

Income statement

Three months ended 30 September 2017

	Total £m	Total \$m
TURNOVER	7,843	10,186
Cost of sales	(2,652)	(3,445)
Gross profit	5,191	6,741
Selling, general and administration	(2,308)	(3,003)
Research and development	(1,047)	(1,363)
Royalty income	107	139
Other operating income/(expense)	(66)	(94)
OPERATING PROFIT	1,877	2,420
Finance income	13	17
Finance expense	(194)	(253)
Profit on disposal of interest in associates	8	11
Share of after tax profits of joint ventures and associates	7	9
PROFIT BEFORE TAXATION	1,711	2,204
Taxation	(316)	(407)
PROFIT AFTER TAXATION FOR THE PERIOD	1,395	1,797
Profit attributable to non-controlling interests	183	237
Profit attributable to shareholders	1,212	1,560
	1,395	1,797
EARNINGS PER SHARE	24.8p	32.2¢
Diluted earnings per share	24.6p	32.0¢

US dollar amounts shown above are a convenience translation of the sterling amounts. US dollar results for the nine months ended 30 September 2017 are calculated using average rates for the period. US dollar results for the three months ended 30 September 2017 are calculated as the difference between these nine month results translated into US dollars and US dollar results previously published for the six months ended 30 June 2017.

Income statement

Nine months ended 30 September 2017

	Total £m	Total \$m
TURNOVER	22,547	28,860
Cost of sales	(7,784)	(9,963)
Gross profit	14,763	18,897
Selling, general and administration	(7,139)	(9,138)
Research and development	(3,267)	(4,182)
Royalty income	287	367
Other operating income/(expense)	(1,069)	(1,368)
OPERATING PROFIT	3,575	4,576
Finance income	49	63
Finance expense	(580)	(743)
Profit on disposal of interest in associates	28	36
Share of after tax profits of joint ventures and associates	11	14
PROFIT BEFORE TAXATION	3,083	3,946
Taxation	(551)	(705)
PROFIT AFTER TAXATION FOR THE PERIOD	2,532	3,241
Profit attributable to non-controlling interests	454	581
Profit attributable to shareholders	2,078	2,660
	2,532	3,241
EARNINGS PER SHARE	42.5p	54.4¢
Diluted earnings per share	42.1p	53.9¢

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Pharmaceuticals turnover - three months ended 30 September 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	1,611	813	334	464	2,097	1,058	435	604
<i>Anoro Ellipta</i>	86	58	18	10	111	75	24	12
<i>Armuity Ellipta</i>	7	6	-	1	9	8	-	1
<i>Avamys/Veramyst</i>	60	2	15	43	79	3	20	56
<i>Flixotide/Flovent</i>	125	65	18	42	164	85	23	56
<i>Incruse Ellipta</i>	56	39	13	4	72	50	17	5
<i>Nucala</i>	91	61	20	10	117	79	26	12
<i>Relvar/Breo Ellipta</i>	225	127	49	49	293	166	63	64
<i>Seretide/Advair</i>	743	388	164	191	967	505	213	249
<i>Ventolin</i>	159	66	31	62	208	86	41	81
Other	59	1	6	52	77	1	8	68
HIV	1,093	681	283	129	1,420	884	368	168
<i>Epzicom/Kivexa</i>	51	2	26	23	67	3	34	30
<i>Selzentry</i>	31	17	11	3	40	22	15	3
<i>Tivicay</i>	364	244	80	40	472	316	104	52
<i>Triumeq</i>	621	405	158	58	807	526	205	76
Other	26	13	8	5	34	17	10	7
Immuno-inflammation	95	85	7	3	123	110	9	4
<i>Benlysta</i>	94	85	7	2	122	110	9	3
Established Pharmaceuticals	1,391	252	322	817	1,809	328	419	1,062
Dermatology	115	2	40	73	150	3	52	95
Augmentin	148	-	41	107	192	-	53	139
Avodart	144	3	66	75	188	5	86	97
Coreg	37	37	-	-	48	48	-	-
<i>Eperzan/Tanzeum</i>	22	20	1	1	28	25	2	1
<i>Imigran/Imitrex</i>	38	16	16	6	50	21	21	8
<i>Lamictal</i>	167	86	27	54	217	111	36	70
<i>Requip</i>	26	2	6	18	34	3	8	23
<i>Serevent</i>	23	13	8	2	30	17	10	3
<i>Seroxat/Paxil</i>	46	-	10	36	59	-	13	46
<i>Valtrex</i>	34	7	8	19	44	10	10	24
<i>Zeffix</i>	21	-	1	20	27	-	1	26
Other	570	66	98	406	740	85	127	528
Pharmaceuticals	4,190	1,831	946	1,413	5,449	2,380	1,231	1,838

