

Income statement

Three months ended 30th September 2008

	Statutory Q3 2008 £m	Statutory Q3 2007 (restated) £m	Growth	
			CER%	£%
Turnover:				
Pharmaceuticals	4,888	4,591	(4)	6
Consumer Healthcare	994	885	3	12
TURNOVER	5,882	5,476	(3)	7
Cost of sales	(1,590)	(1,232)	20	29
Gross profit	4,292	4,244	(9)	1
Selling, general and administration	(1,819)	(1,617)	4	(12)
Research and development	(869)	(769)	6	(13)
Other operating income	53	52		
Operating profit:				
Pharmaceuticals	1,444	1,719	(29)	(16)
Consumer Healthcare	213	191	(2)	12
OPERATING PROFIT	1,657	1,910	(26)	(13)
Finance income	98	75		
Finance expense	(218)	(117)		
Share of after tax profits of associates and joint ventures	16	14		
PROFIT BEFORE TAXATION	1,553	1,882	(31)	(17)
Taxation	(497)	(536)		
<i>Tax rate %</i>	32.0%	28.5%		
PROFIT AFTER TAXATION FOR THE PERIOD	1,056	1,346	(35)	(22)
Profit attributable to minority interests	29	36		
Profit attributable to shareholders	1,027	1,310		
	1,056	1,346		
EARNINGS PER SHARE	20.1p	23.7p	(30)	(15)
Diluted earnings per share	20.0p	23.5p		

Income statement

Nine months ended 30th September 2008

	Statutory Q3 2008 £m	Statutory Q3 2007 (restated) £m	Growth	
			CER%	£%
Turnover:				
Pharmaceuticals	14,578	14,136	(3)	3
Consumer Healthcare	2,864	2,606	3	10
TURNOVER	17,442	16,742	(2)	4
Cost of sales	(4,462)	(3,678)	15	21
Gross profit	12,980	13,064	(7)	(1)
Selling, general and administration	(5,360)	(5,131)	(1)	4
Research and development	(2,469)	(2,284)	4	8
Other operating income	408	356		
Operating profit:				
Pharmaceuticals	5,028	5,504	(16)	(9)
Consumer Healthcare	531	501	(6)	6
OPERATING PROFIT	5,559	6,005	(16)	(7)
Finance income	276	210		
Finance expense	(602)	(334)		
Share of after tax profits of associates and joint ventures	30	40		
PROFIT BEFORE TAXATION	5,263	5,921	(19)	(11)
Taxation	(1,568)	(1,687)		
<i>Tax rate %</i>	29.8%	28.5%		
PROFIT AFTER TAXATION FOR THE PERIOD	3,695	4,234	(21)	(13)
Profit attributable to minority interests	75	77		
Profit attributable to shareholders	3,620	4,157		
	3,695	4,234		
EARNINGS PER SHARE	69.2p	74.7p	(16)	(7)
Diluted earnings per share	68.7p	73.9p		

