	48.2	49.1	50.1	57.8	58.3	59.4	63.9
FX impact on turnover	***-1%***	***+0%***	***+0%***	***-1%***	***-8%***	***-9%***	***-8%***	***-7%***
FX impact on CORE EPS	***+6%***	***+1%***	***-1%***	***-3%***	***-22%***	***-17%***	***-12%***	***n/a***

* Each of the Other Currencies listed represented more than 1% of Group sales in 2013, and in total accounted for approximately 14% of Group revenues in 2013.

The Q4 2014 period-end rates were $1.56/£, €1.29/£ and Yen 187/£.

Exchange Gains or Losses (EGOLs)

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 2014 there was continued volatility in a number of currencies relative to Sterling.

EGOLS £m (as reported)	Q1	Q2	Q3	Q4	Full Year
2012	(17)	(2)	2	(9)	(26)
2013	82	(46)	(49)	(14)	(27)
2014	(20)	(27)	10		

Ready-reckoner

At the 2013 results presentation on 5 February 2014, the following ready-reckoner was provided on slide 33 to help estimate the expected impact of foreign exchange movements on core EPS*:

Currency	Impact on 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%
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

Share repurchases:
In the Q2 2014 results release we made the following comment:

"Given impact of recent sustained strength of Sterling on free cash flow, share repurchases over balance of 2014 likely to be immaterial."

Subsequently, during Q3 and Q4 2014 we did not repurchase any further shares. Therefore, the total shares repurchased in 2014 remained at 14.7m at a cost of £238m.

On 24 November 2014 we announced the Publication of Circular and Notice of General Meeting relating to the proposed major transaction with Novartis. On page 26 of the Circular, we made the following comments with regard to share repurchases in 2015:

"The Company plans to use part of the expected net cash proceeds of $7.8 billion to fund a capital return to Shareholders of £4 billion (the "Capital Return") following Completion. .... the value and structure of the Capital Return is subject to further due diligence, taking into account factors including the distributable reserves position of the Company and the tax implications for Shareholders. The amount of the Capital Return will also be reduced by the after-tax impact of any repayment of consideration for the Oncology Disposal required in connection with COMBI-d Trial (further detail on which is set out at paragraph 8.2 of Part 3 (Principal Terms and Conditions of the Transaction) of this document). In addition, the Capital Return will be subject to a separate approval of Shareholders. Further details on the Capital Return will be sent to Shareholders in due course. In anticipation of the Capital Return, the Company does not expect to make any share repurchases in 2015, but will review the potential for future share buy backs thereafter in line with its usual annual cycle and subject to its then current return and ratings criteria."

Basic Weighted Average Number of Shares (WANS):
The basic weighted number of shares in issue during Q4 2014 was 4,809m compared with 4,798m in Q4 2013 (an increase of 0.2%).

The basic weighted number of shares in issue during 2014 was 4,808m compared with 4,831m in 2013 (a reduction of 0.5%).

In millions	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
WANS: Quarter	4,834	4,855	4,837	4,798	4,802	4,812	4,807	4,809
WANS: Cumulative - Year to date	4,834	4,844	4,842	4,831	4,802	4,807	4,807	4,808
Period end shares *	4,844	4,845	4,817	4,792	4,815	4,805	4,808	4,811

*excludes Treasury shares and shares held by ESOP Trusts

Dividend

In the Q3 2014 press release we made the following comment on the dividend:

"For the quarter, we have maintained a dividend of 19 pence per share and expect the full year 2014 dividend to grow 3% to 80 pence (78p in 2013). For 2015, we expect to maintain the dividend at the same level as 2014, in order to maintain flexibility as the Group integrates the Novartis businesses and restructures its pharmaceutical operations."

Dividend per share (p)	Q1	Q2	Q3	Q4	Full Year
2013	18	18	19	23	78
2014	19	19	19	23*	80*

*The actual dividend amount is determined by the Board of Directors and the Q4 2014 interim dividend is expected to be declared in early 2015

Factors Impacting Recent Quarterly Comparisons

As usual there were a number of events in 2014 to date and during 2013 which impact the year on year comparison for Q4 2014 and full year 2014. This includes the following noteworthy items which you may wish to consider in your modelling.

Reporting on an ex-divestment basis

Turnover and Core EPS for Q4 2013 were £6,700m and 29.0p respectively when restated on an ex divestments basis (excluding the results attributable to divestments made in 2013). For full year 2013 turnover and Core EPS were £25,602m and 108.4p respectively – see page 17 for restated 2013 P&L published on 21 March 2014, and further details of the changes made.

