

Income statement

Three months ended 30 September 2020

	Total £m	Total \$m
TURNOVER	8,646	11,273
Cost of sales	(2,885)	(3,762)
Gross profit	5,761	7,511
Selling, general and administration	(2,669)	(3,485)
Research and development	(1,140)	(1,491)
Royalty income	85	110
Other operating income	(179)	(207)
OPERATING PROFIT	1,858	2,438
Finance income	(3)	(4)
Finance expense	(195)	(254)
Share of after tax profits of joint ventures and associates	11	15
PROFIT BEFORE TAXATION	1,671	2,195
Taxation	(241)	(314)
PROFIT AFTER TAXATION	1,430	1,881
Profit attributable to non-controlling interests	186	241
Profit attributable to shareholders	1,244	1,640
	1,430	1,881
EARNINGS PER SHARE	25.0p	32.5¢
Diluted earnings per share	24.7p	32.1¢

US dollar amounts shown above are a convenience translation of the sterling amounts. US dollar results for the nine months ended 30 September 2020 are calculated using average rates for the period. US dollar results for the three months ended 30 September 2020 are calculated as the difference between these nine months results translated into US dollars and US dollar results previously published for the six months ended 30 June 2020.

Income statement

Nine months ended 30 September 2020

	Total £m	Total \$m
TURNOVER	25,360	32,458
Cost of sales	(8,533)	(10,921)
Gross profit	16,827	21,537
Selling, general and administration	(8,294)	(10,615)
Research and development	(3,628)	(4,644)
Royalty income	227	290
Other operating income	1,590	2,035
OPERATING PROFIT	6,722	8,603
Finance income	39	50
Finance expense	(653)	(835)
Share of after tax profits of joint ventures and associates	39	50
PROFIT BEFORE TAXATION	6,147	7,868
Taxation	(598)	(766)
PROFIT AFTER TAXATION	5,549	7,102
Profit attributable to non-controlling interests	477	610
Profit attributable to shareholders	5,072	6,492
	5,549	7,102
EARNINGS PER SHARE	102.0p	130.5¢
Diluted earnings per share	100.7p	128.9¢

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Pharmaceuticals turnover – three months ended 30 September 2020

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	978	576	225	177	1,273	749	294	230
<i>Ellipta products</i>	727	427	166	134	947	555	217	175
<i>Anoro Ellipta</i>	140	86	35	19	183	112	46	25
<i>Arnuity Ellipta</i>	14	13	-	1	18	16	-	2
<i>Incruse Ellipta</i>	56	33	16	7	73	43	20	10
<i>Relvar/Breo Ellipta</i>	323	169	73	81	420	219	96	105
<i>Trelegy Ellipta</i>	194	126	42	26	253	165	55	33
<i>Nucala</i>	251	149	59	43	326	194	77	55
HIV	1,216	755	296	165	1,586	984	386	216
<i>Dolutegravir products</i>	1,176	739	284	153	1,534	964	370	200
<i>Tivicay</i>	377	220	87	70	492	287	114	91
<i>Triumeq</i>	577	368	135	74	753	480	176	97
<i>Juluca</i>	123	95	24	4	161	124	31	6
<i>Dovato</i>	99	56	38	5	128	73	49	6
<i>Epzicom/Kivexa</i>	7	1	2	4	9	1	3	5
<i>Selzentry</i>	23	12	6	5	30	16	8	6
<i>Rukobia</i>	3	3	-	-	4	4	-	-
Other	7	-	4	3	9	(1)	5	5
Immuno-inflammation and other specialty	193	158	15	20	251	205	20	26
<i>Benlysta</i>	186	158	15	13	242	205	20	17
Oncology	99	61	36	2	129	80	47	2
<i>Zejula</i>	92	57	33	2	120	75	43	2
<i>Blenrep</i>	8	5	3	-	10	6	4	-
Pharmaceuticals excluding established products	2,486	1,550	572	364	3,239	2,018	747	474
Established Pharmaceuticals	1,706	368	402	936	2,232	480	527	1,225
<i>Established Respiratory</i>	725	256	164	305	951	335	215	401
<i>Seretide/Advair</i>	368	112	104	152	481	146	136	199
<i>Flixotide/Flovent</i>	92	45	15	32	121	59	20	42
<i>Ventolin</i>	177	100	25	52	232	131	33	68
<i>Avamys/Veramyst</i>	56	-	13	43	74	-	17	57
Other Respiratory	32	(1)	7	26	43	(1)	9	35
Dermatology	110	-	36	74	143	-	47	96
Augmentin	106	-	30	76	139	-	39	100
Avodart	95	1	36	58	125	1	47	77
<i>Imigran/Imitrex</i>	30	11	12	7	39	14	16	9
<i>Lamictal</i>	125	61	30	34	163	80	39	44
<i>Seroxat/Paxil</i>	38	-	9	29	50	-	12	38
<i>Valtrex</i>	24	4	8	12	32	5	11	16
Other	453	35	77	341	590	45	101	444
Pharmaceuticals	4,192	1,918	974	1,300	5,471	2,498	1,274	1,699

