

Income statement

Three months ended 30 June 2017

	Total £m	Total \$m
TURNOVER	7,320	9,444
Cost of sales	(2,619)	(3,377)
Gross profit	4,701	6,067
Selling, general and administration	(2,379)	(3,070)
Research and development	(1,260)	(1,619)
Royalty income	98	125
Other operating income/(expense)	(1,180)	(1,495)
OPERATING (LOSS)/PROFIT	(20)	8
Finance income	15	20
Finance expense	(192)	(248)
Profit on disposal of interest in associates	20	25
Share of after tax losses of joint ventures and associates	(1)	(1)
LOSS BEFORE TAXATION	(178)	(196)
Taxation	92	111
LOSS AFTER TAXATION FOR THE PERIOD	(86)	(85)
Profit attributable to non-controlling interests	94	123
Loss attributable to shareholders	(180)	(208)
	(86)	(85)
LOSS PER SHARE	(3.7)p	(4.8)c
Diluted loss per share	(3.7)p	(4.8)c

US dollar amounts shown above are a convenience translation of the sterling amounts. US dollar results for the six months ended 30 June 2017 are calculated using average rates for the period. US dollar results for the three months ended 30 June 2017 are calculated as the difference between these six month results translated into US dollars and US dollar results previously published for the three months ended 31 March 2017.

Income statement

Six months ended 30 June 2017

	Total £m	Total \$m
TURNOVER	14,704	18,674
Cost of sales	(5,132)	(6,518)
Gross profit	9,572	12,156
Selling, general and administration	(4,831)	(6,135)
Research and development	(2,220)	(2,819)
Royalty income	180	228
Other operating income/(expense)	(1,003)	(1,274)
OPERATING PROFIT	1,698	2,156
Finance income	36	46
Finance expense	(386)	(490)
Profit on disposal of interest in associates	20	25
Share of after tax profits of joint ventures and associates	4	5
PROFIT BEFORE TAXATION	1,372	1,742
Taxation	(235)	(298)
PROFIT AFTER TAXATION FOR THE PERIOD	1,137	1,444
Profit attributable to non-controlling interests	271	344
Profit attributable to shareholders	866	1,100
	1,137	1,444
EARNINGS PER SHARE	17.7p	22.5¢
Diluted earnings per share	17.6p	22.4¢

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Pharmaceuticals turnover - three months ended 30 June 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	1,801	970	360	471	2,321	1,247	465	609
<i>Anoro Ellipta</i>	85	59	17	9	109	76	21	12
<i>Armuity Ellipta</i>	8	8	-	-	10	10	-	-
<i>Avamys/Veramyst</i>	65	(1)	23	43	84	(2)	30	56
<i>Flixotide/Flovent</i>	145	78	23	44	187	101	30	56
<i>Incruse Ellipta</i>	50	34	13	3	64	44	16	4
<i>Nucala</i>	73	50	15	8	94	64	20	10
<i>Relvar/Breo Ellipta</i>	281	183	50	48	361	234	65	62
<i>Seretide/Advair</i>	848	476	182	190	1,092	611	236	245
<i>Ventolin</i>	179	86	30	63	232	112	38	82
Other	67	(3)	7	63	88	(3)	9	82
HIV	1,116	694	280	142	1,437	894	360	183
<i>Epzicom/Kivexa</i>	63	7	32	24	82	10	41	31
<i>Selzentry</i>	29	13	11	5	37	17	13	7
<i>Tivicay</i>	340	223	78	39	438	287	101	50
<i>Triumeq</i>	648	440	148	60	833	566	190	77
Other	36	11	11	14	47	14	15	18
Immuno-inflammation	93	83	7	3	120	107	10	3
<i>Benlysta</i>	93	83	7	3	120	107	10	3
Established Pharmaceuticals	1,347	227	346	774	1,739	293	447	999
Dermatology	111	-	41	70	143	-	53	90
Augmentin	141	-	42	99	182	-	55	127
Avodart	160	4	84	72	206	5	108	93
Coreg	39	39	-	-	50	50	-	-
<i>Eperzan/Tanzeum</i>	23	22	1	-	30	29	1	-
<i>Imigran/Imitrex</i>	41	16	18	7	53	21	23	9
<i>Lamictal</i>	149	72	28	49	193	94	36	63
<i>Requip</i>	29	4	8	17	37	5	10	22
<i>Serevent</i>	23	11	8	4	29	14	11	4
<i>Seroxat/Paxil</i>	46	-	10	36	60	-	13	47
<i>Valtrex</i>	32	5	8	19	41	6	10	25
<i>Zeffix</i>	22	1	2	19	29	1	3	25
Other	531	53	96	382	686	68	124	494
Pharmaceuticals	4,357	1,974	993	1,390	5,617	2,541	1,282	1,794

