

Directors' statements of responsibility

GlaxoSmithKline plc acquired Glaxo Wellcome plc and SmithKline Beecham plc by way of a scheme of arrangement for the merger of the two companies that became effective on 27th December 2000. Until that date Glaxo Wellcome and SmithKline Beecham operated separately under the management of their respective Boards of Directors.

The statements set out below are given by the Directors of GlaxoSmithKline plc in respect of GlaxoSmithKline plc from 27th December 2000 and having regard to the arrangements in operation in Glaxo Wellcome plc and SmithKline Beecham plc up to that date.

Directors' statement of responsibility in relation to the financial statements

The Directors are:

- responsible for ensuring the maintenance of proper accounting records, which disclose with reasonable accuracy the financial position of the Group at any time and from which financial statements can be prepared to comply with the Companies Act 1985
- required by law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and the Group as at the end of the financial period and of the profit or loss for that period
- responsible also for ensuring the operation of systems of internal control and for taking reasonable steps to safeguard the assets of the Group and for preventing and detecting fraud and other irregularities.

The financial statements for the year ended 31st December 2000, comprising principal statements and supporting notes, are set out in Financial statements (pages 72 to 135 of this report).

The Directors confirm that suitable accounting policies have been consistently applied in the preparation of the financial statements, supported by reasonable and prudent judgements and estimates as necessary; applicable accounting standards have been followed, and the financial statements have been prepared on the going concern basis.

The responsibilities of the auditors in relation to the financial statements are set out in the Report by the auditors (page 71 opposite).

The financial statements for the year ended 31st December 2000 are included in the Annual Report 2000, which is published by the company in hard-copy printed form and on the company's website on the internet. The Directors are responsible for the maintenance and integrity of the Annual Report on the website in accordance with UK legislation governing the preparation and dissemination of financial statements. Access to the website is available from outside the UK, where comparable legislation may be different.

Directors' remuneration

The Remuneration report (pages 37 to 46 of this report) describes the Board's policy on directors' remuneration that applies in GlaxoSmithKline plc and sets out details of the remuneration earned by the Directors of Glaxo Wellcome plc and SmithKline Beecham plc in 2000 under the respective remuneration policies of the Boards of the two companies.

For convenience, the Remuneration report includes other disclosable information relating to Directors and officers and their interests.

Statutory disclosures in respect of the remuneration attributable to Directors of GlaxoSmithKline plc are set out in Note 36 to the financial statements.

The Remuneration report complies with Section B of the Combined Code.

Going concern basis

After making enquiries, the Directors have a reasonable expectation that the Group and company have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Internal control

The Board, through the Audit Committee, has reviewed the assessment of risks and the internal control framework that now operates in GlaxoSmithKline plc and has considered the effectiveness of the system of internal control in operation in the Group for the period covered by the accounts.

The Combined Code

The Board considers that GlaxoSmithKline plc applies, and up to 27th December 2000 Glaxo Wellcome plc and SmithKline Beecham plc applied, the principles of the Combined Code, as described under Corporate governance (pages 29 to 36), and, with the exception of the Code provisions relating to:

- the appointment of a senior independent director, where the company's position is described under Board and Executive
- directors' service contracts, pensionable bonuses and termination commitments, where the company's position is described in the Remuneration report.

has complied with the provisions of the Combined Code.

As required by the London Stock Exchange, the auditors have considered the Directors' statement of compliance in relation to those points of the Combined Code which are specified for their review.

Annual Report

The Annual Report for the year ended 31st December 2000, comprising the Report of the Directors, the financial statements and additional information for investors, has been approved by the Board of Directors and signed on its behalf by

Sir Richard Sykes, Chairman
22nd March 2001