The full restatements can be found at: http://www.gsk.com/en-gb/media/press-releases/2014/gsk-publishes-historical-quarterly-restated-financial-information/

The full results announcements along with links to related webcasts and presentations can be found at: http://www.gsk.com/en-gb/investors/quarterly-results/

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 2014 versus Q4 2013 and Full Year 2014 versus Full Year 2013

US Respiratory

We made the following comments on US Respiratory and Advair in the Q3 2014 press release:

Q3 2014:

"In the US, Respiratory sales declined 18% in the quarter (7% volume decline and a 11% negative impact of price and mix), primarily reflecting the continued price and contracting pressures, including for new products, which affected the ICS/LABA combination market, where Advair and Breo Ellipta compete, and also the LABA/LAMA combination market, where Anoro Ellipta has recently been introduced. Sales of Advair were down 25% (10% volume decline and a 15% negative impact of price and mix) and Flovent sales were down 8% to £90 million. Ventolin sales grew 26%, including benefits from wholesaler and retailer stocking patterns and net favourable adjustments to previous accruals for returns and rebates. Breo Ellipta, launched in Q4 2013 recorded sales of £8 million."

9 months 2014:
In the US, Respiratory sales declined 17% (12% volume decline and a 5% negative impact of price and mix), primarily reflecting the continued price and contracting pressures in the market. Sales of Advair were down 24% (14% decline in volume and a 10% decline from price and mix). Flovent sales were down 4% while Ventolin sales were up 23%, with both benefiting from the impact of net favourable adjustments to previous accruals for returns and discounts. Breo Ellipta recorded sales of £14 million and Anoro Ellipta sold £5 million in the nine months.

In the Q3 2014 results investor/analyst call on 22 October 2014, Simon Dingemans (Chief Financial Officer) made the following comments:

"Total Advair volume was down 10%, with price down 15%, reflecting the new contracting conditions I mentioned earlier. Price pressure was a little higher than we had expected and it has helped us secure a number of important contract wins for 2015 – not only for Advair but also for our new products. You should expect a similar dynamic in Q4, but remember also that Q4 last year saw quite strong inventory build in Respiratory."

For further comments, please refer to quarterly press releases.

Emerging Markets

In the Q4 2013 results investor/analyst call on 5 February 2014, Andrew Witty (Chief Executive Officer) made the following comments:

"As we look forward, I would expect to see the Emerging Markets pick up this year as we roll through the whole year. It is also worth saying that, like last year, I expect to see some volatility quarter-to-quarter, because, whether it is vaccine tenders in the previous year or in this year, you will see some of the effects of things like the wholesaler boycott drop in and out of the comparators. I would guide you to expect some volatility in quarter-to-quarter growth rates and not to get too hung up if one quarter is a bit down, and I wouldn't get too carried away if one quarter is a bit up, because we are bound to see some of that during the year."

Vaccines in Emerging Markets are particularly vulnerable to volatility on a quarterly basis.

In the Q3 2014 results investor/analyst call on 22 October 2014, Simon Dingemans (Chief Financial Officer) made the following comments:

"In Emerging Markets, total sales of pharma and vaccines grew 12% with strong growth in virtually every therapy area boosted by the improved growth in the China business as the impact of the Government investigation annualised. Vaccines grew 13% with a number of products benefitting from the phasing of tenders, particularly Synflorix and Boostrix. For the fourth quarter vaccine sales have a tough comparator and phasing of tenders has also been somewhat earlier in the year during 2014 than previous years. Both factors will impact vaccines in Emerging Market sales in the fourth quarter."

Here are the restated quarterly results for Pharma and Vaccines in Emerging Markets:

Sales £m (restated)	FY 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	FY 2013	Q1 2014	Q2 2014	Q3 2014
Innovative Pharma	2,202	541	593	518	594	2,246	501	539	525
Vaccines	1,107	225	247	263	389	1,124	190	283	274
Innovative products	**3,309**	**766**	**840**	**781**	**983**	**3,370**	**691**	**822**	**799**
Established products	**1,249**	**316**	**321**	**245**	**275**	**1,157**	**264**	**243**	**273**
CER growth†									
Innovative Pharma		*+9%*	*+11%*	*-3%*	*+3%*	*+5%*	*+7%*	*+5%*	*+12%*
Vaccines		*+7%*	*-13%*	*-14%*	*+22%*	*+1%*	*-8%*	*+26%*	*+13%*
Innovative products		***+9%***	***+3%***	***-7%***	***+9%***	***+3%***	***+2%***	***+11%***	***+12%***
Established products		***+6%***	***+1%***	***-18%***	***-7%***	***-5%***	***-7%***	***-14%***	***+21%***

