



GlaxoSmithKline

1Q Results 2006
Presentation to Analysts & Investors

27th April 2006



GlaxoSmithKline

JP Garnier

Chief Executive Officer

Q1 Summary

- Excellent Financial Performance
 - Pharma Sales +10%
 - EPS +17%
- Good Pipeline Progress

Good Pipeline Progress in Q1

FILINGS
<i>Cervarix</i> Europe & Intern'l
<i>FluLaval</i> US
<i>Wellbutrin XL</i> Europe
<i>Hycamtin</i> Cervical Cancer

Good Pipeline Progress in Q1

FILINGS	NEW DATA	PIII STARTS
<i>Cervarix</i> Europe & Intern'l	<i>Tykerb</i>	eltrombopag
<i>FluLaval</i> US	<i>Cervarix</i>	pazopanib
<i>Wellbutrin XL</i> Europe	<i>Trexima</i>	casopitant
<i>Hycamtin</i> Cervical Cancer	<i>Entereg</i> POI	H5N1* pandemic vaccine
	<i>Arixtra</i> ACS	
	<i>ambrisentan</i>	

* registration trial

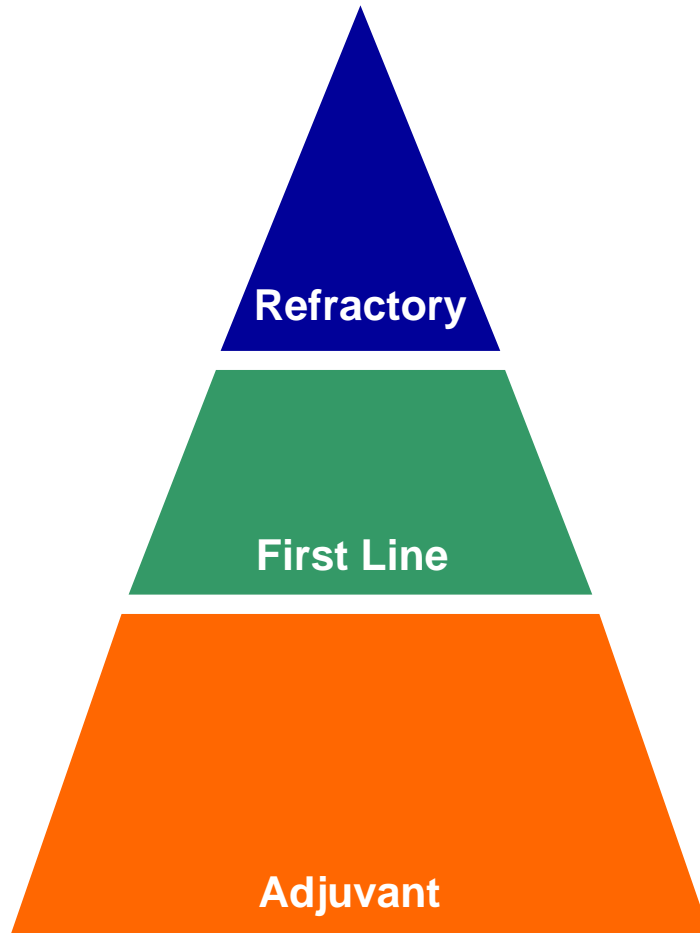
Tykerb + Xeloda Study Stopped Early Due to Positive Results

Tykerb's 1st PIII study* showed that Tykerb + Xeloda **exceeded** the predetermined stopping criteria as measured by time to disease progression

Improved filing: now 2H06 in US & EU

* In a preplanned interim analysis in 321 metastatic erbB2 positive breast cancer patients
Study stopped based on recommendation by an Independent Data Monitoring Committee in a unanimous vote
Stopping criteria: >50% increase in TTP compared with Xeloda alone

Tykerb: Emerging Profile in Breast Cancer



- ✓ • Combo w/ Xeloda
- ✓ • Brain mets
- ✓ • Combo w/ Herceptin
- ✓ • Inflammatory Breast