Pharmaceuticals turnover – nine months ended 30 September 2020

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	2,732	1,540	691	501	3,496	1,971	884	641
<i>Ellipta products</i>	2,030	1,126	516	388	2,598	1,441	660	497
<i>Anoro Ellipta</i>	396	237	103	56	507	303	132	72
<i>Arnuity Ellipta</i>	31	26	-	5	40	33	-	7
<i>Incruse Ellipta</i>	172	96	55	21	220	123	70	27
<i>Relvar/Breo Ellipta</i>	850	367	238	245	1,088	470	305	313
<i>Trelegy Ellipta</i>	581	400	120	61	743	512	153	78
<i>Nucala</i>	702	414	175	113	898	530	224	144
HIV	3,608	2,200	886	522	4,618	2,816	1,134	668
<i>Dolutegravir products</i>	3,477	2,155	848	474	4,450	2,758	1,085	607
<i>Tivicay</i>	1,162	642	280	240	1,487	822	358	307
<i>Triumeq</i>	1,726	1,084	425	217	2,209	1,387	544	278
<i>Juluca</i>	356	279	69	8	456	357	88	11
<i>Dovato</i>	233	150	74	9	298	192	95	11
<i>Epzicom/Kivexa</i>	25	2	7	16	32	3	9	20
<i>Selzentry</i>	70	35	20	15	90	45	26	19
<i>Rukobia</i>	3	3	-	-	4	4	-	-
<i>Other</i>	33	5	11	17	42	6	14	22
Immuno-inflammation and other specialty	521	437	41	43	667	559	53	55
<i>Benlysta</i>	514	437	41	36	658	559	53	46
Oncology	257	156	99	2	329	200	127	2
<i>Zejula</i>	250	152	96	2	320	195	123	2
<i>Blenrep</i>	8	5	3	-	10	6	4	-
Pharmaceuticals excluding established products	7,118	4,333	1,717	1,068	9,110	5,546	2,198	1,366
Established Pharmaceuticals	5,572	1,144	1,330	3,098	7,132	1,464	1,703	3,965
<i>Established Respiratory</i>	2,495	814	563	1,118	3,194	1,042	721	1,431
<i>Seretide/Advair</i>	1,184	361	344	479	1,515	462	440	613
<i>Flixotide/Flovent</i>	332	149	60	123	425	191	77	157
<i>Ventolin</i>	574	305	87	182	735	390	112	233
<i>Avamys/Veramyst</i>	227	-	51	176	291	-	65	226
<i>Other Respiratory</i>	178	(1)	21	158	228	(1)	27	202
<i>Dermatology</i>	316	1	104	211	404	1	133	270
<i>Augmentin</i>	375	-	108	267	480	-	138	342
<i>Avodart</i>	370	4	124	242	474	5	159	310
<i>Imigran/Imitrex</i>	91	36	37	18	116	46	47	23
<i>Lamictal</i>	397	196	90	111	508	251	115	142
<i>Seroxat/Paxil</i>	110	-	27	83	141	-	35	106
<i>Valtrex</i>	77	11	24	42	99	14	31	54
<i>Other</i>	1,341	82	253	1,006	1,716	105	324	1,287
Pharmaceuticals	12,690	5,477	3,047	4,166	16,242	7,010	3,901	5,331

Vaccines turnover – three months ended 30 September 2020

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	363	197	93	73	469	253	121	95
<i>Bexsero</i>	219	119	87	13	283	153	114	16
<i>Menveo</i>	104	78	4	22	134	100	5	29
<i>Other</i>	40	-	2	38	52	-	2	50
Influenza	445	379	33	33	570	485	42	43
<i>Fluarix, FluLaval</i>	445	379	33	33	570	485	42	43
Shingles	374	287	53	34	491	378	69	44
<i>Shingrix</i>	374	287	53	34	491	378	69	44
Established Vaccines	850	288	204	358	1,107	375	266	466
<i>Infanrix, Pediarix</i>	158	82	40	36	206	107	52	47
<i>Boostrix</i>	163	95	42	26	211	122	55	34
Hepatitis	138	79	31	28	180	103	40	37
<i>Rotarix</i>	132	26	29	77	172	35	38	99
<i>Synflorix</i>	83	-	13	70	110	-	17	93
<i>Priorix, Priorix Tetra, Varilrix</i>	72	-	39	33	93	-	50	43
<i>Cervarix</i>	49	-	5	44	64	-	7	57
<i>Other</i>	55	6	5	44	71	8	7	56
Vaccines	2,032	1,151	383	498	2,637	1,491	498	648

