

Income statement

Year ended 31st December 2010

	Total 2010 £m	Total 2009 £m	Growth CER%	Growth £%
TURNOVER	28,392	28,368	(1)	-
Cost of sales	(7,592)	(7,380)	3	3
Gross profit	20,800	20,988	(3)	(1)
Selling, general and administration	(13,053)	(9,592)	36	36
Research and development	(4,457)	(4,106)	8	9
Other operating income	493	1,135		
OPERATING PROFIT	3,783	8,425	(59)	(55)
Finance income	116	70		
Finance expense	(831)	(783)		
Profit on disposal of interest in associate	8	115		
Share of after tax profits of associates and joint ventures	81	64		
PROFIT BEFORE TAXATION	3,157	7,891	(64)	(60)
Taxation	(1,304)	(2,222)		
<i>Tax rate %</i>	41.3%	28.2%		
PROFIT AFTER TAXATION FOR THE PERIOD	1,853	5,669	(71)	(67)
Profit attributable to non-controlling interests	219	138		
Profit attributable to shareholders	1,634	5,531		
	1,853	5,669	(71)	(67)
EARNINGS PER SHARE	32.1p	109.1p	(75)	(71)
Diluted earnings per share	31.9p	108.2p		

Income statement

Three months ended 31st December 2010

	Total Q4 2010 £m	Total Q4 2009 £m	Growth CER%	Growth £%
TURNOVER	7,197	8,094	(13)	(11)
Cost of sales	(2,077)	(2,119)	(2)	(2)
Gross profit	5,120	5,975	(17)	(14)
Selling, general and administration	(4,461)	(2,954)	48	51
Research and development	(1,097)	(1,127)	(4)	(3)
Other operating income	118	553		
OPERATING PROFIT	(320)	2,447	(>100)	(>100)
Finance income	58	5		
Finance expense	(240)	(213)		
Profit on disposal of interest in associate	8			
Share of after tax profits of associates and joint ventures	18	11		
PROFIT BEFORE TAXATION	(476)	2,250	(>100)	(>100)
Taxation	(157)	(582)		
<i>Tax rate %</i>	(33.0)%	25.9%		
PROFIT AFTER TAXATION FOR THE PERIOD	(633)	1,668	(>100)	(>100)
Profit attributable to non-controlling interests	57	38		
Profit attributable to shareholders	(690)	1,630		
	(633)	1,668	(>100)	(>100)
EARNINGS PER SHARE	(13.6)p	32.1p	(>100)	(>100)
Diluted earnings per share	(13.4)p	31.8p		

Consumer Healthcare turnover

Year ended 31st December 2010

	Total		
	£m	CER%	AR%
Over-the-counter medicines	2,456	3	5
Oral healthcare	1,602	6	8
Nutritional healthcare	952	9	12
	<u>5,010</u>	<u>5</u>	<u>7</u>

	Total		
	£m	CER%	AR%
USA	1,037	1	2
Europe	1,958	-	(1)
Rest of World	2,015	13	20
	<u>5,010</u>	<u>5</u>	<u>7</u>

Consumer Healthcare turnover

Three months ended 31st December 2010

	Total		
	£m	CER%	AR%
Over-the-counter medicines	645	1	4
Oral healthcare	411	7	10
Nutritional healthcare	211	7	10
	<u>1,267</u>	<u>4</u>	<u>7</u>

	Total		
	£m	CER%	AR%
USA	279	5	7
Europe	503	(3)	(5)
Rest of World	485	13	22
	<u>1,267</u>	<u>4</u>	<u>7</u>