- ✓ • Monotherapy
- Combos with:
Femara, Taxol,
Taxol + Herceptin

- BIG trial (n=8,000)
- Other trials TBA
- Neo-adjuvant

✓ = Activity demonstrated to date

New Data on Major Oncology Assets at ASCO

TYKERB

Metastatic breast cancer

Ph III Xeloda combination

Brain metastases*

Ph II

Inflammatory breast cancer

Ph II

Cardiac safety profile

Renal cell

Ph III

*CTEP/NCI presentation

ASCO: June 2-6, 2006, Atlanta, Georgia

New Data on Major Oncology Assets at ASCO

TYKERB

Metastatic breast cancer

Ph III Xeloda combination

Brain metastases*

Ph II

Inflammatory breast cancer

Ph II

Cardiac safety profile

Renal cell

Ph III

Other Key Assets

Cervarix

HPV-014: Safety and immuno in 15-55 yr olds

eltrombopag

Ph II in ITP

MAGE-3

non-small-cell lung cancer therapeutic vaccine

pazopanib

Ph I in combination with Tykerb

casopitant

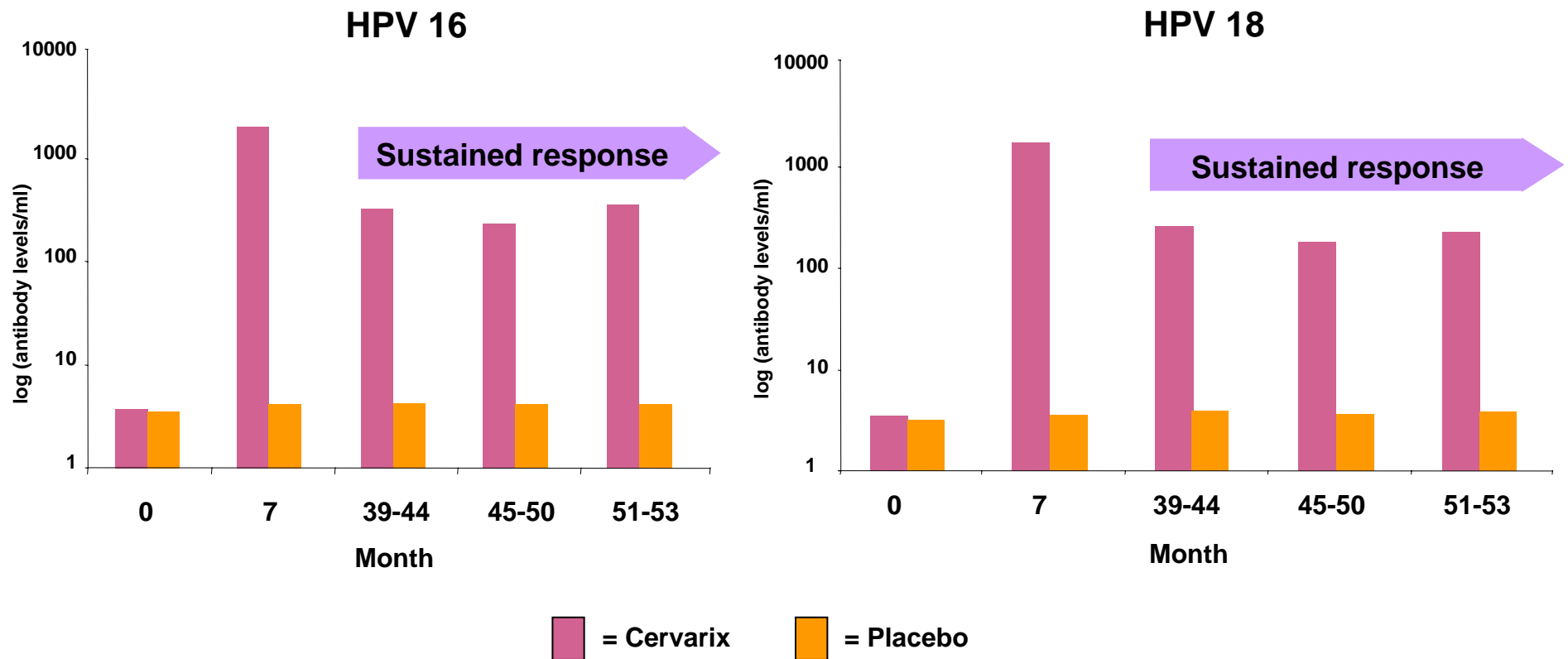
Ph II in CINV (MEC & HEC)

