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Group overview and strategic outlook

6 May 2015

Healthcare environment requires global, diversified and innovative offering



Growing population...



Driven by significant new cohorts...



Offset by sustained pricing pressure...

... and uncertainty of funding



Global footprint

Broad portfolio offering

Regulatory and quality competence

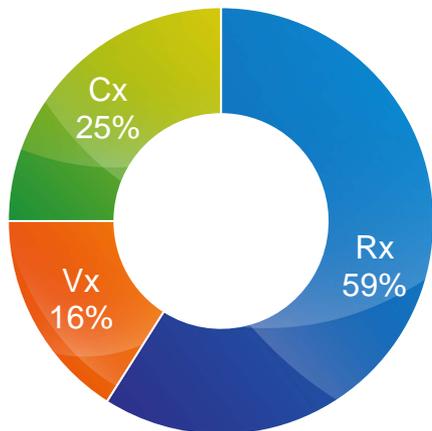


Science-led innovation

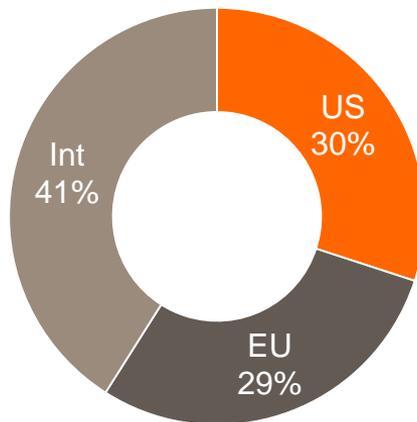
Long term strategic actions mean GSK is well positioned for new operating environment



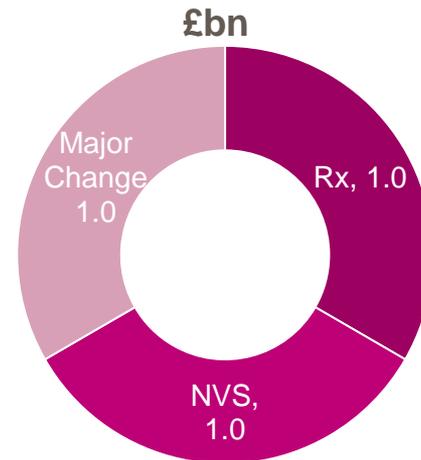
Diversified business*



Diversified geographies*



Cost saving programmes



Offering value for money health interventions to prevent and treat illness

* 2014 sales restated to exclude Oncology and include 12 months of NVS sales.

Capital allocation strategy to support growth and returns



Investment

Flexibility

Shareholder return



Intention to retain full holding in ViiV

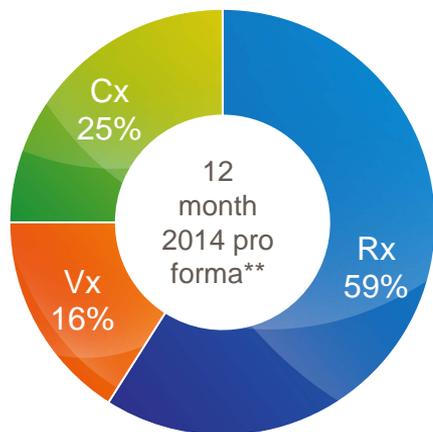
Accelerate restructuring of Group

Provide new flexibility for possible generic Advair and ViiV/Consumer put options