Mainland China Sales

Emerging Markets performance has been adversely affected by the investigation in China.
On 19 September 2014 we announced the outcome of the China Investigation.
http://www.gsk.com/en-gb/media/press-releases/2014/gsk-china-investigation-outcome/

Mainland China Sales (£m)*	Q1 2013	Q2 2013	Q3 2013	Q4 2013	FY 2013	Q1 2014	Q2 2014	Q3 2014
Innovative products	77	85	45	77	284	64	62	69
Established products	103	105	32	61	301	73	67	74
Pharma & Vaccines	180	190	77	138	585	137	129	143
CER growth								
Innovative products						*-13%*	*-20%*	*+65%*
Established products						*-24%*	*-29%*	*>100%*
Pharma & Vaccines	*+20%*	*+12%*	*-61%*	*-29%*	*-18%*	*-20%*	*-25%*	*>100%*

*Includes sales of Innovative Products and Established Products. In 2013 Established Products (including Zeffix, Hepsera, and Paxil) represented approximately 51% of Mainland China sales.

Consumer

In the Q2 2014 press release we made the following comments:

"Consumer Healthcare turnover was down 4% in the quarter, adversely impacted by a number of supply issues and slowing in some Rest of World markets. Excluding the impact of supply interruptions, sales grew 4% in the quarter, compared with estimated market growth for the relevant categories of approximately 3%. Actions to restore supply are underway but supply will be affected for the remainder of 2014."

"Consumer Healthcare sales for full year expected to be broadly flat."

Consumer Healthcare turnover for the nine months to September 2014 was down 2% CER to £3,220m.

Theravance Milestone Payments

Other Pharmaceuticals turnover includes milestone income received from Theravance. During 2013 and in 2014 to date the following milestone payments were due from Theravance:

Theravance Milestones $m				
May 2013	Approval	US	Breo	$30m
September 2013	Approval	Japan	Relvar	$10m
October 2013	Launch	US	Breo	$30m
November 2013	Approval	Europe	Relvar	$15m
December 2013	Launch	Japan	Relvar	$10m
December 2013	Approval	US	Anoro	$30m
Total 2013				**$125m**
January 2014	Launch	Europe	Relvar	$15m
April 2014	Launch	US	Anoro	$30m
May 2014	Approval	Europe	Anoro	$15m
June 2014	Launch	Europe	Anoro	$15m
July 2014	Approval	Japan	Anoro	$10m
September 2014	Launch	Japan	Anoro	$10m
Total 2014				**$95m**
Total 2013 and 2014				**$220m**

Theravance Milestones £m	Q1	Q2	Q3	Q4	Year
2013	-	19	6	52	78
2014	9	36	12	0	57

The $10m payment in September 2014 relating to the Anoro launch in Japan was the final registrational and launch-related milestone fee payable to GSK relating to Breo/Relvar and Anoro.

Operating and Financial performance

Operating Performance

Royalties:

"On royalties, we benefited from a true-up in Q1 in 2013. Without this and with the expiration of some agreements in 2014, I expect royalties in 2014 will likely be somewhat lower than last year and come in around £300 million."

Royalty income (£m) (restated)	Q1	Q2	Q3	Q4	Full Year
2013	113	82	94	98	387
2014	70	72	101		

Year on year cost savings (per Q4 2013 press release):

"Year-on-year cost savings of around £400 million delivered in 2013, with similar amount expected in 2014 helping to offset mix pressure and fund ongoing investment requirements."

Structural benefits:

These year-on-year cost savings include structural benefits. In 2012 we began an initiative designed to reshape and reduce our long term operating expenses and liabilities:

Structural benefits £m		Q1	Q2	Q3	Q4	Full Year
2012	**Restructuring pension obligations**	-	105	-	290	395
2013	**Restructuring post-employment medical benefits**	-	-	267	12	279
2014	**Structural benefits**	-	-	219		

In the Q3 2014 press release we made the following comment:

"SG&A in the quarter included the expected credit of £219 million from a release of reserves following a simplification of the Group's entity structure and its trading arrangements."

Financial Performance

Taxation

In the Q3 2014 results investor/analyst call on 22 October 2014, Simon Dingemans (Chief Financial Officer) made the following comments:

"Our effective tax rate was also down 3.5 percentage points from Q3 last year to this quarter, delivering 21.2% overall year to date.

We now expect the full year core tax rate will be somewhat less than the 22% we originally indicated but the ultimate rate will depend on the final mix of trading for the fourth quarter."

