

Income statement

Three months ended 30th September 2010

	Total Q3 2010 £m	Total Q 2009 £m	Growth	
			CER%	£%
TURNOVER	6,813	6,758	(2)	1
Cost of sales	(1,906)	(1,782)	7	7
Gross profit	4,907	4,976	(6)	(1)
Selling, general and administration	(2,040)	(2,146)	(9)	(5)
Research and development	(1,004)	(882)	11	14
Other operating income	95	123		
OPERATING PROFIT	1,958	2,071	(10)	(5)
Finance income	22	19		
Finance expense	(197)	(199)		
Profit on disposal of interest in associate	16	22		
Share of after tax profits of associates and joint ventures				
PROFIT BEFORE TAXATION	1,799	1,913	(11)	(6)
Taxation	(456)	(542)		
<i>Tax rate %</i>	25.3%	28.3%		
PROFIT AFTER TAXATION FOR THE PERIOD	1,343	1,371	(8)	(2)
Profit attributable to non-controlling interests	55	36		
Profit attributable to shareholders	1,288	1,335		
	1,343	1,371		
EARNINGS PER SHARE	25.3p	26.3p	(10)	(4)
Diluted earnings per share	25.1p	26.1p		

Income statement

Nine months ended 30th September 2010

	Total 9 months 2010 £m	Total 9 months 2009 £m	Growth	
			CER%	£%
TURNOVER	21,195	20,274	4	5
Cost of sales	(5,515)	(5,261)	5	5
Gross profit	15,680	15,013	3	4
Selling, general and administration	(8,592)	(6,638)	31	29
Research and development	(3,360)	(2,979)	13	13
Other operating income	375	582		
OPERATING PROFIT	4,103	5,978	(36)	(31)
Finance income	58	65		
Finance expense	(591)	(570)		
Profit on disposal of interest in associate		115		
Share of after tax profits of associates and joint ventures	63	53		
PROFIT BEFORE TAXATION	3,633	5,641	(41)	(36)
Taxation	(1,147)	(1,640)		
<i>Tax rate %</i>	31.6%	29.1%		
PROFIT AFTER TAXATION FOR THE PERIOD	2,486	4,001	(43)	(38)
Profit attributable to non-controlling interests	162	100		
Profit attributable to shareholders	2,324	3,901		
	2,486	4,001		
EARNINGS PER SHARE	45.7p	77.0p	(46)	(41)
Diluted earnings per share	45.3p	76.4p		

Consumer Healthcare turnover

Three months ended 30th September 2010

	Total		
	£m	CER%	AR%
Over-the-counter medicines	601	1	5
Oral healthcare	400	4	7
Nutritional healthcare	259	12	16
	<u>1,260</u>	<u>4</u>	<u>8</u>

	Total		
	£m	CER%	AR%
USA	249	(4)	-
Europe	491	(2)	(3)
Rest of World	520	15	(25)
	<u>1,260</u>	<u>4</u>	<u>8</u>

Consumer Healthcare turnover

Nine months ended 30th September 2010

	Total		
	£m	CER%	AR%
Over-the-counter medicines	1,811	3	5
Oral healthcare	1,191	6	7
Nutritional healthcare	741	10	12
	<u>3,743</u>	<u>5</u>	<u>7</u>

	Total		
	£m	CER%	AR%
USA	758	-	-
Europe	1,455	1	-
Rest of World	1,530	13	20
	<u>3,743</u>	<u>5</u>	<u>7</u>