3 year ordinary dividend of 80p 2015-2017

£1bn special dividend with Q4 2015 ordinary dividend

GSK targeting improvements to financial performance 2016-2020



Vx sales
Mid-to-high single digit*

Rx sales
Low single digit*

Cx sales
Mid single digit*

Group sales

Expect low-to-mid single digit
CAGR for the Group*

Core EPS

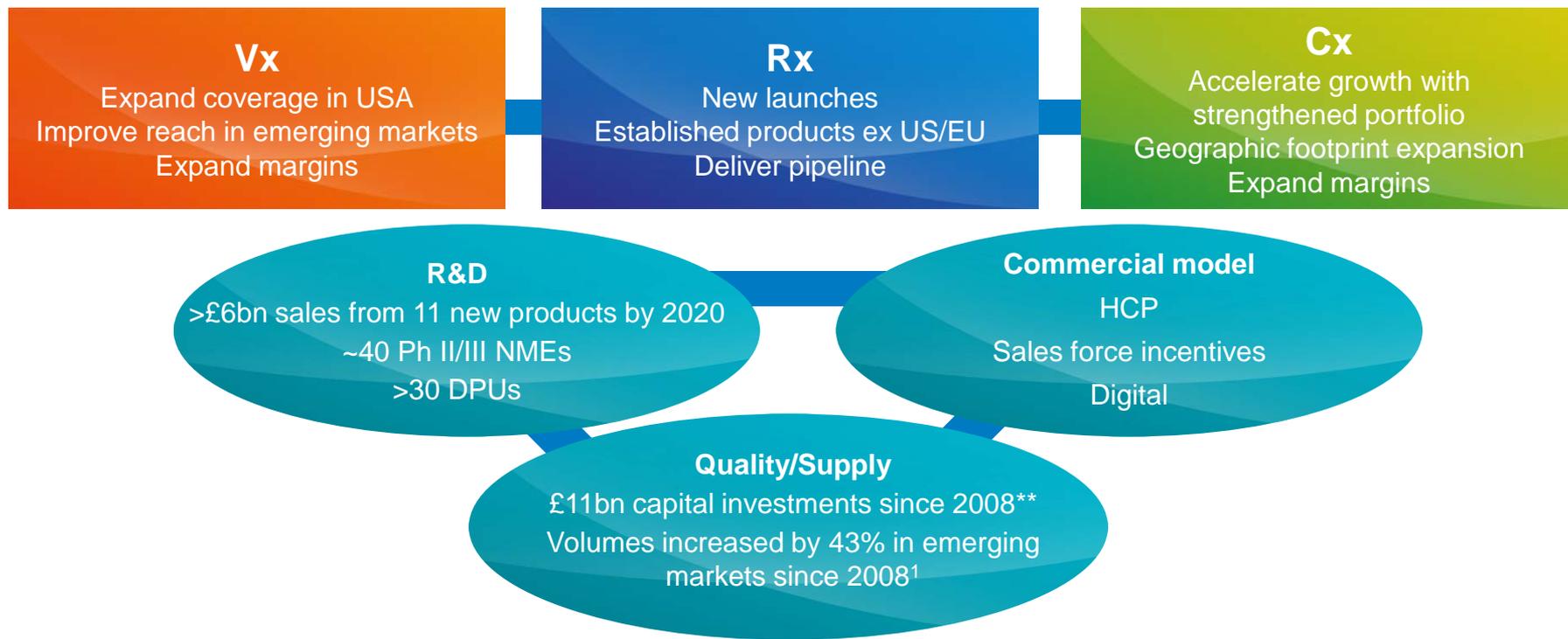
2016 expected to
reach double digit CER growth

2016-2020 expected to be mid-
to-high single digit CER CAGR*

* CAGR to 2020, using 2015 as the base year. All expectations and targets regarding future performance should be read together with the "2015-2020 Outlook" and "Assumptions and cautionary statement regarding forward-looking statements" sections of the Q1 Results Announcements dated 6 May 2015. All growth rates at CER.

