

Income statement

Three months ended 30th June 2008

	Business performance £m	Restruct- uring £m	Total £m	Business performance \$m	Restruct- uring \$m	Total \$m
Turnover:						
Pharmaceuticals	4,923	-	4,923	9,797	-	9,797
Consumer Healthcare	951	-	951	1,892	-	1,892
TURNOVER	5,874	-	5,874	11,689	-	11,689
Cost of sales	(1,375)	(138)	(1,513)	(2,736)	(275)	(3,011)
Gross profit	4,499	(138)	4,361	8,953	(275)	8,678
Selling, general and administration	(1,765)	(31)	(1,796)	(3,512)	(61)	(3,573)
Research and development	(802)	(18)	(820)	(1,596)	(36)	(1,632)
Other operating income	194	-	194	386	-	386
Operating profit:						
Pharmaceuticals	1,960	(186)	1,774	3,900	(370)	3,530
Consumer Healthcare	166	(1)	165	331	(2)	329
OPERATING PROFIT	2,126	(187)	1,939	4,231	(372)	3,859
Finance income	96	-	96	191	-	191
Finance expense	(214)	-	(214)	(426)	-	(426)
Share of after tax profits of joint ventures and associates	15	-	15	30	-	30
PROFIT BEFORE TAXATION	2,023	(187)	1,836	4,026	(372)	3,654
Taxation	(577)	48	(529)	(1,149)	95	(1,054)
PROFIT AFTER TAXATION FOR THE PERIOD	1,446	(139)	1,307	2,877	(277)	2,600
Profit attributable to minority interests	21	-	21	41	-	41
Profit attributable to shareholders	1,425	(139)	1,286	2,836	(277)	2,559
	1,446	(139)	1,307	2,877	(277)	2,600
EARNINGS PER SHARE	27.2p		24.6p	54.4¢		48.9¢
Diluted earnings per share	27.0p		24.4p	53.8¢		48.7¢

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

Income statement

Six months ended 30th June 2008

	Business performance £m	Restruct- uring £m	Total £m	Business performance \$m	Restruct- uring \$m	Total \$m
Turnover:						
Pharmaceuticals	9,690	-	9,690	19,283	-	19,283
Consumer Healthcare	1,870	-	1,870	3,721	-	3,721
TURNOVER	11,560	-	11,560	23,004	-	23,004
Cost of sales	(2,674)	(198)	(2,872)	(5,322)	(394)	(5,716)
Gross profit	8,886	(198)	8,688	17,682	(394)	17,288
Selling, general and administration	(3,485)	(56)	(3,541)	(6,935)	(111)	(7,046)
Research and development	(1,582)	(18)	(1,600)	(3,148)	(36)	(3,184)
Other operating income	355	-	355	707	-	707
Operating profit:						
Pharmaceuticals	3,854	(270)	3,584	7,669	(537)	7,132
Consumer Healthcare	320	(2)	318	637	(4)	633
OPERATING PROFIT	4,174	(272)	3,902	8,306	(541)	7,765
Finance income	178	-	178	354	-	354
Finance expense	(382)	(2)	(384)	(760)	(4)	(764)
Share of after tax profits of joint ventures and associates	14	-	14	28	-	28
PROFIT BEFORE TAXATION	3,984	(274)	3,710	7,928	(545)	7,383
Taxation	(1,140)	69	(1,071)	(2,269)	137	(2,132)
PROFIT AFTER TAXATION FOR THE PERIOD	2,844	(205)	2,639	5,659	(408)	5,251
Profit attributable to minority interests	46	-	46	91	-	91
Profit attributable to shareholders	2,798	(205)	2,593	5,568	(408)	5,160
	2,844	(205)	2,639	5,659	(408)	5,251
EARNINGS PER SHARE	52.9p		49.0p	105.3¢		97.5¢
Diluted earnings per share	52.5p		48.7p	104.5¢		96.9¢