*CTEP/NCI presentation

ASCO: June 2-6, 2006, Atlanta, Georgia



Sustained antibody response over 4.5 yrs





Efficacy sustained over 4.5 yrs

with cross protection

- 100% protection against pre-cancerous lesions¹
- 100% protection against persistent infection²
- Cross protection: Cumulative protection against ~80% of cervical cancers³

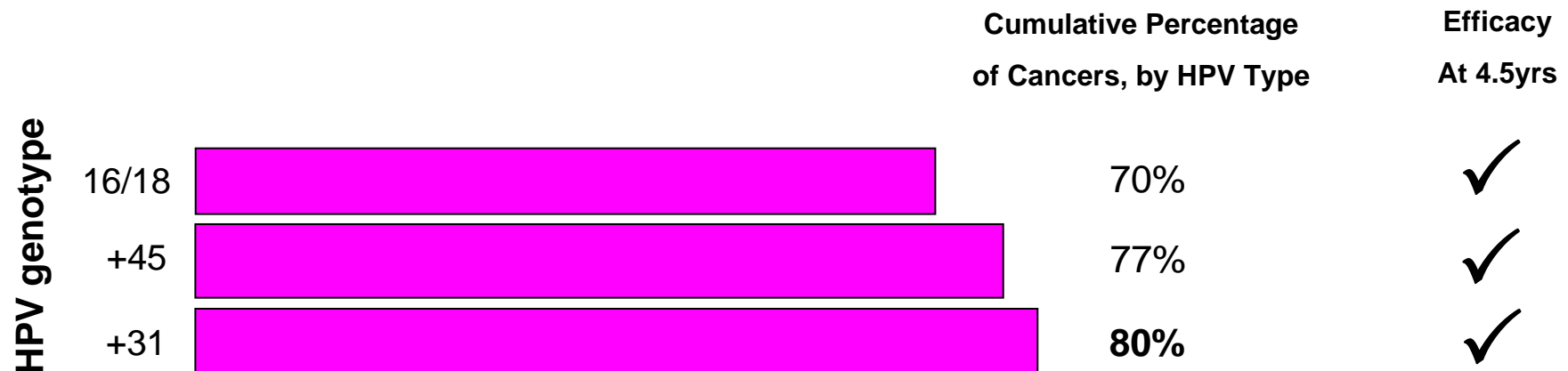
1 = Pre-cancerous lesions caused by HPV 16 or 18

2 = Measured as protection against a 12 month persistent infection from HPV 16 or 18

3 = Cervarix provides protection against 16, 18, 31 & 45, which are collectively responsible for 80% of cervical cancers



Cross protection on sub-types measured: Cumulative protection against ~ 80% of cervical cancers



Adapted from Munoz N *et al. Int J Cancer* 2004; 111: 278–85.

Cervarix efficacy against CIN2+: HPV16 (100%), HPV 18 (100%), HPV 45 (94%), HPV 31 (55%)



GlaxoSmithKline

Julian Heslop

Chief Financial Officer

Q1 Performance Summary


	1Q 06	1Q 05	%Change	
	£m	£m	CER	£
Turnover	5,813	5,036	10	15
Cost of Goods	(1,134)	(1,127)	(2)	1
	<i>19.5%</i>	<i>22.4%</i>		
SG&A	(1,823)	(1,645)	5	11
	<i>31.4%</i>	<i>32.7%</i>		
R&D	(753)	(663)	10	14
	<i>12.9%</i>	<i>13.1%</i>		
Other Oper. Income	71	146		
Operating Profit	2,174	1,747	15	24
	<i>37.4%</i>	<i>34.7%</i>		