Acquisitions and Divestments – Historic London Stock Exchange Announcements (LSE announcements) and press releases

Result of General Meeting relating to the proposed major transaction with Novartis

GlaxoSmithKline plc (GSK) announces that at its General Meeting held earlier today, the sole resolution was passed by shareholders by an overwhelming majority. As previously announced, the transaction is expected to complete during the first half of 2015, subject to approvals.
The following table shows the votes cast in respect of the resolution:

Resolution	Total votes for*	%	Total votes against	%	Total votes cast	Votes withheld**
Proposed major transaction with Novartis AG	3,606,194,474	99.79	7,672,471	0.21	3,613,866,945	11,617,644

In accordance with Listing Rule 9.6.2, a copy of the resolution will be submitted to the UK Listing Authority and will in due course be available for inspection at www.morningstar.co.uk/uk/NSM.
Notes:
* Includes discretionary votes.
** A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes "For" or "Against" a resolution.
(LSE Announcement 18 December 2014)

GSK statement on Established Products Portfolio

As announced at the Company's 2nd quarter results in July, GSK started a process to consider the divestment of certain North American and European brands in its Established Products Portfolio.
The Company has evaluated all bids received and has concluded, consistent with its key criteria of maximising shareholder value, not to pursue divestment of these products.
(LSE Announcement 4 December 2014)

GSK Regulatory update on transaction with Novartis

GlaxoSmithKline plc is today providing this update to its announcement of 22 April 2014 relating to the major three-part transaction with Novartis AG (the Original Announcement).

The US Federal Trade Commission (FTC) has voted to approve GSK's proposed acquisition of Novartis's vaccines business (excluding influenza vaccines) and the proposed creation of a consumer healthcare joint venture between GSK and Novartis. The vote in support of the consumer healthcare transaction follows Novartis's agreement to divest Habitrol, its private label nicotine replacement therapy (NRT) transdermal patch business in the US as a condition to obtaining FTC approval. This business was already to be excluded from the proposed joint venture and it has been announced previously that an agreement has been reached to divest the business to Dr Reddy's Laboratories SA.

The closing of the three-part transaction with Novartis remains subject to certain other conditions described in the Original Announcement, including remaining antitrust clearances and GSK shareholder approval. Subject to these conditions, the Transaction is expected to complete during the first half of 2015. **(LSE announcement 27 November 2014)**

GSK Publication of Circular and Notice of General Meeting relating to the proposed major transaction with Novartis

On 22 April 2014, GlaxoSmithKline plc (the "Company", "GSK") announced a major three-part inter-conditional transaction with Novartis AG involving its Consumer Healthcare, Vaccines and Oncology businesses (the "Transaction").

The proposed Transaction would substantially strengthen two of our core businesses in vaccines and consumer healthcare and creates significant new options to increase value for shareholders.

It is the most significant transaction for the Company since the creation of GSK in 2000 and is a major step towards fulfilling the Company's strategy of creating a simpler, stronger and more balanced platform for long-term growth.

The Company today announces that a circular to shareholders and notice of general meeting relating to the Transaction (the "Circular") has been published and is available for viewing on the company's website, http://gsk.com/en-gb/investors/shareholder-information/general-meeting

(LSE announcement 24 November 2014)

GSK plc announces major three-part transaction with Novartis to drive sustainable sales growth, improve long-term earnings and deliver increasing returns to shareholders

GlaxoSmithKline plc today announces a major 3-part inter-conditional transaction with Novartis AG involving its Consumer Healthcare, Vaccines and Oncology businesses (the "Transaction"). In summary:

- GSK and Novartis will create a new world-leading Consumer Healthcare business with 2013 pro forma revenues of £6.5 billion. GSK will have majority control with an equity interest of 63.5%
- GSK will acquire Novartis' global Vaccines business (excluding influenza vaccines) for an initial cash consideration of $5.25 billion with subsequent potential milestone payments of up to $1.8 billion and ongoing royalties
- GSK will divest its marketed Oncology portfolio, related R&D activities and rights to its AKT inhibitor and also grant of commercialisation partner rights for future oncology products to Novartis for an aggregate cash consideration of $16 billion (of which up to $1.5 billion depends on the results of the COMBI-d trial)
- GSK shareholders to receive £4 billion capital return funded by net cash transaction proceeds and expected to be delivered via a B share scheme
- Transaction expected to be accretive to core EPS from first year, reflecting execution of intended B share scheme, and thereafter with growing contribution from 2017 as projected cost savings and new growth opportunities are delivered
- Transaction is expected to complete during the first half of 2015 subject to approvals

(LSE announcement 22 April 2014)