Pharmaceuticals turnover

Three months ended 30th September 2010

	Total			USA			Europe			Emerging Markets			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	1,726	5	8	846	9	14	488	(3)	(5)	145	11	14	247	5	17
<i>Avamys/Veramyst</i>	40	23	29	15	(7)	-	10	11	11	8	>100	>100	7	50	75
<i>Flixonase/Flo-nase</i>	32	11	14	8	>100	>100	8	-	(11)	9	(11)	-	7	(14)	-
<i>Flixotide/Flovent</i>	187	7	11	105	19	24	33	(11)	(13)	10	-	11	39	(3)	5
<i>Seretide/Advair</i>	1,243	5	8	649	6	11	370	-	(2)	77	11	17	147	11	21
<i>Serevent</i>	48	(13)	(11)	16	(6)	-	24	(11)	(11)	1	-	-	7	(36)	(36)
<i>Ventolin</i>	130	15	18	50	37	43	32	(9)	(9)	27	18	23	21	11	17
<i>Zyrtec</i>	19	-	6	-	-	-	-	-	-	4	(33)	(33)	15	17	25
Anti-virals	218	(68)	(65)	57	(84)	(83)	24	(71)	(72)	56	(10)	(7)	81	(55)	(48)
<i>Hepsera</i>	32	7	14	-	-	-	-	-	-	16	25	33	16	(6)	-
<i>Relenza</i>	18	(91)	(90)	13	(73)	(71)	2	(95)	(95)	1	(92)	(92)	2	(98)	(98)
<i>Valtrex</i>	95	(75)	(73)	27	(91)	(90)	14	(63)	(63)	7	-	17	47	8	18
<i>Zeffix</i>	55	(4)	2	3	(25)	(25)	7	(14)	-	32	7	10	13	(14)	(7)
Central nervous system	436	1	4	124	3	8	131	(4)	(6)	63	22	24	118	(4)	4
<i>Imigran/Imitrex</i>	53	(4)	-	18	(11)	(5)	22	-	(4)	1	-	-	12	-	20
<i>Lamictal</i>	131	7	8	70	5	9	35	(8)	(8)	15	27	36	11	63	38
<i>Requip</i>	58	33	35	13	>100	>100	32	-	(6)	1	-	-	12	(23)	(8)
<i>Seroxat/Paxil</i>	115	(11)	(4)	5	-	-	19	(14)	(14)	19	-	-	72	(14)	(3)
<i>Treximet</i>	13	(13)	(13)	13	(13)	(13)	-	-	-	-	-	-	-	-	-
<i>Wellbutrin</i>	18	13	13	4	(25)	-	10	25	25	3	33	-	1	-	-
Cardiovascular and urogenital	650	15	18	409	17	22	144	4	1	34	21	21	63	28	37
<i>Arixtra</i>	72	17	20	43	28	34	22	(8)	(8)	3	50	50	4	100	100
<i>Avodart</i>	156	16	19	87	5	9	41	19	14	8	33	33	20	89	>100
<i>Coreg</i>	44	8	13	43	8	10	-	-	-	-	-	-	1	-	-
<i>Fraxiparine</i>	54	-	(4)	-	-	-	34	(17)	(19)	15	27	36	5	>100	67
<i>Lovaza</i>	138	20	24	137	20	25	-	-	-	-	-	-	1	-	-
<i>Vesicare</i>	28	8	12	27	4	8	-	-	-	-	-	-	1	-	-
<i>Volibris</i>	11	100	83	-	-	-	10	100	100	1	-	-	-	-	(100)
Metabolic	125	(58)	(56)	32	(78)	(76)	37	(42)	(45)	12	(61)	(61)	44	(28)	(19)
<i>Avandia products</i>	70	(65)	(62)	33	(70)	(66)	20	(52)	(52)	2	(90)	(90)	15	(50)	(42)