Pharmaceuticals turnover
Year ended 31st December 2010

	Total			USA			Europe			Emerging Markets			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	7,238	3	4	3,394	1	2	2,149	-	(2)	616	19	21	1,079	4	14
<i>Avamys/Veramyst</i>	193	33	36	69	-	1	56	27	24	31	>100	>100	37	94	>100
<i>Flixonase/Flonase</i>	164	(5)	(4)	37	37	37	40	(7)	(7)	39	11	11	48	(30)	(27)
<i>Flixotide/Flovent</i>	804	2	4	431	8	9	159	(9)	(11)	48	38	41	166	(10)	(1)
<i>Seretide/Advair</i>	5,139	2	3	2,604	-	-	1,601	2	-	328	16	19	606	10	21
<i>Serevent</i>	201	(16)	(15)	64	(12)	(12)	98	(16)	(16)	2	(33)	(33)	37	(23)	(16)
<i>Ventolin</i>	522	8	9	179	16	17	142	(3)	(5)	112	19	20	89	(2)	10
<i>Zyrtec</i>	82	4	9	-	-	-	-	-	-	14	-	-	68	5	11
Anti-virals	1,086	(56)	(55)	370	(68)	(68)	109	(73)	(73)	223	(3)	(1)	384	(44)	(39)
<i>Hepsera</i>	128	6	12	-	-	-	1	-	-	58	10	14	69	2	10
<i>Relenza</i>	121	(84)	(83)	43	(69)	(69)	6	(97)	(97)	1	(97)	(97)	71	(80)	(79)
<i>Valtrex</i>	532	(60)	(59)	252	(73)	(73)	68	(56)	(58)	28	8	8	184	2	11
<i>Zeffix</i>	233	4	7	13	(24)	(24)	26	(10)	(10)	136	17	18	58	(5)	4
Central nervous system	1,753	(8)	(6)	505	(23)	(22)	540	(4)	(6)	223	17	17	485	(2)	7
<i>Imigran/Imitrex</i>	212	(21)	(20)	75	(39)	(39)	85	(10)	(11)	5	-	-	47	2	12
<i>Lamictal</i>	504	1	1	257	(4)	(4)	143	(6)	(7)	57	23	19	47	42	52
<i>Requip</i>	233	11	11	44	69	69	137	2	(1)	3	50	50	49	2	14
<i>Seroxat/Paxil</i>	482	(12)	(8)	27	(36)	(36)	82	(15)	(17)	73	(3)	(4)	300	(9)	(2)
<i>Treximet</i>	56	2	2	55	2	-	-	-	-	-	-	-	1	-	-
<i>Wellbutrin</i>	81	(39)	(39)	24	(73)	(73)	39	33	30	13	30	30	5	(25)	25
Cardiovascular and urogenital	2,570	11	12	1,571	10	11	610	7	5	134	25	24	255	23	33
<i>Arixtra</i>	301	19	19	177	25	26	99	8	4	10	43	43	15	18	36
<i>Avodart</i>	629	18	19	337	5	6	175	22	18	33	50	50	84	90	>100
<i>Coreg</i>	171	(1)	(1)	170	(1)	(1)	-	-	-	-	-	-	1	-	-
<i>Fraxiparine</i>	222	(2)	(3)	-	-	-	154	(9)	(11)	55	29	31	13	(7)	(7)
<i>Lovaza</i>	530	17	18	528	17	18	-	-	-	-	-	-	2	-	-
<i>Vesicare</i>	114	9	10	113	8	9	-	-	-	-	-	-	1	-	-
<i>Volibris</i>	46	>100	>100	-	-	-	40	>100	>100	1	-	-	5	>100	>100
Metabolic	678	(44)	(43)	238	(59)	(59)	166	(38)	(40)	91	(24)	(24)	183	(17)	(11)
<i>Avandia products</i>	440	(44)	(43)	237	(45)	(44)	88	(48)	(49)	42	(43)	(45)	73	(32)	(26)
<i>Bonvival/Boniva</i>	78	(69)	(69)	-	(100)	(100)	64	(26)	(28)	2	-	-	12	22	33