Turnover

Pharmaceuticals including vaccines Three months ended 30th September 2008

	Total			USA			Europe			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	1,348	3	14	636	3	12	449	-	12	263	11	23
<i>Seretide/Advair</i>	982	7	18	515	5	14	324	1	13	143	35	47
<i>Flixotide/Flovent</i>	149	(4)	6	71	(1)	6	38	(3)	15	40	(10)	-
<i>Serevent</i>	60	(14)	(5)	17	(11)	(6)	32	(13)	-	11	(23)	(15)
<i>Veramyst</i>	17	>100	>100	12	>100	>100	3	-	-	2	-	100
<i>Flixonase/Flonase</i>	33	(39)	(33)	7	(67)	(67)	11	11	22	15	(32)	(21)
Anti-virals	792	1	11	398	5	13	199	(12)	1	195	7	17
HIV	377	(5)	5	153	(11)	(4)	150	(6)	7	74	11	21
<i>Epzicom/Kivexa</i>	110	24	38	44	21	29	50	19	35	16	56	78
<i>Combivir</i>	110	(13)	(4)	41	(26)	(18)	38	(19)	(10)	31	26	35
<i>Trizivir</i>	49	(20)	(11)	24	(21)	(14)	22	(17)	(4)	3	(25)	(25)
<i>Agenerase, Lexiva</i>	40	(3)	8	21	(5)	5	15	(8)	15	4	25	-
<i>Epivir</i>	35	(16)	(8)	11	(29)	(21)	13	(27)	(13)	11	22	22
<i>Ziagen</i>	27	(11)	(4)	10	(17)	(17)	8	(22)	(11)	9	14	29
<i>Valtrex</i>	303	21	32	223	28	38	35	7	25	45	3	15
<i>Zeffix</i>	42	(10)	-	4	(25)	-	7	-	17	31	(9)	(3)
<i>Relenza</i>	12	(57)	(57)	5	(58)	(58)	-	-	(100)	7	>100	>100
Central nervous system	585	(38)	(29)	321	(52)	(46)	142	4	17	122	(5)	6
<i>Lamictal</i>	136	(59)	(51)	84	(71)	(63)	37	(9)	6	15	-	(6)
<i>Imigran/Imitrex</i>	188	5	14	154	8	16	24	(5)	9	10	-	-
<i>Seroxat/Paxil</i>	112	(23)	(13)	13	(67)	(61)	27	(8)	4	72	(9)	4
<i>Wellbutrin</i>	53	(67)	(61)	44	(72)	(66)	6	100	>100	3	100	50
<i>Requip</i>	56	(43)	(36)	13	(81)	(78)	35	35	52	8	60	60
<i>Requip XL</i>	15	-	-	4	-	-	11	-	-	-	-	-
<i>Treximet</i>	4	-	-	4	-	-	-	-	-	-	-	-
Cardiovascular and	466	12	23	280	9	17	130	17	38	56	13	24
<i>Avodart</i>	102	29	42	63	29	40	29	19	38	10	67	67
<i>Lovaza</i>	75	-	-	75	-	-	-	-	-	-	-	-
<i>Coreg</i>	50	(69)	(66)	49	(69)	(66)	-	-	-	1	(100)	-
<i>Coreg CR</i>	41	19	32	41	19	32	-	-	-	-	-	-
<i>Coreg IR</i>	9	(93)	(92)	8	(93)	(93)	-	-	-	1	(100)	-
<i>Fraxiparine</i>	59	22	44	-	-	-	47	18	42	12	38	50
<i>Arixtra</i>	44	56	76	22	43	57	19	78	>100	3	50	50
<i>Vesicare</i>	18	31	38	18	31	38	-	-	-	-	-	-
<i>Levitra</i>	16	15	23	15	17	25	1	-	-	-	-	-
Metabolic	289	(11)	(2)	136	(22)	(15)	72	(2)	13	81	4	14
<i>Avandia products</i>	191	(23)	(15)	99	(28)	(24)	48	(16)	(4)	44	(16)	(2)
<i>Avandia</i>	118	(29)	(23)	67	(33)	(27)	20	(31)	(23)	31	(20)	(11)
<i>Avandamet</i>	63	(7)	5	26	(14)	(10)	26	-	13	11	-	38
<i>Bonviva/Boniva</i>	56	24	37	36	18	29	18	60	80	2	(33)	(33)
Anti-bacterials	340	3	13	40	(10)	(2)	141	(1)	15	159	10	17
<i>Augmentin</i>	143	10	22	9	(36)	(18)	62	6	22	72	24	31
<i>Altabax</i>	5	>100	>100	4	100	100	1	-	-	-	-	-
Oncology and emesis	128	12	23	64	13	23	41	6	24	23	16	21
<i>Hycamtin</i>	34	3	13	20	-	11	12	10	20	2	-	-
<i>Zofran</i>	33	(9)	3	6	50	50	15	(24)	(12)	12	(9)	9
<i>Tykerb</i>	26	44	63	12	-	9	10	80	100	4	-	-
Vaccines	730	12	23	218	(13)	(8)	323	40	59	189	12	24
<i>Hepatitis</i>	174	11	23	82	17	24	61	2	13	31	19	48
<i>Infanrix/Pediarix</i>	168	9	23	56	(10)	(3)	89	23	46	23	28	28
<i>Fluarix, FluLaval</i>	144	11	20	63	(19)	(18)	58	55	76	23	100	100
<i>Flu-prepandemic</i>	10	(52)	(52)	-	-	-	10	>100	>100	-	-	-
<i>Cervarix</i>	43	>100	>100	-	-	-	38	-	-	5	>100	>100
<i>Rotarix</i>	39	57	70	4	-	-	11	67	83	24	29	41
<i>Boostrix</i>	22	(19)	(15)	13	(40)	(35)	7	40	40	2	100	100
Other	210	(3)	7	8	>100	>100	66	(6)	5	136	(12)	(5)
	4,888	(4)	6	2,101	(13)	(6)	1,563	6	20	1,224	5	15

Pharmaceutical turnover includes co-promotion income.