Pharmaceuticals turnover - six months ended 30 June 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	3,484	1,737	742	1,005	4,425	2,206	942	1,277
<i>Anoro Ellipta</i>	147	99	31	17	187	126	39	22
<i>Arnuity Ellipta</i>	16	16	-	-	20	20	-	-
<i>Avamys/Veramyst</i>	156	(1)	44	113	198	(2)	56	144
<i>Flixotide/Flovent</i>	309	167	51	91	392	212	65	115
<i>Incruse Ellipta</i>	84	54	23	7	107	69	29	9
<i>Nucala</i>	132	92	26	14	168	117	33	18
<i>Relvar/Breo Ellipta</i>	485	294	99	92	616	373	126	117
<i>Seretide/Advair</i>	1,600	815	388	397	2,032	1,035	493	504
<i>Ventolin</i>	393	203	65	125	499	258	82	159
Other	162	(2)	15	149	206	(2)	19	189
HIV	2,101	1,302	539	260	2,668	1,654	684	330
<i>Epzicom/Kivexa</i>	141	21	71	49	179	27	90	62
<i>Selzentry</i>	67	33	21	13	85	42	26	17
<i>Tivicay</i>	641	423	148	70	814	537	188	89
<i>Triumeq</i>	1,187	800	282	105	1,507	1,016	358	133
Other	65	25	17	23	83	32	22	29
Immuno-inflammation	185	167	13	5	235	212	17	6
<i>Benlysta</i>	184	166	13	5	234	211	17	6
Established Pharmaceuticals	2,776	499	707	1,570	3,525	633	898	1,994
Dermatology	224	-	82	142	284	-	104	180
Augmentin	296	-	95	201	376	-	121	255
<i>Avodart</i>	320	9	167	144	406	11	212	183
<i>Coreg</i>	74	74	-	-	94	94	-	-
<i>Eperzan/Tanzeum</i>	51	50	2	(1)	65	64	2	(1)
<i>Imigran/Imitrex</i>	94	46	34	14	119	58	43	18
<i>Lamictal</i>	315	161	54	100	400	205	68	127
<i>Requip</i>	56	8	14	34	71	10	18	43
<i>Serevent</i>	49	26	17	6	62	33	22	7
<i>Seroxat/Paxil</i>	91	-	19	72	116	-	24	92
<i>Valtrex</i>	63	9	15	39	80	11	19	50
<i>Zeffix</i>	48	1	3	44	61	1	4	56
Other	1,095	115	205	775	1,391	146	261	984
Pharmaceuticals	8,546	3,705	2,001	2,840	10,853	4,705	2,541	3,607

Vaccines turnover - three months ended 30 June 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	200	83	98	19	258	106	127	25
<i>Bexsero</i>	139	40	88	11	179	51	114	14
<i>Menveo</i>	56	43	7	6	72	55	9	8
<i>Other</i>	5	-	3	2	7	-	4	3
Influenza	21	-	4	17	27	-	5	22
<i>Fluarix, FluLaval</i>	21	-	4	17	27	-	5	22
Established Vaccines	890	233	292	365	1,149	302	377	470
<i>Infanrix, Pediarix</i>	156	57	77	22	203	75	99	29
<i>Boostrix</i>	150	60	51	39	192	78	65	49
Hepatitis	155	85	48	22	200	110	62	28
<i>Rotarix</i>	95	16	23	56	123	21	30	72
<i>Synflorix</i>	151	-	11	140	195	-	15	180
<i>Priorix, Priorix Tetra, Varilrix</i>	79	-	41	38	102	-	53	49
<i>Cervarix</i>	18	-	8	10	24	-	10	14
<i>Other</i>	86	15	33	38	110	18	43	49
Vaccines	1,111	316	394	401	1,434	408	509	517