% In Italics are % of Turnover

Q1 Performance Summary

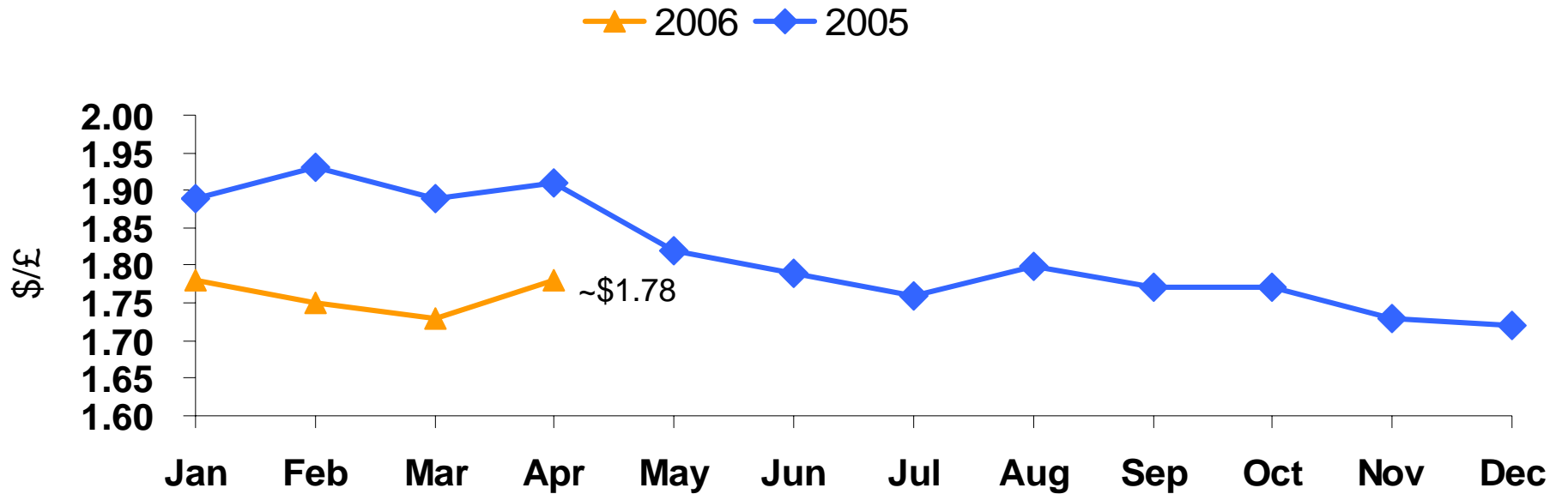
	1Q 06	1Q 05	%Change	
	£m	£m	CER	£
Operating Profit	2,174	1,747	15	24
Interest	(19)	(49)		
Profit Before Tax	2,170	1,711	17	27
Earnings Per Share	26.5p	21.1p	17	26
<i>Tax Rate</i>	29.5%	28.5%		

Legal & Restructuring Costs and Asset Sale Profits

	1Q 06	1Q 05
	£m	£m
Legal Costs	(107)	(75)
Restructuring Costs	47*	(29)
Asset Sale Profits	12	146
Theravance & Quest	30	(13)
	<u>(18)</u>	<u>29</u>
		
	- £47 million	

* Includes Montrose write-back of £65 million

US Dollar Trends



Cash Flow

	1Q 06	1Q 05
	£m	£m
Free Cash Flow	1,460	1,031
Dividends	(568)	(571)
Purchase of Own Shares	(200)	(176)
Share Option Exercises	182	34
Sale of Intangible Assets	12	165
Other	(21)	(4)
Net Decrease in Debt	865	479
	31st March	31st Dec
	06	05
Net Debt	(372)	(1,237)