Anti-bacterials	1,396	(4)	(4)	75	(28)	(27)	536	(14)	(16)	609	10	10	176	1	7
<i>Augmentin</i>	625	(6)	(6)	11	(76)	(76)	240	(17)	(19)	291	15	14	83	10	17
Oncology and emesis	688	9	9	350	13	14	201	1	(1)	62	7	9	75	17	25
<i>Arzerra</i>	31	>100	>100	26	>100	>100	4	-	-	-	-	-	1	-	-
<i>Hycamtin</i>	144	(16)	(16)	83	(17)	(17)	48	(17)	(19)	7	17	17	6	(14)	(14)
<i>Promacta</i>	31	>100	>100	25	92	92	5	-	-	-	-	-	1	-	-
<i>Tyverb/Tykerb</i>	227	34	34	70	28	30	94	28	25	30	36	36	33	72	83
<i>Votrient</i>	38	>100	>100	33	>100	>100	4	-	-	-	-	-	1	-	-
Vaccines	4,326	15	17	763	(7)	(6)	1,681	(2)	(4)	927	38	39	955	85	100
<i>Boostrix</i>	181	29	30	110	51	51	43	10	8	9	29	29	19	(16)	-
<i>Cervarix</i>	242	26	29	13	>100	>100	116	(14)	(16)	25	4	9	88	>100	>100
<i>Fluarix, FluLaval</i>	241	14	14	110	51	51	63	(8)	(11)	40	(5)	(5)	28	-	12
<i>Flu Pandemic</i>	1,192	31	35	1	(99)	(99)	488	(6)	(7)	226	>100	>100	477	>100	>100
<i>Hepatitis</i>	720	7	8	307	19	19	242	(6)	(8)	88	8	10	83	15	26
<i>Infanrix, Pediarix</i>	700	8	8	146	8	9	429	8	6	50	13	11	75	3	17
<i>Rotarix</i>	235	(18)	(17)	74	(4)	(3)	38	(28)	(28)	102	(22)	(21)	21	(17)	(13)
<i>Synflorix</i>	221	>100	>100	-	-	-	43	38	34	149	>100	>100	29	>100	>100
Dermatologicals	1,087	51	54	358	70	70	246	48	45	286	52	56	197	26	37
<i>Bactroban</i>	119	(3)	(3)	51	(14)	(14)	27	8	4	28	7	4	13	-	18
<i>Dermovate</i>	74	-	-	-	-	-	19	-	-	30	-	-	25	-	-
<i>Duac</i>	116	>100	>100	67	>100	>100	23	>100	>100	11	>100	>100	15	>100	>100
<i>Soriatane</i>	71	>100	>100	71	>100	>100	-	-	-	-	-	-	-	-	-
<i>Zovirax</i>	152	15	18	53	>100	>100	27	(10)	(10)	26	9	13	46	(14)	(8)
Other	994	16	17	24	53	41	310	9	6	385	37	38	275	-	6
	21,816	(2)	(1)	7,648	(11)	(11)	6,548	(6)	(8)	3,556	22	23	4,064	6	15
ViiV Healthcare (HIV)	1,566	(3)	(2)	660	(8)	(8)	585	(5)	(8)	146	35	39	175	7	16
<i>Combivir</i>	363	(16)	(15)	143	(24)	(24)	117	(21)	(23)	63	22	29	40	(3)	5
<i>Epivir</i>	115	(12)	(11)	40	(17)	(17)	37	(22)	(24)	18	31	38	20	-	5
<i>Epzicom/Kivexa</i>	555	1	2	210	(7)	(6)	245	3	-	29	38	38	71	14	22
<i>Lexiva</i>	155	(12)	(13)	80	(19)	(19)	51	(15)	(18)	13	86	86	11	-	10
<i>Selzentry</i>	80	>100	>100	34	-	-	41	>100	>100	2	-	-	3	-	-
<i>Trizivir</i>	144	(28)	(28)	73	(30)	(30)	60	(26)	(27)	4	(43)	(43)	7	(13)	(13)
	23,382	(2)	(1)												