Pharmaceuticals turnover - nine months ended 30 September 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	5,095	2,550	1,076	1,469	6,522	3,264	1,377	1,881
<i>Anoro Ellipta</i>	233	157	49	27	298	201	63	34
<i>Arnuity Ellipta</i>	23	22	-	1	29	28	-	1
<i>Avamys/Veramyst</i>	216	1	59	156	277	1	76	200
<i>Flixotide/Flovent</i>	434	232	69	133	556	297	88	171
<i>Incruse Ellipta</i>	140	93	36	11	179	119	46	14
<i>Nucala</i>	223	153	46	24	285	196	59	30
<i>Relvar/Breo Ellipta</i>	710	421	148	141	909	539	189	181
<i>Seretide/Advair</i>	2,343	1,203	552	588	2,999	1,540	706	753
<i>Ventolin</i>	552	269	96	187	707	344	123	240
Other	221	(1)	21	201	283	(1)	27	257
HIV	3,194	1,983	822	389	4,088	2,538	1,052	498
<i>Epzicom/Kivexa</i>	192	23	97	72	246	30	124	92
<i>Selzentry</i>	98	50	32	16	125	64	41	20
<i>Tivicay</i>	1,005	667	228	110	1,286	853	292	141
<i>Triumeq</i>	1,808	1,205	440	163	2,314	1,542	563	209
Other	91	38	25	28	117	49	32	36
Immuno-inflammation	280	252	20	8	358	322	26	10
<i>Benlysta</i>	278	251	20	7	356	321	26	9
Established Pharmaceuticals	4,167	751	1,029	2,387	5,334	961	1,317	3,056
Dermatology	339	2	122	215	434	3	156	275
Augmentin	444	-	136	308	568	-	174	394
Avodart	464	12	233	219	594	16	298	280
Coreg	111	111	-	-	142	142	-	-
<i>Eperzan/Tanzeum</i>	73	70	3	-	93	89	4	-
<i>Imigran/Imitrex</i>	132	62	50	20	169	79	64	26
<i>Lamictal</i>	482	247	81	154	617	316	104	197
<i>Requip</i>	82	10	20	52	105	13	26	66
<i>Serevent</i>	72	39	25	8	92	50	32	10
<i>Seroxat/Paxil</i>	137	-	29	108	175	-	37	138
<i>Valtrex</i>	97	16	23	58	124	21	29	74
<i>Zeffix</i>	69	1	4	64	88	1	5	82
Other	1,665	181	303	1,181	2,131	231	388	1,512
Pharmaceuticals	12,736	5,536	2,947	4,253	16,302	7,085	3,772	5,445

Vaccines turnover - three months ended 30 September 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	298	143	103	52	385	184	134	67
<i>Bexsero</i>	176	69	94	13	227	89	121	17
<i>Menveo</i>	98	74	6	18	127	95	9	23
<i>Other</i>	24	-	3	21	31	-	4	27
Influenza	343	293	27	23	440	375	35	30
<i>Fluarix, FluLaval</i>	343	293	27	23	440	375	35	30
Established Vaccines	1,048	380	301	367	1,360	492	391	477
<i>Infanrix, Pediarix</i>	196	94	80	22	255	122	104	29
<i>Boostrix</i>	165	99	44	22	215	128	58	29
Hepatitis	210	132	53	25	272	170	69	33
<i>Rotarix</i>	157	34	25	98	203	44	33	126
<i>Synflorix</i>	114	-	17	97	148	-	22	126
<i>Priorix, Priorix Tetra, Varilrix</i>	79	-	47	32	103	-	61	42
<i>Cervarix</i>	37	-	8	29	47	-	10	37
<i>Other</i>	90	21	27	42	117	28	34	55
Vaccines	1,689	816	431	442	2,185	1,051	560	574