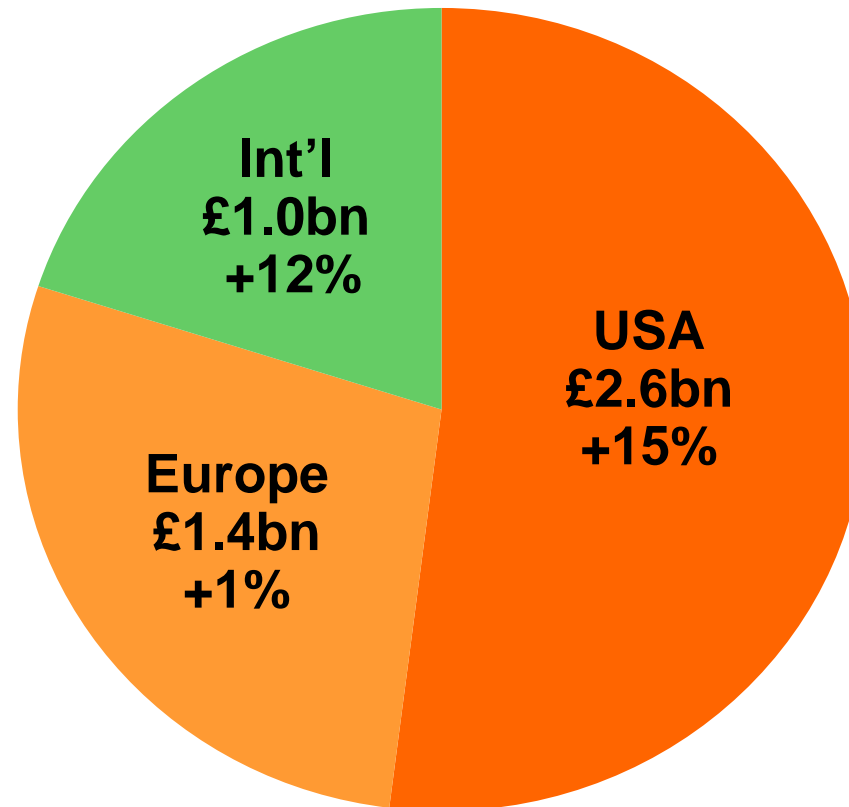
GlaxoSmithKline

David Stout

President, Pharmaceuticals

1Q06 Sales by Region

Total Pharma Sales £5.0bn +10%



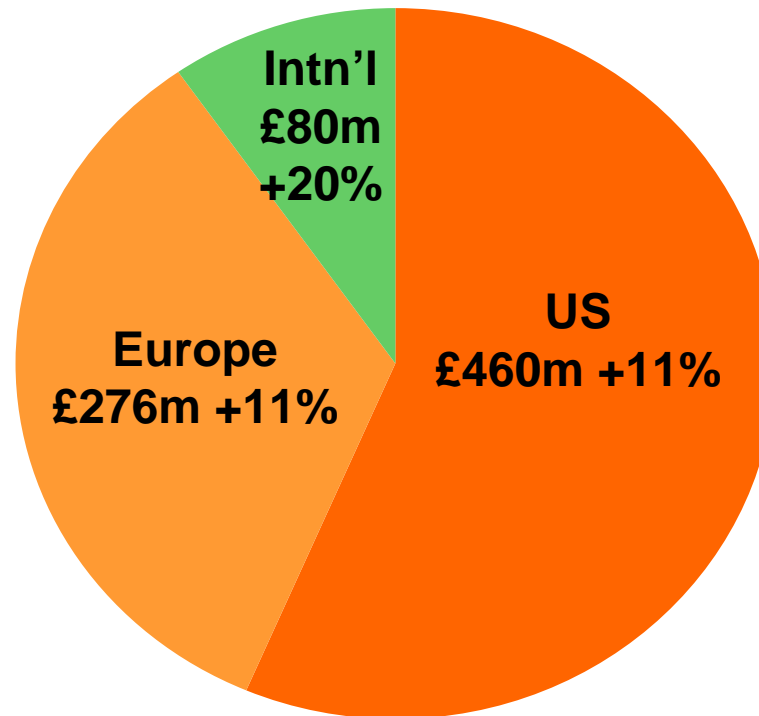
Key Growth Drivers

**Total sales grew to £2.2 bn (+22%)
from £1.7 bn in 1Q05**

Respiratory	Diabetes	CNS	Anti-Viral	CV	Vaccines
Advair £816m +12%	Avandia £384m +24%	Lamictal £237m +14%	Valtrex £204m +16%	Coreg £225m +53%	Vaccines £366m +44%