Pernix Therapeutics Closes on Acquisition of Treximet. Raises $220m Senior Notes. Issues Updated 2014 Guidance

http://www.pernixtx.com/news/pernix-therapeutics-closes-on-acquisition-of-treximet-raises-220m-senior-notes-issues-updated-2014-guidance/

(Pernix press release 20 August 2014)

GSK acquires full ownership of its Indonesian Consumer Healthcare business

GSK Consumer Healthcare Pte. Ltd has paid IDR 465 billion (£24.6 million) to Sarasvati Venture Capital Ltd (SVC) for the 30 per cent of the Indonesian Consumer Healthcare business it did not previously own. GSK has also divested its Insto™ eye drops brand to Pharma Healthcare Pte. Ltd and agreed to divest its manufacturing site at Bogor, Indonesia, to PT Pharma Healthcare for a combined total of IDR 133 billion (£7 million). **(Press release 28 March 2014)**

GSK increases stake in Indian Pharmaceuticals subsidiary to 75 per cent after Open Offer

GlaxoSmithKline plc (LSE:GSK) announced today that, following the voluntary Open Offer undertaken by its subsidiary, GlaxoSmithKline Pte Ltd, GSK has successfully increased its stake in its publicly-listed pharmaceuticals subsidiary in India (GlaxoSmithKline Pharmaceuticals Limited), from 50.7% to 75%. GlaxoSmithKline Pharmaceuticals Limited will remain publicly-listed. The offer of INR 3,100 per share values the transaction at approximately INR 64 billion or £625 million (based on prevailing foreign exchange rates). **(LSE announcement 9 March 2014)**

GSK completes divestment of Lucozade and Ribena to Suntory

GlaxoSmithKline (GSK) today completed the previously announced divestment of its nutritional drinks brands Lucozade and Ribena to Suntory Beverage & Food Ltd for £1.35 billion.
(Press release 31 December 2013)

GSK completes divestment of thrombosis brands and related manufacturing site to Aspen

GlaxoSmithKline (GSK) today completed the previously announced divestment of its thrombosis brands, Arixtra™ and Fraxiparine™ to the Aspen Group (Aspen) for £700 million, following regulatory approval of the transaction. The majority of commercial operations will formally transfer to Aspen on 1 January 2014 with the remainder, along with the Notre-Dame de Bondeville manufacturing site, transferring in mid-2014. **(Press release 31 December 2013)**

Further information in respect of an offering of shares of Aspen Pharmacare Holdings Limited

This press release is not intended for US residents**.** Please go to link below if you are not a resident of the USA nor located in the USA. **(LSE announcement 20 November 2013)**
http://www.londonstockexchange.com/exchange/news/market-news/market-news-detail/11779645.html

News flow on Key Assets during the quarter – 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 link:
http://www.gsk.com/en-gb/media/press-releases/

GSK announces US regulatory submission seeking additional indication for eltrombopag (Promacta™)

GSK today announced the submission of a supplemental New Drug Application (sNDA) to the US Food and Drug Administration for eltrombopag (Promacta™), seeking an additional indication in paediatric patients six years and older with chronic immune (idiopathic) thrombocytopenia (ITP) who have had an insufficient response to corticosteroids, immunoglobulins or splenectomy.
(Press release 22 December 2014)

Pivotal phase III study of GSK shingles candidate vaccine meets its primary endpoint

GSK today announced that a pivotal phase III study to assess the efficacy of HZ/su, an investigational vaccine for the prevention of shingles, has met its primary endpoint.
Analysis of the primary endpoint showed that HZ/su reduced the risk of shingles by 97.2 per cent in adults aged 50 years and older compared to placebo. These are the first results from the ZOster Efficacy study in adults aged 50 years and over (ZOE-50). The study, which started in August 2010, is ongoing in 18 countries and involves more than 16,000 individuals.
(Press release 18 December 2014)

ViiV Healthcare announces regulatory submission in Japan for single-pill regimen combining dolutegravir, abacavir and lamivudine for the treatment of HIV

ViiV Healthcare has today, 15 December 2014, submitted a regulatory application to the Ministry of Health, Labour and Welfare (MHLW) in Japan for the single-pill regimen combining dolutegravir, abacavir and lamivudine for the treatment of HIV infection. This new regulatory submission follows the approval of dolutegravir as Tivicay® tablets 50mg in Japan, March 2014.
(Press release 15 December 2014)

GSK announces EU regulatory submission seeking extended indication for ambrisentan (Volibris®) in pulmonary arterial hypertension