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

Turnover

Pharmaceuticals including vaccines Three months ended 30th June 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
RESPIRATORY	1,383	616	497	270	2,753	1,226	989	538
<i>Seretide/Advair</i>	964	473	355	136	1,919	941	707	271
<i>Flixotide/Flovent</i>	158	68	43	47	315	136	86	93
<i>Serevent</i>	66	16	34	16	132	32	68	32
<i>Veramyst</i>	17	14	1	2	34	28	2	4
<i>Flixonase/Flonase</i>	65	33	16	16	129	66	32	31
ANTI-VIRALS	751	355	218	178	1,494	706	434	354
HIV	361	142	164	55	719	283	326	110
<i>Epzicom/Kivexa</i>	104	39	54	11	207	77	108	22
<i>Combivir</i>	104	41	44	19	207	82	88	37
<i>Trizivir</i>	50	23	24	3	100	46	48	6
<i>Agenerase, Lexiva</i>	38	18	16	4	75	35	32	8
<i>Epivir</i>	34	11	15	8	67	22	29	16
<i>Ziagen</i>	26	11	10	5	51	21	20	10
<i>Valtrex</i>	277	195	36	46	552	389	72	91
<i>Zeffix</i>	47	4	6	37	93	8	12	73
<i>Relenza</i>	3	2	1	-	6	4	2	-
CENTRAL NERVOUS SYSTEM	818	547	143	128	1,627	1,088	285	254
<i>Lamictal</i>	323	268	38	17	643	534	76	33
<i>Imigran/Imitrex</i>	173	139	24	10	345	277	48	20
<i>Seroxat/Paxil</i>	127	16	31	80	253	32	62	159
<i>Wellbutrin</i>	97	89	3	5	193	177	6	10
<i>Requip</i>	58	18	31	9	115	36	61	18
<i>Treximet</i>	8	8	-	-	16	16	-	-
CARDIOVASCULAR &UROGENITAL	435	251	129	55	866	499	257	110
<i>Avodart</i>	92	55	28	9	183	110	56	17
<i>Lovaza</i>	67	66	-	1	133	131	-	2
<i>Coreg</i>	44	43	-	1	87	85	-	2
<i>Coreg CR</i>	39	38	-	1	77	75	-	2
<i>Coreg IR</i>	5	5	-	-	10	10	-	-
<i>Fraxiparine</i>	58	-	46	12	116	-	91	25
<i>Arixtra</i>	36	16	17	3	71	31	34	6
<i>Vesicare</i>	16	16	-	-	32	32	-	-
<i>Levitra</i>	13	13	-	-	26	26	-	-
METABOLIC	285	139	73	73	567	276	145	146
<i>Avandia products</i>	194	104	49	41	386	207	98	81
<i>Avandia</i>	125	72	20	33	249	144	40	65
<i>Avandamet</i>	61	25	28	8	122	50	56	16
<i>Bonviva/Boniva</i>	56	36	18	2	111	71	36	4
ANTI-BACTERIALS	329	39	140	150	655	78	279	298
<i>Augmentin</i>	129	8	57	64	257	16	114	127
<i>Altabax</i>	4	4	-	-	8	8	-	-
ONCOLOGY & EMESIS	117	57	41	19	233	114	81	38
<i>Hycamtin</i>	35	19	12	4	69	37	24	8
<i>Zofran</i>	31	4	16	11	61	8	31	22
<i>Tykerb</i>	22	11	8	3	44	22	16	6
VACCINES	577	124	276	177	1,148	247	549	352
<i>Hepatitis</i>	167	66	72	29	332	131	143	58
<i>Infanrix/Pediarix</i>	167	49	94	24	333	98	187	48
<i>Fluarix, FluLaval</i>	5	-	(1)	6	10	-	(2)	12
<i>Flu-prepandemic</i>	34	-	35	(1)	68	-	70	(2)
<i>Cervarix</i>	15	-	11	4	30	-	22	8
<i>Rotarix</i>	35	-	10	25	69	-	20	49
<i>Boostrix</i>	18	9	7	2	36	18	14	4
OTHER	228	1	81	146	454	2	161	291
	4,923	2,129	1,598	1,196	9,797	4,236	3,180	2,381

Pharmaceutical turnover includes co-promotion income. US dollar amounts shown above are a convenience translation of the sterling amounts.