** 2014 sales restated to exclude Oncology and include 12 months of NVS sales.

Key success factors

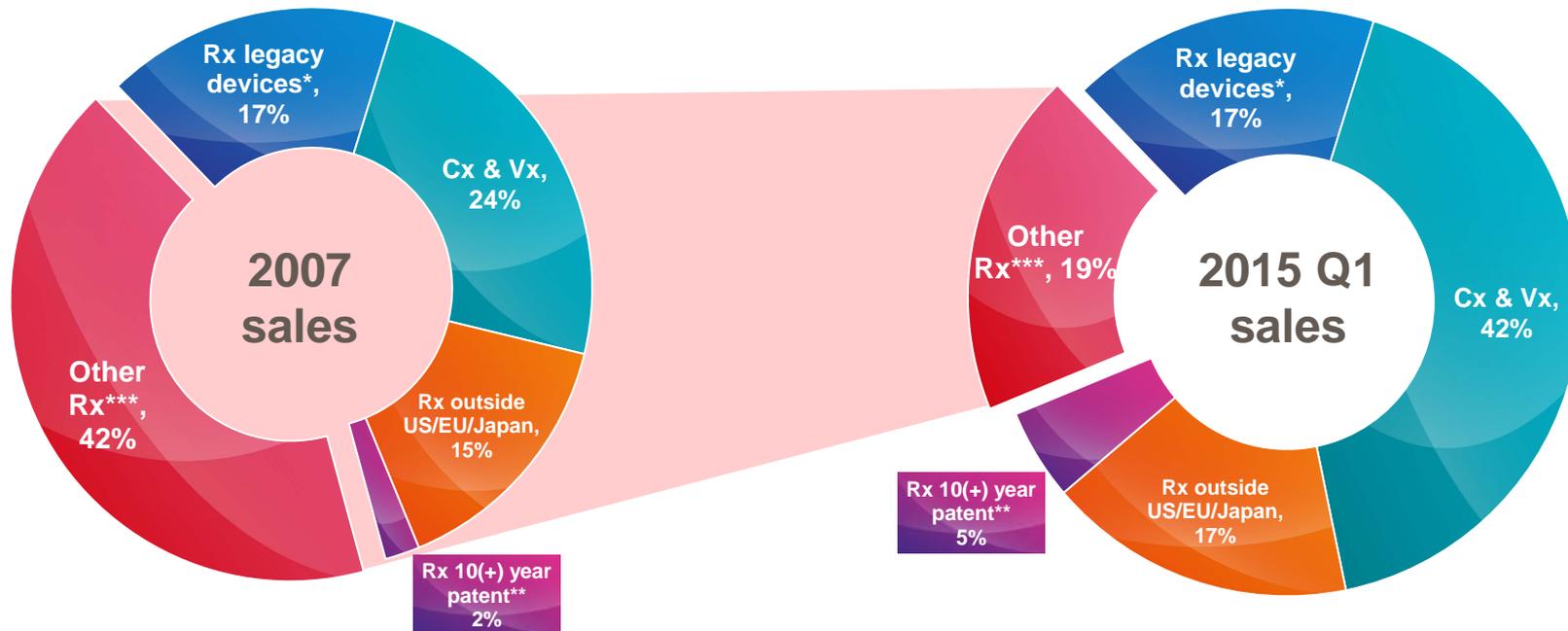


* Includes key recent and near-term launches plus late-stage assets. Rx: Breo, Anoro, Incruse, Arnuity, Tanzeum, Nucala, Ticay, Triumeq, Vx: Menveo, Bexsero, Shingrix.

** Net PPE plus purchase of intangibles 2008-2014.

¹ IMS

Broader and diversified portfolio offers sustained revenue protection



* Advair, Flovent and Ventolin in the US, Europe and Japan.

** US, Europe and Japan.

*** All sales not captured by other categories.

The GSK proposition



High level exposure to broad healthcare markets and global GDP growth

Volume driven capability to drive growth with reduced reliance on price

Significant R&D pipeline opportunities and low concentration of patent risk, post Advair/Seretide

Leadership positions in Consumer & Vaccines

Pharma rebalanced

Expect sales and EPS growth 2016-2020*

Cautionary statement regarding forward-looking statements



This presentation may contain forward-looking statements. Forward-looking statements give the Group's current expectations or forecasts of future events. An investor can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as 'anticipate', 'estimate', 'expect', 'intend', 'will', 'project', 'plan', 'believe', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, prospective products or product approvals, future performance or results of current and anticipated products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, and financial results.

Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Conduct Authority), the Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Investors should, however, consult any additional disclosures that the Group may make in any documents which it publishes and/or files with the US Securities and Exchange Commission (SEC). All investors, wherever located, should take note of these disclosures. Accordingly, no assurance can be given that any particular expectation will be met and investors are cautioned not to place undue reliance on the forward-looking statements.

Forward-looking statements are subject to assumptions, inherent risks and uncertainties, many of which relate to factors that are beyond the Group's control or precise estimate. The Group cautions investors that a number of important factors, including those in this document, could cause actual results to differ materially from those expressed or implied in any forward-looking statement. Such factors include, but are not limited to, those discussed under Item 3.D 'Risk factors' in the Group's Annual Report on Form 20-F for 2014 and those discussed in Part 2 of the Circular to Shareholders and Notice of General Meeting furnished to the SEC on Form 6-K on November 24, 2014. Any forward-looking statements made by or on behalf of the Group speak only as of the date they are made and are based upon the knowledge and information available to the Directors on the date of this report.

A number of adjusted measures are used to report the performance of our business. These measures are defined in our Q1 2015 earnings release and annual report on Form 20-F.

Unaudited pro forma financial information



The unaudited pro forma financial information in this presentation has been prepared to illustrate the effect of (i) the disposal of the oncology assets, (ii) the Consumer Healthcare joint venture (i.e. the acquisition of the Novartis OTC Business), and (iii) the acquisition of the Vaccines business (which excludes the Influenza Vaccines business) on the results of the Group as if they had taken place as at January 1, 2014.

The unaudited pro forma financial information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position or results. The unaudited pro forma financial does not purport to represent what the Group's financial position actually would have been if the disposal of the Oncology assets, the Consumer Healthcare joint venture and the Vaccines acquisition had been completed on the dates indicated; nor does it purport to represent the financial condition at any future date.

In addition to the matters noted above, the unaudited pro forma financial information does not reflect the effect of anticipated synergies and efficiencies associated with the Oncology disposal, the Consumer Healthcare joint venture and the Vaccines acquisition.

The unaudited pro forma financial information does not constitute financial statements within the meaning of Section 434 of the Companies Act 2006. The unaudited pro forma financial information in this presentation should be read in conjunction with the financial statements included in (i) the Group's Q1 2015 earnings report dated May 6, 2015 and furnished to the SEC on Form 6-K, (ii) the Group's Annual Report on Form 20-F for 2014 and (iii) the Circular to Shareholders and Notice of General Meeting furnished to the SEC on Form 6-K on November 24, 2014.