<i>Bonvival/Boniva</i>	17	(70)	(72)	-	(100)	(100)	13	(41)	(41)	1	-	-	3	67	-
Anti-bacterials	333	(4)	(2)	14	(41)	(36)	121	(9)	(12)	151	7	9	47	-	12
<i>Augmentin</i>	153	(7)	(6)	1	(89)	(89)	55	(16)	(19)	74	6	9	23	24	35
Oncology and emesis	172	13	15	89	34	39	49	(2)	(4)	17	6	6	17	(17)	(6)
<i>Arzerra</i>	9	-	-	8	-	-	1	-	-	-	-	-	-	-	-
<i>Hycamtin</i>	35	(15)	(15)	21	(17)	(13)	11	(21)	(21)	2	-	-	1	100	-
<i>Promacta</i>	7	>100	>100	6	100	100	1	-	-	-	-	-	-	-	-
<i>Tyverb/Tykerb</i>	58	26	26	18	42	50	23	21	21	9	29	29	8	13	-
<i>Votrient</i>	11	-	-	9	-	-	1	-	-	-	-	-	1	-	-
Vaccines	982	19	22	278	32	35	310	(8)	(10)	216	29	32	178	81	>100
<i>Boostrix</i>	59	49	51	41	67	71	12	9	9	2	-	-	4	-	-
<i>Cervarix</i>	48	64	71	4	-	-	11	(35)	(35)	8	17	33	25	>100	>100
<i>Fluarix, FluLaval</i>	167	14	14	81	29	29	50	(13)	(17)	19	36	36	17	50	70
<i>Flu Pandemic</i>	58	>100	>100	1	-	-	2	(50)	(50)	6	-	-	49	>100	>100
<i>Hepatitis</i>	189	9	11	97	39	45	55	(14)	(15)	20	(9)	(9)	17	-	6
<i>Infanrix, Pediarix</i>	168	1	1	38	23	27	96	(6)	(9)	16	7	7	18	(6)	6
<i>Rotarix</i>	52	(40)	(38)	17	(27)	(23)	8	(43)	(43)	20	(56)	(53)	7	40	40
<i>Synflorix</i>	90	>100	>100	-	-	-	9	(9)	(18)	74	>100	>100	7	>100	>100
Dermatologicals	272	20	24	93	22	26	59	15	13	73	35	40	47	2	12
<i>Bactroban</i>	33	(3)	-	14	(7)	(7)	7	-	-	8	14	14	4	(25)	-
<i>Dermovate</i>	18	-	-	-	-	-	5	-	-	7	-	-	6	-	-
<i>Duac</i>	33	39	43	20	27	33	5	50	25	3	50	50	5	100	>100
<i>Soriatane</i>	19	58	58	19	58	58	-	-	-	-	-	-	-	-	-
<i>Zovirax</i>	31	11	15	8	75	100	6	-	(14)	6	20	20	11	(9)	-
Other	238	14	15	8	14	14	65	(6)	(7)	106	30	34	59	14	16
	5,152	(4)	(1)	1,950	(8)	(4)	1,428	(9)	(11)	873	14	17	901	(1)	9
ViiV Healthcare (HIV)	401	(1)	2	162	(8)	(4)	136	(10)	(12)	59	73	79	44	6	22
<i>Combivir</i>	96	(10)	(6)	36	(19)	(16)	26	(25)	(28)	24	69	85	10	(20)	-
<i>Epivir</i>	31	(15)	(9)	10	(25)	(17)	9	(25)	(25)	7	75	75	5	(33)	(17)
<i>Epzicom/Kivexa</i>	138	3	5	50	(8)	(4)	57	(2)	(5)	12	86	71	19	23	46
<i>Lexiva</i>	39	(12)	(9)	19	(25)	(21)	13	(13)	(13)	7	>100	>100	-	(33)	(100)
<i>Selzentry</i>	20	-	-	8	-	-	10	-	-	-	-	-	2	-	-
<i>Trizivir</i>	38	(21)	(19)	19	(22)	(17)	15	(16)	(21)	3	(75)	(25)	1	100	-
	5,553	(3)	(1)												