Turnover

Pharmaceuticals including vaccines Six months ended 30th June 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
RESPIRATORY	2,738	1,232	983	523	5,449	2,452	1,956	1,041
<i>Seretide/Advair</i>	1,918	972	700	246	3,817	1,934	1,393	490
<i>Flixotide/Flovent</i>	320	143	87	90	637	285	173	179
<i>Serevent</i>	133	33	71	29	265	66	141	58
<i>Veramyst</i>	30	26	2	2	60	52	4	4
<i>Flixonase/Flonase</i>	111	37	29	45	221	74	58	89
ANTI-VIRALS	1,490	702	427	361	2,965	1,397	850	718
HIV	719	294	321	104	1,431	585	639	207
<i>Epzicom/Kivexa</i>	203	79	102	22	404	157	203	44
<i>Combivir</i>	209	86	86	37	416	171	171	74
<i>Trizivir</i>	104	50	48	6	207	99	96	12
<i>Agenerase, Lexiva</i>	73	36	31	6	145	71	62	12
<i>Epivir</i>	68	22	30	16	135	44	59	32
<i>Ziagen</i>	51	21	19	11	101	41	38	22
<i>Valtrex</i>	526	368	71	87	1,047	733	141	173
<i>Zeffix</i>	93	7	13	73	185	14	26	145
<i>Relenza</i>	32	10	1	21	64	20	2	42
CENTRAL NERVOUS SYSTEM	1,647	1,141	272	234	3,277	2,270	541	466
<i>Lamictal</i>	613	508	71	34	1,220	1,011	141	68
<i>Imigran/Imitrex</i>	338	273	47	18	673	543	94	36
<i>Seroxat/Paxil</i>	248	47	59	142	494	94	117	283
<i>Wellbutrin</i>	223	210	6	7	444	418	12	14
<i>Requip</i>	152	78	60	14	302	155	119	28
<i>Treximet</i>	8	8	-	-	16	16	-	-
CARDIOVASCULAR &UROGENITAL	833	483	245	105	1,658	961	488	209
<i>Avodart</i>	177	104	56	17	352	207	111	34
<i>Lovaza</i>	117	116	-	1	233	231	-	2
<i>Coreg</i>	92	91	-	1	183	181	-	2
<i>Coreg CR</i>	74	73	-	1	147	145	-	2
<i>Coreg IR</i>	18	18	-	-	36	36	-	-
<i>Fraxiparine</i>	109	-	87	22	217	-	173	44
<i>Arixtra</i>	71	35	31	5	141	69	62	10
<i>Vesicare</i>	30	30	-	-	60	60	-	-
<i>Levitra</i>	27	26	1	-	54	52	2	-
METABOLIC	557	272	146	139	1,108	541	290	277
<i>Avandia products</i>	385	203	103	79	766	404	205	157
<i>Avandia</i>	247	143	42	62	492	285	84	123
<i>Avandamet</i>	123	49	59	15	245	98	117	30
<i>Bonviva/Boniva</i>	105	69	33	3	209	137	66	6
ANTI-BACTERIALS	692	84	315	293	1,377	167	627	583
<i>Augmentin</i>	285	25	136	124	567	50	270	247
<i>Altabax</i>	6	6	-	-	12	12	-	-
ONCOLOGY & EMESIS	230	115	78	37	458	229	155	74
<i>Hycamtin</i>	65	36	23	6	129	71	46	12
<i>Zofran</i>	60	7	32	21	119	14	63	42
<i>Tykerb</i>	41	21	15	5	82	42	30	10
VACCINES	1,013	233	476	304	2,016	464	947	605
Hepatitis	306	119	128	59	609	237	255	117
<i>Infanrix/Pediarix</i>	320	100	175	45	637	199	348	90
<i>Fluarix, FluLaval</i>	5	-	(1)	6	10	-	(2)	12
Flu-prepandemic	39	-	39	-	78	-	78	-
<i>Cervarix</i>	27	-	21	6	54	-	42	12
<i>Rotarix</i>	62	-	19	43	123	-	38	85
<i>Boostrix</i>	31	14	12	5	62	28	24	10
OTHER	490	5	152	333	975	10	302	663
	9,690	4,267	3,094	2,329	19,283	8,491	6,156	4,636

Pharmaceutical turnover includes co-promotion income. US dollar amounts shown above are a convenience translation of the sterling amounts.