Seretide/Advair

Growth Continues In All Regions



Sales £816 million +12%

Seretide/Advair

Important Milestones

- New label agreed with FDA March 3rd
 - Initial therapy use based on doctor's discretion
- Positive **TORCH** results in COPD March 28th
 - Details still to be published
 - To be filed with FDA in '06
- Japan approval expected in 2H06 / 1H07



Seretide/Advair's profile significantly reinforced:

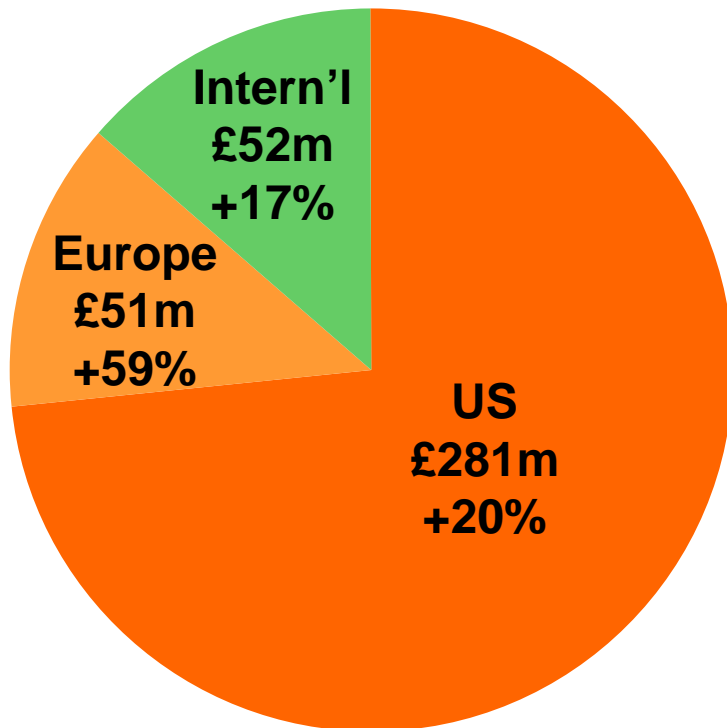
17% (p=0.052) reduction in mortality*
and
25% (p<0.001) reduction in exacerbations*

Exacerbations are major concern for COPD patients and are associated with increased mortality.

* Compared with placebo arm.