Pharmaceutical turnover includes co-promotion income

Pharmaceuticals turnover

Three months ended 31st December 2010

	Total			USA			Europe			Emerging Markets			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	1,917	(2)	-	875	(6)	(4)	557	(4)	(6)	162	17	20	323	5	17
<i>Avamys/Veramyst</i>	50	45	52	17	7	13	12	9	9	9	100	>100	12	>100	>100
<i>Flixonase/Flonase</i>	37	3	6	5	(17)	(17)	10	(10)	-	11	38	38	11	-	-
<i>Flixotide/Flovent</i>	220	(5)	(1)	118	-	3	42	(10)	(14)	12	33	33	48	(16)	(2)
<i>Seretide/Advair</i>	1,346	(4)	(1)	670	(7)	(5)	416	(3)	(5)	85	14	18	175	2	14
<i>Serevent</i>	50	(21)	(18)	15	(25)	(25)	24	(17)	(17)	-	(100)	(100)	11	(18)	-
<i>Ventolin</i>	142	(1)	2	49	-	2	38	(7)	(10)	30	20	20	25	(13)	4
<i>Zyrtec</i>	23	(5)	5	-	-	-	-	-	-	4	-	-	19	(6)	6
Anti-virals	224	(64)	(62)	41	(82)	(81)	24	(73)	(73)	61	(13)	(9)	98	(59)	(55)
<i>Hepsera</i>	33	-	10	-	-	-	1	-	-	15	8	15	17	(12)	-
<i>Relenza</i>	11	(96)	(96)	(5)	-	-	-	-	-	(1)	-	-	17	(89)	(88)
<i>Valtrex</i>	96	(60)	(57)	24	(83)	(81)	15	(61)	(63)	8	-	-	49	(2)	11
<i>Zeffix</i>	64	9	16	3	(25)	(25)	6	(14)	(14)	39	28	34	16	(7)	7
Central nervous system	450	(14)	(11)	114	(37)	(36)	132	(8)	(10)	62	22	24	142	(4)	9
<i>Imigran/Imitrex</i>	50	(40)	(38)	15	(65)	(65)	20	(20)	(20)	1	(50)	(50)	14	18	27
<i>Lamictal</i>	130	(3)	(2)	66	(11)	(8)	34	(10)	(13)	16	42	33	14	33	56
<i>Requip</i>	60	(9)	(8)	10	(38)	(38)	33	(8)	(11)	1	-	-	16	27	45
<i>Seroxat/Paxil</i>	128	(15)	(8)	-	(100)	(100)	19	(9)	(14)	19	5	-	90	(11)	2
<i>Treximet</i>	14	-	-	14	-	-	-	-	-	-	-	-	-	-	-
<i>Wellbutrin</i>	22	(5)	-	7	(30)	(30)	11	22	22	4	33	33	-	-	-
Cardiovascular and urogenital	696	11	13	422	10	13	159	6	3	36	28	24	79	23	41
<i>Arixtra</i>	80	8	8	49	12	14	24	-	(8)	3	50	50	4	-	33
<i>Avodart</i>	177	22	24	86	1	4	50	31	28	9	50	50	32	100	>100
<i>Coreg</i>	41	29	32	41	29	32	-	-	-	-	-	-	-	-	-
<i>Fraxiparine</i>	55	(8)	(8)	-	-	-	38	(13)	(16)	15	25	25	2	(67)	(33)
<i>Lovaza</i>	147	11	14	146	11	14	-	-	-	-	-	-	1	-	-
<i>Vesicare</i>	31	3	7	31	3	7	-	-	-	-	-	-	-	-	-
<i>Volibris</i>	16	>100	>100	-	-	-	13	86	86	-	-	-	3	-	-
Metabolic	110	(65)	(63)	40	(75)	(73)	13	(80)	(81)	17	(43)	(39)	40	(32)	(25)
<i>Avandia products</i>	49	(76)	(74)	40	(65)	(63)	(4)	-	-	3	(76)	(82)	10	(64)	(60)