GSK today announced that it has filed a regulatory submission to the European Medicines Agency (EMA) for a variation to the Marketing Authorisation for ambrisentan (Volibris®), to extend the current therapeutic indication to include its use in initial combination therapy for patients with pulmonary arterial hypertension (PAH). **(Press release 11 December 2014)**

GSK statement on first phase 1 trial results of a candidate Ebola vaccine

First results from a small phase 1 trial published today in the New England Journal of Medicine show that a GSK/NIH Ebola candidate vaccine was well-tolerated and produced an immunological response in each of the 20 healthy adult volunteers in the USA who received it.
(Press release 26 November 2014)

Patient recruitment completed in a world-first COPD lung study being conducted in the unique 'research city' setting of Salford, Greater Manchester

Approximately 2,800 people with Chronic Obstructive Pulmonary Disease (COPD) living in Salford

and the surrounding area have signed up to be part of a one-year study to explore the effectiveness of Relvar® Ellipta® (fluticasone furoate 'FF'/vilanterol 'VI'100/25 mcg) compared to other COPD treatments when used in a broad group of people living and managing their COPD on a day-to-day basis. **(Press release 19 November 2014)**

New England Journal of Medicine publishes positive results from COMBI-v study of trametinib (Mekinist™) and dabrafenib (Tafinlar™) combination

Results published today in the New England Journal of Medicine show that treatment with the combination of trametinib (Mekinist™) and dabrafenib (Tafinlar™) significantly improved overall survival (OS) compared to vemurafenib monotherapy in previously untreated patients with BRAF V600E/K mutation-positive metastatic melanoma, without increased overall toxicity**.**
(Press release 16 November 2014)

GSK announces EU regulatory submission seeking additional indication for eltrombopag (Revolade™)

GSK today announced the submission to the European Medicines Agency (EMA) of a variation to the Marketing Authorisation for eltrombopag (Revolade™), seeking an additional indication for the treatment of adult patients with severe aplastic anaemia (SAA) who have had an insufficient response to immunosuppressive therapy (IST). **(Press release 12 November 2014)**

GSK announces regulatory submissions for mepolizumab in severe eosinophilic asthma

GlaxoSmithKline plc (LSE/NYSE: GSK) today announced that it has filed regulatory submissions in the USA and Europe for mepolizumab for approval as a maintenance treatment for patients with severe eosinophilic asthma, identified by a blood eosinophil count of at least 150 cells per microlitre at the start of treatment or 300 cells per microlitre in the past 12 months. The submissions comprise:

- A Biologics Licence Application to the US Food and Drug Administration as an add-on maintenance treatment for severe eosinophilic asthma in patients aged 12 years and older with a history of exacerbations.
- A Marketing Authorisation Application to the European Medicines Agency as an add-on treatment for severe eosinophilic asthma in adult patients with a history of exacerbations and/or dependency on systemic corticosteroids.

(LSE Announcement 5 November 2014)

GSK update on current development status of the GSK/NIH Ebola vaccine candidate

With the Ebola crisis in west Africa continuing, GSK is working closely with the World Health Organization (WHO), regulators and other partners to respond to the outbreak, to accelerate development of our investigational Ebola vaccine and to ramp up production as quickly as possible.

Development of the vaccine candidate is progressing at an unprecedented rate, with first phase 1 safety trials with the vaccine candidate underway in the USA, UK and Mali, and further trials due to start in the coming weeks.

Initial data from the phase 1 trials are expected by the end of the year and if successful, the next phases of the clinical trial programme will begin in early 2015 which will involve the vaccination of thousands of frontline healthcare workers in the three affected countries – Sierra Leone, Guinea and Liberia. If the vaccine candidate is able to protect these healthcare workers as we hope it will, it could significantly contribute to efforts to bring this epidemic under control.
(Press release 18 October 2014)

Data published on Anoro® Ellipta® demonstrate improved lung function compared to tiotropium
Respiratory Medicine has published positive results from a third lung function study comparing the efficacy and safety of Anoro® Ellipta® (umeclidinium /vilanterol, 'UMEC/VI'), the combination long-acting muscarinic antagonist (LAMA) / long-acting beta2-adrenergic agonist (LABA), with the LAMA tiotropium, administered in the HandiHaler® inhaler, in patients with chronic obstructive pulmonary disease (COPD). **(Press release 17 October 2014)**

Stiefel, a GSK company, announces start of phase III study of subcutaneous ofatumumab for pemphigus vulgaris
Stiefel, a GSK company, today announced the start of a phase III study to evaluate the efficacy and safety of subcutaneous ofatumumab in patients with pemphigus vulgaris, a rare autoimmune skin disorder. The global study will assess disease remission in patients with pemphigus vulgaris treated with subcutaneous ofatumumab as add-on treatment to oral steroids, the global standard-of-care.
(Press release 7 October 2014)

Other newsflow during the quarter – To date

GSK Publication of Final Terms

The following final terms dated 28 November 2014 (the "Final Terms") in respect of the Notes (as defined below) are available for viewing:

GlaxoSmithKline Capital plc issue of:

EUR 1,500,000,000 0.625 per cent. Notes due 2019; and

EUR 1,000,000,000 1.375 per cent. Notes due 2024,

in each case guaranteed by GlaxoSmithKline plc issued under the £15,000,000,000 Euro Medium Term Note Programme (the "Notes").