Pharmaceutical turnover includes co-promotion income

Pharmaceuticals turnover

Nine months ended 30th September 2010

	Total			USA			Europe			Emerging Markets			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	5,321	4	5	2,519	4	4	1,592	1	(1)	454	19	21	756	4	13
<i>Avamys/Veramyst</i>	143	29	31	52	(2)	(2)	44	32	29	22	>100	>100	25	53	67
<i>Flixonase/Flonase</i>	127	(7)	(7)	32	52	52	30	(6)	(9)	28	4	4	37	(36)	(33)
<i>Flixotide/Flovent</i>	584	4	6	313	11	11	117	(9)	(9)	36	40	44	118	(8)	-
<i>Seretide/Advair</i>	3,793	5	5	1,934	2	2	1,185	3	1	243	17	19	431	14	25
<i>Serevent</i>	151	(14)	(14)	49	(8)	(8)	74	(15)	(15)	2	-	-	26	(24)	(21)
<i>Ventolin</i>	380	11	12	130	24	24	104	(2)	(4)	82	19	21	64	2	12
<i>Zyrtec</i>	59	8	11	-	-	-	-	-	-	10	-	-	49	9	14
Anti-virals	862	(54)	(53)	329	(65)	(65)	85	(73)	(73)	162	2	2	286	(35)	(30)
<i>Hepsera</i>	95	8	13	-	-	-	-	-	-	43	11	13	52	7	13
<i>Relenza</i>	110	(77)	(76)	48	(36)	(36)	6	(97)	(97)	2	(88)	(88)	54	(74)	(73)
<i>Valtrex</i>	436	(60)	(59)	228	(72)	(72)	53	(55)	(55)	20	11	11	135	3	11
<i>Zeffix</i>	169	2	4	10	(23)	(23)	20	(9)	(9)	97	13	13	42	(5)	2
Central nervous system	1,303	(5)	(5)	391	(17)	(17)	408	(3)	(5)	161	16	15	343	(1)	6
<i>Imigran/Imitrex</i>	162	(14)	(12)	60	(25)	(25)	65	(7)	(8)	4	33	33	33	(3)	6
<i>Lamictal</i>	374	2	2	191	(2)	(2)	109	(4)	(5)	41	17	14	33	45	50
<i>Requip</i>	173	20	20	34	>100	>100	104	6	3	2	100	100	33	(6)	3
<i>Seroxat/Paxil</i>	354	(10)	(8)	27	(16)	(16)	63	(17)	(18)	54	(5)	(5)	210	(9)	(4)
<i>Treximet</i>	42	2	2	41	2	-	-	-	-	-	-	-	1	-	-
<i>Wellbutrin</i>	59	(46)	(46)	17	(78)	(78)	28	38	33	9	29	29	5	-	25
Cardiovascular and urogenital	1,874	11	11	1,149	10	10	451	8	5	98	24	24	176	23	29
<i>Arixtra</i>	221	23	23	128	31	31	75	12	9	7	40	40	11	25	38
<i>Avodart</i>	452	17	17	251	6	6	125	18	15	24	50	50	52	85	100
<i>Coreg</i>	130	(8)	(8)	129	(8)	(8)	-	-	-	-	-	-	1	-	-
<i>Fraxiparine</i>	167	-	(1)	-	-	-	116	(8)	(9)	40	30	33	11	9	-
<i>Lovaza</i>	383	19	19	382	19	19	-	-	-	-	-	-	1	-	-
<i>Vesicare</i>	83	11	11	82	9	9	-	-	-	-	-	-	1	-	-
<i>Volibris</i>	30	>100	>100	-	-	-	27	>100	>100	1	-	-	2	100	100
Metabolic	568	(36)	(36)	198	(54)	(54)	153	(24)	(26)	74	(19)	(19)	143	(12)	(7)
<i>Avandia products</i>	391	(33)	(33)	197	(38)	(38)	92	(28)	(30)	39	(34)	(34)	63	(22)	(15)