<i>Bonvival/Boniva</i>	18	(73)	(73)	-	(100)	(100)	14	(35)	(39)	-	-	(100)	4	-	100
Anti-bacterials	370	(2)	(2)	16	(38)	(33)	153	(11)	(13)	159	14	15	42	(2)	2
<i>Augmentin</i>	168	(2)	(3)	-	(100)	(100)	69	(13)	(16)	78	29	26	21	(10)	5
Oncology and emesis	172	-	1	75	(16)	(13)	55	10	6	17	13	13	25	41	47
<i>Arzerra</i>	9	>100	>100	6	>100	100	3	-	-	-	-	-	-	-	-
<i>Hycamtin</i>	29	(36)	(36)	14	(46)	(46)	12	(20)	(20)	1	-	-	2	(33)	(33)
<i>Promacta</i>	10	80	100	6	20	20	3	-	-	-	-	-	1	-	-
<i>Tyverb/Tykerb</i>	60	23	25	17	14	21	25	24	19	9	50	50	9	14	29
<i>Votrient</i>	14	>100	>100	11	>100	>100	3	-	-	-	-	-	-	-	-
Vaccines	994	(36)	(35)	171	(44)	(42)	393	(49)	(51)	260	11	14	170	(28)	(17)
<i>Boostrix</i>	49	37	40	28	65	65	11	-	-	4	>100	>100	6	(17)	-
<i>Cervarix</i>	67	68	76	1	(75)	(75)	25	37	32	7	-	-	34	>100	>100
<i>Fluarix, FluLaval</i>	69	64	64	28	>100	>100	13	18	18	20	43	43	8	(33)	(33)
<i>Flu Pandemic</i>	161	(82)	(81)	-	(100)	(100)	90	(82)	(82)	25	(60)	(55)	46	(67)	(57)
<i>Hepatitis</i>	164	5	9	56	6	10	63	-	(2)	23	17	28	22	11	22
<i>Infanrix, Pediarix</i>	190	24	24	36	30	33	120	22	19	13	56	44	21	13	31
<i>Rotarix</i>	79	11	13	21	18	24	9	(36)	(36)	45	36	36	4	(33)	(33)
<i>Synflorix</i>	48	(2)	-	-	-	-	8	(27)	(27)	35	13	13	5	(33)	(17)
Dermatologicals	288	10	13	94	1	3	62	14	11	82	39	44	50	(12)	(2)
<i>Bactroban</i>	29	4	4	12	(14)	(14)	7	33	17	7	17	17	3	-	50
<i>Dermovate</i>	22	-	-	-	-	-	5	-	-	11	-	-	6	-	-
<i>Duac</i>	27	13	17	15	(7)	-	6	-	-	3	>100	>100	3	>100	>100
<i>Soriatane</i>	17	-	6	17	-	6	-	-	-	-	-	-	-	-	-
<i>Zovirax</i>	39	(3)	3	14	8	8	7	(14)	-	6	20	20	12	(15)	(8)
Other	306	19	21	6	>100	100	99	-	(3)	113	62	64	88	-	11
	5,527	(17)	(15)	1,854	(22)	(20)	1,647	(24)	(26)	969	16	19	1,057	(16)	(6)
ViiV Healthcare (HIV)	403	(4)	(3)	163	(16)	(14)	145	(5)	(6)	50	57	67	45	5	10
<i>Combivir</i>	99	(11)	(9)	34	(30)	(28)	28	(22)	(24)	26	67	73	11	-	10
<i>Epivir</i>	29	(3)	(3)	10	(17)	(17)	8	(27)	(27)	6	25	50	5	100	67
<i>Epzicom/Kivexa</i>	146	(3)	(2)	55	(16)	(13)	63	2	-	9	14	29	19	19	19
<i>Lexiva</i>	36	(18)	(18)	20	(20)	(20)	10	(21)	(29)	2	-	(33)	4	-	100
<i>Selzentry</i>	22	>100	>100	9	-	-	11	>100	>100	1	-	-	1	-	-
<i>Trizivir</i>	32	(35)	(35)	16	(38)	(38)	14	(32)	(26)	-	(50)	(100)	2	-	-
	5,930	(16)	(14)												

Pharmaceutical turnover includes co-promotion income