Turnover

Consumer Healthcare

Three months ended 30th June 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
OVER-THE-COUNTER MEDIICINES	443	143	134	166	881	284	266	331
<i>Panadol franchise</i>	78	-	17	61	155	-	33	122
Smoking cessation products	65	47	13	5	130	94	26	10
<i>Tums</i>	22	19	-	3	44	38	-	6
Cold sore franchise	19	9	9	1	38	18	18	2
<i>Breathe Right</i>	18	10	5	3	36	20	10	6
<i>alli</i>	18	17	-	1	36	34	-	2
ORAL HEALTHCARE	298	50	169	79	593	99	337	157
<i>Aquafresh franchise</i>	107	18	66	23	213	36	132	45
<i>Sensodyne franchise</i>	87	15	43	29	173	31	85	57
Dental healthcare	66	15	27	24	132	31	53	48
NUTRITIONAL HEALTHCARE	210	-	134	76	418	-	267	151
<i>Lucozade</i>	107	-	95	12	213	-	189	24
<i>Horlicks</i>	48	-	5	43	96	-	10	86
<i>Ribena</i>	43	-	34	9	85	-	67	18
	951	193	437	321	1,892	383	870	639

Turnover

Consumer Healthcare

Six months ended 30th June 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
OVER-THE-COUNTER MEDIICINES	880	268	278	334	1,751	533	553	665
<i>Panadol franchise</i>	158	-	36	122	314	-	71	243
Smoking cessation products	123	85	29	9	245	169	58	18
<i>Tums</i>	43	37	-	6	86	74	-	12
Cold sore franchise	39	16	19	4	78	32	38	8
<i>Breathe Right</i>	35	19	10	6	70	38	20	12
<i>alli</i>	27	25	-	2	54	50	-	4
ORAL HEALTHCARE	587	100	328	159	1,168	199	653	316
<i>Aquafresh franchise</i>	214	38	130	46	426	76	259	91
<i>Sensodyne franchise</i>	173	30	84	59	344	60	167	117
Dental healthcare	126	29	51	46	251	58	101	92
NUTRITIONAL HEALTHCARE	403	-	244	159	802	-	486	316
<i>Lucozade</i>	193	-	171	22	384	-	340	44
<i>Horlicks</i>	104	-	11	93	207	-	22	185
<i>Ribena</i>	80	-	61	19	159	-	121	38
	1,870	368	850	652	3,721	732	1,692	1,297

Balance sheet

	30th June 2008 £m	30th June 2008 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	8,092	16,103
Goodwill	1,618	3,220
Other intangible assets	4,658	9,269
Investments in associates and joint ventures	346	689
Other investments	382	760
Deferred tax assets	2,210	4,398
Derivative instruments	42	84
Other non-current assets	495	985
Total non-current assets	17,843	35,508
Current assets		
Inventories	3,525	7,015
Current tax recoverable	49	97
Trade and other receivables	5,392	10,730
Derivative instruments	329	655
Liquid investments	393	782
Cash and cash equivalents	4,988	9,926
Assets held for sale	3	6
Total current assets	14,679	29,211
TOTAL ASSETS	32,522	64,719
LIABILITIES		
Current liabilities		
Short-term borrowings	(1,157)	(2,302)
Trade and other payables	(5,312)	(10,571)
Derivative instruments	(137)	(273)
Current tax payable	(841)	(1,674)
Short-term provisions	(819)	(1,630)
Total current liabilities	(8,266)	(16,450)
Non-current liabilities		
Long-term borrowings	(12,566)	(25,006)
Deferred tax provision	(762)	(1,516)
Pensions and other post-employment benefits	(1,756)	(3,495)
Other provisions	(1,100)	(2,189)
Derivative instruments	(2)	(4)
Other non-current liabilities	(363)	(722)
Total non-current liabilities	(16,549)	(32,932)
TOTAL LIABILITIES	(24,815)	(49,382)
NET ASSETS	7,707	15,337
EQUITY		
Share capital	1,440	2,866
Share premium account	1,302	2,591
Retained earnings	4,255	8,467
Other reserves	441	878
Shareholders' equity	7,438	14,802
Minority interests	269	535
TOTAL EQUITY	7,707	15,337

US dollar amounts shown above are a convenience transaction of the sterling amounts using the period end rate of £1/\$1.99.