Vaccines turnover – nine months ended 30 September 2020

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	755	323	265	167	966	413	339	214
<i>Bexsero</i>	491	200	242	49	628	256	310	62
<i>Menveo</i>	182	123	18	41	233	157	23	53
<i>Other</i>	82	-	5	77	105	-	6	99
Influenza	481	381	33	67	616	488	42	86
<i>Fluarix, FluLaval</i>	481	381	33	67	616	488	42	86
Shingles	1,344	1,155	117	72	1,720	1,478	150	92
<i>Shingrix</i>	1,344	1,155	117	72	1,720	1,478	150	92
Established Vaccines	2,390	753	604	1,033	3,059	964	773	1,322
<i>Infanrix, Pediarix</i>	457	211	136	110	585	270	174	141
<i>Boostrix</i>	351	187	104	60	449	239	133	77
Hepatitis	437	248	111	78	559	317	142	100
<i>Rotarix</i>	411	84	88	239	526	108	113	305
<i>Synflorix</i>	309	-	42	267	396	-	54	342
<i>Priorix, Priorix Tetra, Varilrix</i>	183	-	95	88	234	-	121	113
<i>Cervarix</i>	95	-	14	81	122	-	18	104
<i>Other</i>	147	23	14	110	188	30	18	140
Vaccines	4,970	2,612	1,019	1,339	6,361	3,343	1,304	1,714

Consumer Healthcare turnover – three months ended 30 September 2020

	Total £m	Total \$m
Oral health	702	915
Pain relief	537	701
Vitamins, minerals and supplements	353	461
Respiratory health	294	384
Digestive health and other	456	596
	<hr/> 2,342	<hr/> 3,057
Brands divested/under review	80	108
	<hr/> 2,422	<hr/> 3,165
	Total £m	Total \$m
US	785	1,027
Europe	654	854
International	983	1,284
	<hr/> 2,422	<hr/> 3,165

Corporate and other unallocated turnover was £nil (\$nil) for the three months ended 30 September 2020.

Consumer Healthcare turnover – nine months ended 30 September 2020

	Total £m	Total \$m
Oral health	2,074	2,654
Pain relief	1,677	2,146
Vitamins, minerals and supplements	1,120	1,433
Respiratory health	947	1,212
Digestive health and other	1,395	1,786
	<hr/> 7,213	<hr/> 9,231
Brands divested/under review	460	589
	<hr/> 7,673	<hr/> 9,820
	Total £m	Total \$m
US	2,583	3,306
Europe	2,002	2,562
International	3,088	3,952
	<hr/> 7,673	<hr/> 9,820

Corporate and other unallocated turnover was £27 million (\$35 million) for the nine months ended 30 September 2020.

Balance sheet

	30 September 2020 £m	30 September 2020 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	10,307	13,226
Right of use assets	898	1,152
Goodwill	10,888	13,971
Other intangible assets	30,664	39,348
Investments in associates and joint ventures	396	508
Other investments	2,576	3,306
Deferred tax assets	4,381	5,622
Derivative financial instruments	4	5
Other non-current assets	932	1,196
Total non-current assets	61,046	78,334
Current assets		
Inventories	6,440	8,264
Current tax recoverable	567	727
Trade and other receivables	7,854	10,078
Derivative financial instruments	206	264
Liquid investments	83	107
Cash and cash equivalents	4,283	5,496
Assets held for sale	448	575
Total current assets	19,881	25,511
TOTAL ASSETS	80,927	103,845
LIABILITIES		
Current liabilities		
Short-term borrowings	(4,914)	(6,306)
Contingent consideration liabilities	(776)	(996)
Trade and other payables	(15,142)	(19,430)
Derivative financial instruments	(127)	(163)
Current tax payable	(428)	(549)
Short-term provisions	(792)	(1,016)
Total current liabilities	(22,179)	(28,460)
Non-current liabilities		
Long-term borrowings	(23,334)	(29,942)
Corporation tax payable	(195)	(250)
Deferred tax liabilities	(3,917)	(5,026)
Pensions and other post-employment benefits	(3,771)	(4,839)
Other provisions	(782)	(1,004)
Derivative financial instruments	(6)	(8)
Contingent consideration liabilities	(5,329)	(6,838)
Other non-current liabilities	(789)	(1,012)
Total non-current liabilities	(38,123)	(48,919)
TOTAL LIABILITIES	(60,302)	(77,379)
NET ASSETS	20,625	26,466
EQUITY		
Share capital	1,346	1,727
Share premium account	3,280	4,209
Retained earnings	7,055	9,053
Other reserves	2,605	3,343
Shareholders' equity	14,286	18,332
Non-controlling interests	6,339	8,134
TOTAL EQUITY	20,625	26,466

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