Copies of the Final Terms have been submitted to the National Storage Mechanism and will shortly be available for viewing at:

http://www.morningstar.co.uk/uk/NSM.

(LSE Announcement 28 November 2014)

Change to Director's Details - Dr Moncef Slaoui

GlaxoSmithKline plc (the "Company") today confirms that Dr Moncef Slaoui, an Executive Director, is appointed Chairman, Vaccines, with immediate effect.

This appointment will ensure more focused management of the Company's Vaccines business in advance of the completion of the proposed 3 part transaction with Novartis announced earlier this year. Dr Slaoui will continue to provide scientific and technical counsel on pharmaceutical R&D activities to the CEO and Board.

Dr Slaoui was previously Chairman, Global R&D and Vaccines.

(LSE Announcement 22 October 2014)

GSK appoints Mr Urs Rohner to its Board as a Non-Executive Director

GlaxoSmithKline plc (LSE: GSK) today announced the appointment of Mr Urs Rohner to its Board as a Non-Executive Director, effective 1 January 2015. On appointment, Mr Rohner will also become a member of GSK's Remuneration Committee. **(LSE Announcement 3 October 2014)**

GlaxoSmithKline plc appoints Sir Philip Hampton to the Board of Directors

GlaxoSmithKline plc (GSK) today announced that Sir Philip Hampton will join the Board of the company as Non-Executive Director from 1 January 2015 and will become Deputy Chairman with effect from 1 April 2015. He will succeed Sir Christopher Gent as Non-Executive Chairman with effect from 1 September 2015, or at an earlier date if released from other commitments.

(LSE Announcement 25 September 2014)

2013 Restatements

GSK publishes historical quarterly restated financial information

As previously announced, for 2014, GlaxoSmithKline (LSE:GSK) will adopt a revised presentation for the analysis of its Pharmaceuticals and Vaccines turnover by segment, product and therapeutic area that identifies revenues from an Established Products Portfolio as a new segment. This new segment comprises a portfolio of over 50 tail brands.

GSK has also announced its intention to report core results performance for 2014 measured against 2013 core results excluding the results attributable to divestments completed during 2013. In addition to reporting core results, GSK will continue to report its total results measured against 2013 total results.

The revised reporting approach reflects the financial information provided to the Chief Executive Officer and the responsibilities of the Corporate Executive Team (CET).

In addition, the classification of certain products has been changed in 2014, including:

- The transfer of the OTC dermatology brands acquired with the Stiefel business from the Pharmaceuticals and Vaccines business to the Consumer Healthcare business in the majority of Emerging Markets;
- The combination of certain previous therapeutic categories into a new therapeutic category presentation that reflects the key areas of focus for the business and the impact of the transfer of the majority of the brands in some therapeutic areas into the new Established Products Portfolio;
- The transfer of the OTC vitamins brands from inclusion under the Wellness category in Consumer Healthcare to inclusion under the Nutrition category.

In 2014, GSK also intends to report Pharmaceuticals and Vaccines turnover by product for the Japan segment. The previous EMAP segment is now named Emerging Markets.

In order to assist future comparability with historical data, for each quarter since the period ended 31 March 2013, and for the full years 2012 and 2013, this release includes the following information presented on a like-for-like basis with the classifications that will be reported in 2014:

- Core results excluding the results attributable to divestments completed during 2013;
- Pharmaceuticals and Vaccines turnover by product and region (excluding turnover attributable to divestments completed during 2013);
- Consumer Healthcare turnover by category and region (excluding turnover attributable to divestments completed during 2013);
- CER growth rates have been calculated for 2013 excluding the impact on the growth rate of the divestments completed in 2013 but including the impact of divestments completed in earlier periods.