Vaccines turnover - six months ended 30 June 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	391	129	202	60	497	164	257	76
<i>Bexsero</i>	265	67	171	27	337	85	218	34
<i>Menveo</i>	111	62	23	26	141	79	29	33
<i>Other</i>	15	-	8	7	19	-	10	9
Influenza	34	(3)	5	32	43	(4)	6	41
<i>Fluarix, FluLaval</i>	34	(3)	5	32	43	(4)	6	41
Established Vaccines	1,838	553	576	709	2,334	702	732	900
<i>Infanrix, Pediarix</i>	390	182	160	48	495	231	203	61
<i>Boostrix</i>	261	114	90	57	331	145	114	72
Hepatitis	322	170	99	53	409	216	126	67
<i>Rotarix</i>	241	70	45	126	306	89	57	160
<i>Synflorix</i>	284	-	25	259	361	-	32	329
<i>Priorix, Priorix Tetra, Varilrix</i>	156	-	78	78	198	-	99	99
<i>Cervarix</i>	35	-	15	20	45	-	19	26
<i>Other</i>	149	17	64	68	189	21	82	86
Vaccines	2,263	679	783	801	2,874	862	995	1,017

Consumer Healthcare turnover - three months ended 30 June 2017

	Total £m	Total \$m
Wellness	925	1,197
Oral health	605	781
Nutrition	165	213
Skin health	157	202
	<hr/> 1,852	<hr/> 2,393

	Total £m	Total \$m
US	430	556
Europe	579	748
International	843	1,089
	<hr/> 1,852	<hr/> 2,393

Consumer Healthcare turnover - six months ended 30 June 2017

	Total £m	Total \$m
Wellness	1,995	2,534
Oral health	1,233	1,566
Nutrition	347	441
Skin health	320	406
	<hr/> 3,895	<hr/> 4,947

	Total £m	Total \$m
US	957	1,215
Europe	1,177	1,495
International	1,761	2,237
	<hr/> 3,895	<hr/> 4,947

Balance sheet

	30 June 2017 £m	30 June 2017 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	10,662	13,861
Goodwill	5,864	7,623
Other intangible assets	18,465	24,005
Investments in associates and joint ventures	250	325
Other investments	1,013	1,317
Deferred tax assets	4,348	5,652
Other non-current assets	1,205	1,566
Total non-current assets	41,807	54,349
Current assets		
Inventories	5,743	7,466
Current tax recoverable	196	255
Trade and other receivables	6,196	8,055
Derivative financial instruments	65	84
Liquid investments	85	111
Cash and cash equivalents	3,986	5,182
Assets held for sale	155	201
Total current assets	16,426	21,354
TOTAL ASSETS	58,233	75,703
LIABILITIES		
Current liabilities		
Short-term borrowings	(6,612)	(8,596)
Contingent consideration liabilities	(855)	(1,111)
Trade and other payables	(19,580)	(25,454)
Derivative financial instruments	(96)	(125)
Current tax payable	(929)	(1,208)
Short-term provisions	(716)	(931)
Total current liabilities	(28,788)	(37,425)
Non-current liabilities		
Long-term borrowings	(12,259)	(15,937)
Deferred tax liabilities	(1,971)	(2,562)
Pensions and other post-employment benefits	(3,886)	(5,052)
Other provisions	(713)	(927)
Derivative financial instruments	(1)	(1)
Contingent consideration liabilities	(5,188)	(6,744)
Other non-current liabilities	(1,003)	(1,304)
Total non-current liabilities	(25,021)	(32,527)
TOTAL LIABILITIES	(53,809)	(69,952)
NET ASSETS	4,424	5,751
EQUITY		
Share capital	1,343	1,746
Share premium account	3,008	3,910
Retained earnings	(5,854)	(7,610)
Other reserves	2,314	3,008
Shareholders' equity	811	1,054
Non-controlling interests	3,613	4,697
TOTAL EQUITY	4,424	5,751

US dollar amounts shown above are a convenience translation of the sterling amounts.