Turnover

Pharmaceuticals including vaccines Nine months ended 30th September 2008

	Total			USA			Europe			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	4,086	4	11	1,868	5	7	1,432	1	13	786	10	21
<i>Seretide/Advair</i>	2,900	8	14	1,487	6	8	1,024	4	16	389	29	40
<i>Flixotide/Flovent</i>	469	(2)	5	214	3	5	125	(6)	9	130	(9)	2
<i>Serevent</i>	193	(10)	(3)	50	(11)	(9)	103	(6)	4	40	(18)	(9)
<i>Veramyst</i>	47	>100	>100	38	>100	>100	5	-	-	4	>100	>100
<i>Flixonase/Flonase</i>	144	(20)	(14)	44	(38)	(38)	40	(3)	8	60	(8)	2
Anti-virals	2,282	(4)	2	1,100	(2)	-	626	(14)	(2)	556	4	13
HIV	1,096	(6)	1	447	(9)	(7)	471	(5)	7	178	3	10
<i>Epzicom/Kivexa</i>	313	24	34	123	14	17	152	28	43	38	52	65
<i>Combivir</i>	319	(14)	(8)	127	(17)	(15)	124	(20)	(9)	68	8	13
<i>Trizivir</i>	153	(20)	(14)	74	(21)	(20)	70	(16)	(4)	9	(33)	(25)
<i>Agenerase, Lexiva</i>	113	1	8	57	(5)	(3)	46	3	18	10	43	43
<i>Epivir</i>	103	(19)	(13)	33	(20)	(18)	43	(22)	(12)	27	(13)	(10)
<i>Ziagen</i>	78	(9)	(4)	31	(9)	(9)	27	(11)	-	20	(5)	-
<i>Valtrex</i>	829	16	22	591	19	21	106	11	26	132	9	22
<i>Zeffix</i>	135	(1)	7	11	-	10	20	6	18	104	(2)	5
<i>Relenza</i>	44	(78)	(76)	15	(83)	(83)	1	(99)	(99)	28	-	12
Central nervous system	2,232	(13)	(9)	1,462	(18)	(16)	414	(1)	11	356	(4)	6
<i>Lamictal</i>	749	(9)	(6)	592	(10)	(8)	108	(9)	3	49	2	7
<i>Imigran/Imitrex</i>	526	2	6	427	3	5	71	(3)	9	28	(4)	-
<i>Seroxat/Paxil</i>	360	(19)	(10)	60	(42)	(42)	86	(15)	(5)	214	(8)	3
<i>Wellbutrin</i>	276	(33)	(31)	254	(36)	(34)	12	>100	>100	10	11	11
<i>Requip</i>	208	(22)	(17)	91	(48)	(48)	95	29	44	22	82	100
<i>Requip XL</i>	23	-	-	4	-	-	19	-	-	-	-	-
<i>Treximet</i>	12	-	-	12	-	-	-	-	-	-	-	-
Cardiovascular and	1,299	(3)	3	763	(10)	(9)	375	12	29	161	15	23
<i>Avodart</i>	279	31	38	167	29	33	85	25	42	27	63	69
<i>Lovaza</i>	192	-	-	191	-	-	-	-	-	1	-	-
<i>Coreg</i>	142	(76)	(75)	140	(75)	(75)	-	-	-	2	(83)	(67)
<i>Coreg CR</i>	115	>100	>100	114	>100	>100	-	-	-	1	-	-
<i>Coreg IR</i>	27	(95)	(95)	26	(95)	(95)	-	-	-	1	(100)	(80)
<i>Fraxiparine</i>	168	10	26	-	-	-	134	4	22	34	39	48
<i>Arixtra</i>	115	51	62	57	44	46	50	54	79	8	100	100
<i>Vesicare</i>	48	31	33	48	31	33	-	-	-	-	-	-
<i>Levitra</i>	43	11	13	41	11	14	2	100	100	-	-	-
Metabolic	846	(33)	(29)	408	(45)	(44)	218	(9)	2	220	(17)	(11)
<i>Avandia products</i>	576	(45)	(42)	302	(54)	(54)	151	(21)	(11)	123	(33)	(27)
<i>Avandia</i>	365	(51)	(49)	210	(58)	(57)	62	(36)	(29)	93	(36)	(32)
<i>Avandamet</i>	186	(25)	(18)	75	(39)	(38)	85	(6)	6	26	(15)	(4)
<i>Bonviva/Boniva</i>	161	39	48	105	34	36	51	55	76	5	33	67
Anti-bacterials	1,032	-	8	124	(15)	(13)	456	(4)	9	452	9	15
<i>Augmentin</i>	428	2	11	34	(37)	(35)	198	2	16	196	16	22
<i>Altabax</i>	11	57	57	10	43	57	1	-	-	-	-	-
Oncology and emesis	358	(11)	(5)	179	(23)	(21)	119	6	21	60	10	15
<i>Hycamtin</i>	99	6	13	56	4	6	35	7	21	8	17	33
<i>Zofran</i>	93	(52)	(47)	13	(85)	(85)	47	(23)	(11)	33	(17)	(8)
<i>Tykerb</i>	67	94	>100	33	38	38	25	>100	>100	9	-	-
Vaccines	1,743	18	28	451	4	6	799	30	46	493	16	27
<i>Hepatitis</i>	480	17	26	201	36	39	189	1	13	90	16	29
<i>Infanrix/Pediarix</i>	488	10	20	156	1	3	264	15	33	68	14	21
<i>Fluarix, FluLaval</i>	149	10	19	63	(18)	(17)	57	56	78	29	53	71
<i>Flu-prepandemic</i>	49	>100	>100	-	-	-	49	>100	>100	-	-	-
<i>Cervarix</i>	70	>100	>100	-	-	-	59	-	-	11	>100	>100
<i>Rotarix</i>	101	81	94	4	-	-	30	63	88	67	78	86
<i>Boostrix</i>	53	(6)	-	27	(24)	(21)	19	21	36	7	40	40
Other	700	1	8	13	(63)	(59)	218	11	22	469	2	8
	14,578	(3)	3	6,368	(11)	(9)	4,657	3	15	3,553	5	14