(LSE announcement 21 March 2014)

http://www.gsk.com/en-gb/media/press-releases/2014/gsk-publishes-historical-quarterly-restated-financial-information/

£m	Q1'13	Q2'13	Q3'13	Q4'13	2013	Q1'14	Q2'14	Q3'14
Innovative Pharma & Vaccines	*3,683*	*3,828*	*3,834*	*4,241*	*15,586*	*3,361*	*3,491*	*3,478*
ViiV Healthcare	*318*	*339*	*344*	*385*	*1,386*	*311*	*352*	*373*
Established products	*1,003*	*1,018*	*906*	*947*	*3,874*	*814*	*696*	*724*
Pharmaceuticals and Vaccines	***5,004***	***5,185***	***5,084***	***5,573***	***20,846***	***4,486***	***4,539***	***4,575***
Wellness	499	448	464	454	1,865	416	366	394
Oral Health	480	481	476	447	1,884	457	434	446
Nutrition	175	162	160	130	627	170	151	160
Skin Health	97	97	90	96	380	84	71	71
Consumer Healthcare	***1,251***	***1,188***	***1,190***	***1,127***	***4,756***	***1,127***	***1,022***	***1,071***
Group Turnover	**6,255**	**6,373**	**6,274**	**6,700**	**25,602**	**5,613**	**5,561**	**5,646**
COGS	(1,729)	(1,692)	(1,751)	(1,903)	(7, 075)	(1,558)	(1,538)	(1,641)
as a % of sales	*27.6%*	*26.5%*	*27.9%*	*28.4%*	*27.6%*	*27.8%*	*27.7%*	*29.1%*
Gross profit	**4,526**	**4,681**	**4,523**	**4,797**	**18,527**	**4,055**	**4,023**	**4,005**
Gross margin	*74.4%*	*73.5%*	*72.1%*	*71.6%*	*72.4%*	*72.2%*	*72.3%*	*70.9%*
SG&A	(1,908)	(2,039)	(1,831)	(1,971)	(7,749)	(1,811)	(1,922)	(1,477)
as a % of sales	*30.5%*	*32.0%*	*29.2%*	*29.4%*	*30.3%*	*32.3%*	*34.6%*	*26.2%*
R&D	(855)	(846)	(789)	(904)	(3,394)	(784)	(766)	(742)
as a % of sales	*13.7%*	*13.3%*	*12.6%*	*13.5%*	*13.3%*	*14.0%*	*13.8%*	*13.1%*
Royalties	113	82	94	98	387	70	72	101
as a % of sales	*-1.8%*	*-1.3%*	*-1.5%*	*-1.4%*	*-1.6%*	*-1.4%*	*-1.4%*	*-1.8%*
Operating profit	**1,876**	**1,878**	**1,997**	**2,020**	**7,771**	**1,530**	**1,407**	**1,887**
Margin	*30.0%*	*29.5%*	*31.8%*	*30.1%*	*30.4%*	*27.3%*	*25.3%*	*33.4%*
NFI	(176)	(183)	(178)	(155)	(692)	(161)	(156)	(161)
Associates	11	7	14	11	43	1	8	10
Pre-tax profit	**1,711**	**1,702**	**1,833**	**1,876**	**7,122**	**1,370**	**1,259**	**1,736**
Tax	(382)	(408)	(431)	(414)	(1,635)	(301)	(277)	(348)
Tax rate	*22.3%*	*24.0%*	*23.5%*	*22.1%*	*23.0%*	*22.0%*	*22.0%*	*20.0%*
Profit after tax	**1,329**	**1,294**	**1,402**	**1,462**	**5,487**	**1,069**	**982**	**1,388**
Minorities	(68)	(64)	(49)	(69)	(250)	(62)	(61)	(47)
Attributable profit	**1,261**	**1,230**	**1,353**	**1,393**	**5,237**	**1,007**	**921**	**1,341**
WANS (m)	4,834	4,855	4,837	4,798	4,831	4,802	4,812	4,807
Core EPS (p)	**26.1**	**25.3**	**28.0**	**29.0**	**108.4**	**21.0**	**19.1**	**27.9**
DPS (p)	18.0	18.0	19.0	23.0	78.0	19.0	19.0	19.0

The restated product and segment tables, including an excel version, can be found at: http://www.gsk.com/en-gb/media/press-releases/2014/gsk-publishes-historical-quarterly-restated-financial-information/

† **CER growth**

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.

Analyst/Investor enquiries:	Ziba Shamsi	+ 44 (0) 20 8047 5543	(London)
	Gary Davies	+ 44 (0) 20 8047 5503	(London)
	James Dodwell	+ 44 (0) 20 8047 2406	(London)
	Tom Curry	+ 1 215 751 5419	(Philadelphia)
	Jeff McLaughlin	+ 1 215 751 7002	(Philadelphia)