Vaccines turnover - nine months ended 30 September 2017

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	689	272	305	112	882	348	391	143
<i>Bexsero</i>	441	136	265	40	564	174	339	51
<i>Menveo</i>	209	136	29	44	268	174	38	56
<i>Other</i>	39	-	11	28	50	-	14	36
Influenza	377	290	32	55	483	371	41	71
<i>Fluarix, FluLaval</i>	377	290	32	55	483	371	41	71
Established Vaccines	2,886	933	877	1,076	3,694	1,194	1,123	1,377
<i>Infanrix, Pediarix</i>	586	276	240	70	750	353	307	90
<i>Boostrix</i>	426	213	134	79	546	273	172	101
Hepatitis	532	302	152	78	681	386	195	100
<i>Rotarix</i>	398	104	70	224	509	133	90	286
<i>Synflorix</i>	398	-	42	356	509	-	54	455
<i>Priorix, Priorix Tetra, Varilrix</i>	235	-	125	110	301	-	160	141
<i>Cervarix</i>	72	-	23	49	92	-	29	63
<i>Other</i>	239	38	91	110	306	49	116	141
Vaccines	3,952	1,495	1,214	1,243	5,059	1,913	1,555	1,591

Consumer Healthcare turnover - three months ended 30 September 2017

	Total £m	Total \$m
Wellness	1,014	1,317
Oral health	631	820
Nutrition	170	221
Skin health	149	194
	<hr/> 1,964	<hr/> 2,552

	Total £m	Total \$m
US	429	559
Europe	612	795
International	923	1,198
	<hr/> 1,964	<hr/> 2,552

Consumer Healthcare turnover - nine months ended 30 September 2017

	Total £m	Total \$m
Wellness	3,009	3,851
Oral health	1,864	2,386
Nutrition	517	662
Skin health	469	600
	<hr/> 5,859	<hr/> 7,499

	Total £m	Total \$m
US	1,386	1,774
Europe	1,789	2,290
International	2,684	3,435
	<hr/> 5,859	<hr/> 7,499

Balance sheet

	30 September 2017 £m	30 September 2017 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	10,633	14,248
Goodwill	5,764	7,724
Other intangible assets	17,921	24,014
Investments in associates and joint ventures	175	235
Other investments	941	1,261
Deferred tax assets	4,380	5,869
Other non-current assets	1,313	1,759
Total non-current assets	41,127	55,110
Current assets		
Inventories	5,661	7,586
Current tax recoverable	239	320
Trade and other receivables	6,491	8,698
Derivative financial instruments	163	218
Liquid investments	82	110
Cash and cash equivalents	4,743	6,356
Assets held for sale	277	371
Total current assets	17,656	23,659
TOTAL ASSETS	58,783	78,769
LIABILITIES		
Current liabilities		
Short-term borrowings	(4,740)	(6,352)
Contingent consideration liabilities	(917)	(1,229)
Trade and other payables	(19,840)	(26,585)
Derivative financial instruments	(210)	(281)
Current tax payable	(1,061)	(1,422)
Short-term provisions	(670)	(898)
Total current liabilities	(27,438)	(36,767)
Non-current liabilities		
Long-term borrowings	(14,294)	(19,154)
Deferred tax liabilities	(1,916)	(2,567)
Pensions and other post-employment benefits	(3,652)	(4,894)
Other provisions	(671)	(899)
Derivative financial instruments	(1)	(1)
Contingent consideration liabilities	(5,000)	(6,700)
Other non-current liabilities	(982)	(1,316)
Total non-current liabilities	(26,516)	(35,531)
TOTAL LIABILITIES	(53,954)	(72,298)
NET ASSETS	4,829	6,471
EQUITY		
Share capital	1,343	1,800
Share premium account	3,011	4,035
Retained earnings	(5,349)	(7,168)
Other reserves	2,289	3,067
Shareholders' equity	1,294	1,734
Non-controlling interests	3,535	4,737
TOTAL EQUITY	4,829	6,471

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