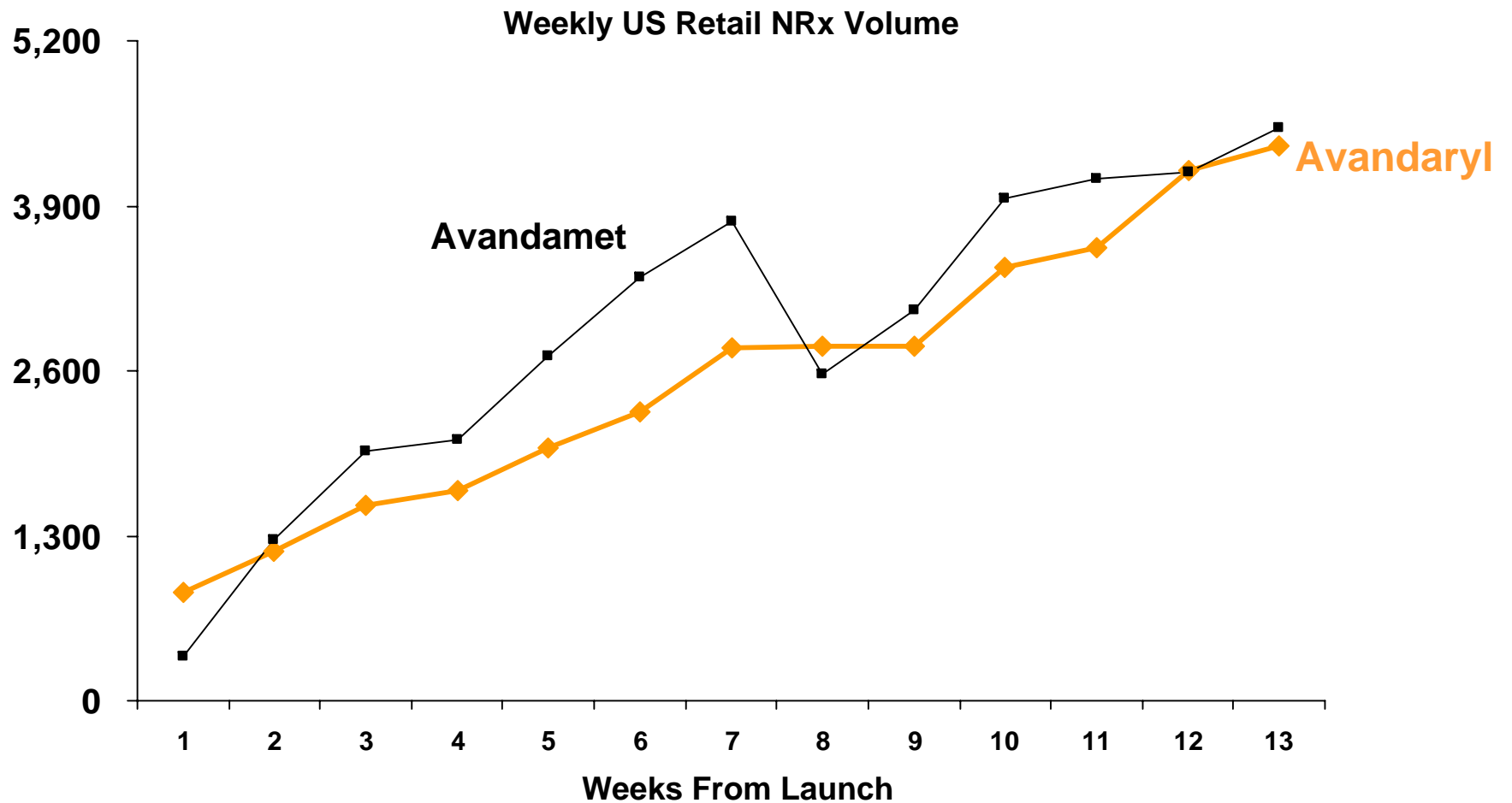
Avandia

Sales £384 Million +24%



- Avandamet is key growth driver in Europe
- US & Intern'l growth has been constrained by Cidra
- Avandaryl launched (£12m)

New US Product



Source: Verispan SPA /VONA, first week of launch based on first week of promotion

Avandia[®]
rosiglitazone maleate

Avandamet[™]
rosiglitazone maleate/metformin HCl

once daily
Avandaryl[™]
rosiglitazone maleate
and glimepiride

Near-term Opportunities

- Continued rollout of Avandaryl
- New Avandia capacity from mid-April
- Re-launch Avandamet in US mid '06
- DREAM
- ADOPT



VACCINES

Excellent Q1 Performance: £366m +44%

**New
Vaccines**

£23m

Including Rotarix and Boostrix

**Infanrix/
Pediatrix**

£124m +54%

Europe +73% helped by withdrawal of competitor

**Broad
Portfolio**

£103m +41%

Varilrix +100%; Polio +100%;