Pharmaceutical turnover includes co-promotion income

Turnover

Consumer Healthcare Three months ended 30th September 2008

	Total			USA			Europe			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Over-the-counter medicines	476	(1)	10	155	(16)	(9)	142	4	19	179	13	27
<i>Panadol</i> franchise	82	9	21	-	-	-	20	(6)	18	62	14	22
Smoking cessation	83	3	11	60	2	7	13	(8)	-	10	33	67
<i>Tums</i>	21	(17)	(9)	18	(16)	(5)	-	-	-	3	-	-
Cold sore franchise	22	-	10	10	(9)	(9)	8	-	14	4	50	100
<i>Breathe Right</i>	19	(5)	-	13	(8)	-	4	100	100	2	(50)	(50)
<i>alli</i>	18	(50)	(47)	18	(50)	(45)	-	-	-	-	-	-
Oral healthcare	310	7	19	54	4	13	174	7	22	82	9	19
<i>Aquafresh</i> franchise	116	5	18	20	6	18	72	2	18	24	15	20
<i>Sensodyne</i> franchise	90	8	20	17	14	21	43	9	23	30	4	15
Dental healthcare	68	9	21	15	-	7	27	15	35	26	9	18
Nutritional healthcare	208	5	7	-	-	-	127	1	2	81	13	16
<i>Lucozade</i>	100	2	5	-	-	-	89	-	2	11	25	38
<i>Horlicks</i>	53	10	10	-	-	-	5	(17)	(17)	48	14	14
<i>Ribena</i>	44	2	7	-	-	-	33	(3)	-	11	25	38
	994	3	12	209	(11)	(5)	443	4	15	342	12	22

Turnover

Consumer Healthcare Nine months ended 30th September 2008

	Total			USA			Europe			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Over-the-counter medicines	1,356	(2)	5	423	(19)	(17)	420	4	17	513	14	23
<i>Panadol</i> franchise	240	13	22	-	-	-	56	7	22	184	15	23
Smoking cessation	206	(13)	(10)	145	(10)	(8)	42	(28)	(22)	19	6	19
<i>Tums</i>	64	(6)	(3)	55	(7)	(5)	-	-	-	9	14	29
Cold sore franchise	61	8	15	26	4	4	27	9	23	8	17	33
<i>Breathe Right</i>	54	13	20	32	(11)	(9)	14	>100	>100	8	40	60
<i>alli</i>	45	(60)	(59)	43	(61)	(61)	-	-	-	2	100	100
Oral healthcare	897	6	16	154	-	2	502	6	19	241	10	19
<i>Aquafresh</i> franchise	330	3	13	58	(3)	(2)	202	2	16	70	10	17
<i>Sensodyne</i> franchise	263	12	22	47	12	15	127	13	25	89	11	22
Dental healthcare	194	7	18	44	(2)	-	78	11	28	72	10	22
Nutritional healthcare	611	10	12	-	-	-	371	5	6	240	19	23
<i>Lucozade</i>	293	10	12	-	-	-	260	8	10	33	29	38
<i>Horlicks</i>	157	14	17	-	-	-	16	(11)	(11)	141	18	22
<i>Ribena</i>	124	1	3	-	-	-	94	(2)	(1)	30	12	20
	2,864	3	10	577	(15)	(13)	1,293	5	15	994	14	22