<i>Bonvival/Boniva</i>	60	(68)	(68)	-	(100)	(100)	50	(23)	(24)	2	-	100	8	29	14
Anti-bacterials	1,026	(5)	(5)	59	(25)	(25)	383	(15)	(17)	450	9	8	134	2	8
<i>Augmentin</i>	457	(7)	(7)	11	(69)	(69)	171	(18)	(20)	213	11	10	62	18	22
Oncology and emesis	516	12	12	275	24	24	146	(2)	(4)	45	5	7	50	7	16
<i>Arzerra</i>	22	-	-	20	-	-	1	-	-	-	-	-	1	-	-
<i>Hycamtin</i>	115	(9)	(9)	69	(7)	(7)	36	(16)	(18)	6	20	20	4	-	-
<i>Promacta</i>	21	>100	>100	19	>100	>100	2	-	-	-	-	-	-	-	-
<i>Tyverb/Tykerb</i>	167	38	38	53	33	33	69	30	28	21	31	31	24	>100	>100
<i>Votrient</i>	24	-	-	22	-	-	1	-	-	-	-	-	1	-	-
Vaccines	3,332	51	53	592	14	14	1,288	38	36	667	52	52	785	>100	>100
<i>Boostrix</i>	132	26	27	82	46	46	32	14	10	5	(17)	(17)	13	(15)	-
<i>Cervarix</i>	175	15	17	12	-	-	91	(23)	(24)	18	6	13	54	>100	>100
<i>Fluarix, FluLaval</i>	172	1	2	82	21	21	50	(13)	(17)	20	(29)	(29)	20	31	54
<i>Flu Pandemic</i>	1,031	>100	>100	1	(96)	(96)	398	>100	>100	201	-	-	431	>100	>100
<i>Hepatitis</i>	556	8	8	251	22	22	179	(9)	(10)	65	5	5	61	17	27
<i>Infanrix, Pediarix</i>	510	3	3	110	3	3	309	4	1	37	3	3	54	-	13
<i>Rotarix</i>	156	(27)	(26)	53	(10)	(10)	29	(26)	(26)	57	(42)	(41)	17	(11)	(6)
<i>Synflorix</i>	173	>100	>100	-	-	-	35	71	67	114	>100	>100	24	>100	>100
Dermatologicals	799	74	77	264	>100	>100	184	64	61	204	58	62	147	47	58
<i>Bactroban</i>	90	(5)	(5)	39	(13)	(13)	20	-	-	21	5	-	10	-	11
<i>Dermovate</i>	52	-	-	-	-	-	14	-	-	19	-	-	19	-	-
<i>Duac</i>	89	>100	>100	52	>100	>100	17	>100	>100	8	>100	>100	12	>100	>100
<i>Soriatane</i>	54	>100	>100	54	>100	>100	-	-	-	-	-	-	-	-	-
<i>Zovirax</i>	113	22	24	39	>100	>100	20	(9)	(13)	20	6	11	34	(14)	(8)
Other	688	15	16	18	29	29	211	14	10	272	28	30	187	-	4
	16,28	4	4	5,794	(7)	(7)	4,901	3	1	2,587	24	24	3,007	17	25
ViiV Healthcare (HIV)	1,163	(2)	(2)	497	(6)	(6)	440	(5)	(8)	96	27	28	130	8	18
<i>Combivir</i>	264	(17)	(16)	109	(22)	(22)	89	(20)	(22)	37	3	9	29	(4)	4
<i>Epivir</i>	86	(14)	(13)	30	(17)	(17)	29	(21)	(24)	12	33	33	15	(19)	(6)
<i>Epzicom/Kivexa</i>	409	3	3	155	(3)	(3)	182	3	1	20	50	43	52	12	24
<i>Lexiva</i>	119	(10)	(11)	60	(19)	(19)	41	(13)	(15)	11	>100	>100	7	-	(13)
<i>Selzentry</i>	58	-	-	25	-	-	30	-	-	1	-	-	2	-	-
<i>Trizivir</i>	112	(26)	(26)	57	(27)	(27)	46	(24)	(27)	4	(40)	(20)	5	(17)	(17)
	17,45	3	4												

Pharmaceutical turnover includes co-promotion income