DTPw +25%; Priorix +16%

Three Rising Stars

Q1 Combined Sales £120m >100%



£47m +73%

- Q1 US NRx share of 5-ARI 42%; TRx +109%



£58m +83%

- RLS launch continues: US Q1 TRx +272%
- EU launches beginning in Q2'06



£15m >100%

- US launch continues: 27% share of new BP patients
- EU launches in '06

2006 Approvals / Launches

Arranon

once daily
Avandaryl™

Menitorix

Rotarix
in Europe

Adartrel

ALTABAX

FluLaval

ENTEREG™
(alvimopan)

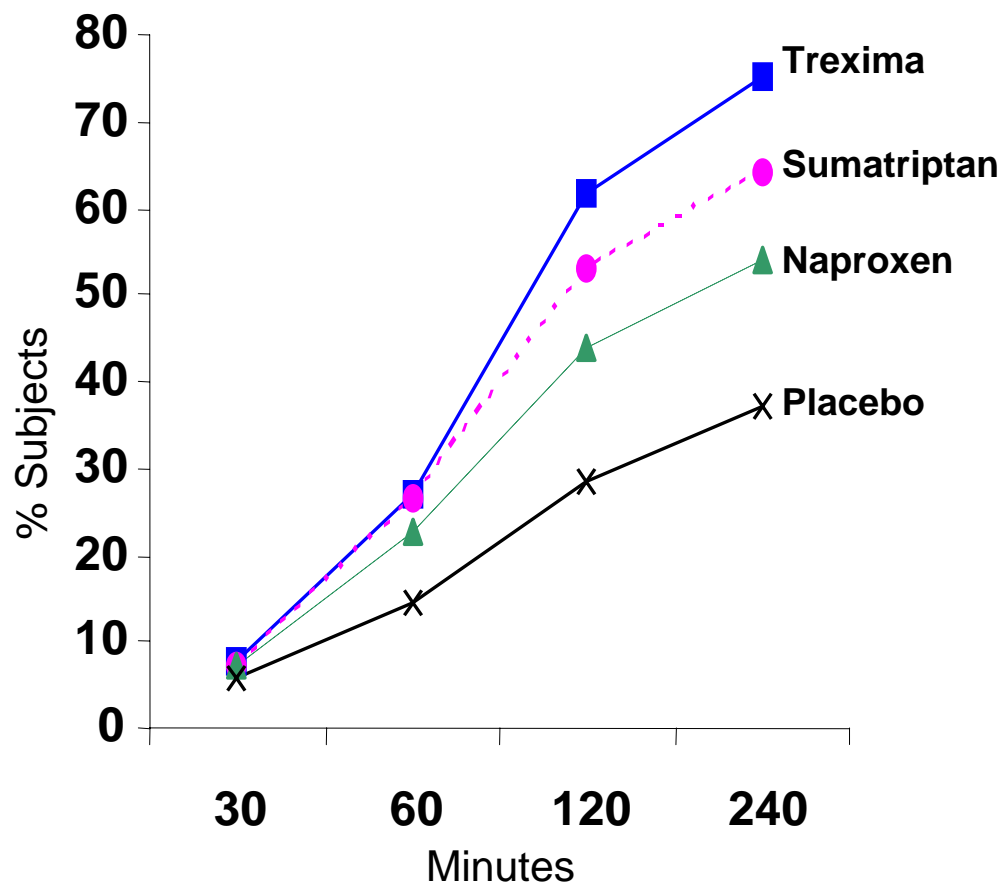
COREG CR™

Trexima™



Superior Efficacy vs Market Leader

% Subjects achieving pain relief at 4 hours



75% of subjects achieved pain relief after 4 hours with *Trexima*

Expect 3Q06 launch

*Source: Pooled data from studies MT400-301 and MT400-302 presented at AAN 2006
p<0.001 Trexima vs placebo at 60, 120, 240 mins
p<0.01 Trexima vs sumatriptan at 120, 240 mins
p<0.001 Trexima vs naproxen at 120, 240 mins

2006 Filings

Cervarix

mepolizumab

Tykerb

Wellbutrin XL in Europe

H5N1 pandemic

Arixtra (ACS)

Allermist

Requip PLEs

*Eltrombopag**

Lamictal XR



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