

Income statement

Three months ended 31st December 2010

	Results before major restructuring £m	Major restructuring £m	Total £m	Results before major restructuring \$m	Major restructuring \$m	Total \$m
TURNOVER	7,197	-	7,197	11,368	-	11,368
Cost of sales	(1,980)	(97)	(2,077)	(3,123)	(151)	(3,274)
Gross profit	5,217	(97)	5,120	8,245	(151)	8,094
Selling, general and administration	(4,289)	(172)	(4,461)	(6,729)	(272)	(7,001)
Research and development	(1,083)	(14)	(1,097)	(1,707)	(26)	(1,733)
Other operating income	118	-	118	186	-	186
OPERATING LOSS	(37)	(283)	(320)	(5)	(449)	(454)
Finance income	58	-	58	91	-	91
Finance expense	(240)	-	(240)	(377)	-	(377)
Profit on disposal of interest in associate	8	-	8	12	-	12
Share of after tax profits of joint ventures and associates	18	-	18	28	-	28
LOSS BEFORE TAXATION	(193)	(283)	(476)	(251)	(449)	(700)
Taxation	(134)	(23)	(157)	(222)	(33)	(255)
LOSS AFTER TAXATION FOR THE PERIOD	(327)	(306)	(633)	(473)	(482)	(955)
Profit attributable to non-controlling interests	57	-	57	91	-	91
Loss attributable to shareholders	(384)	(306)	(690)	(564)	(482)	(1,046)
	(327)	(306)	(633)	(473)	(482)	(955)
LOSS PER SHARE	(7.5)p		(13.6)p	(11.9)¢		(21.5)¢
Diluted loss per share	(7.5)p		(13.4)p	(11.9)¢		(21.2)¢

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

Income statement

Year ended 31st December 2010

	Results before major restructuring £m	Major restructuring £m	Total £m	Results before major restructuring \$m	Major restructuring \$m	Total \$m
TURNOVER	28,392	-	28,392	44,008	-	44,008
Cost of sales	(7,405)	(187)	(7,592)	(11,478)	(290)	(11,768)
Gross profit	20,987	(187)	20,800	32,530	(290)	32,240
Selling, general and administration	(12,388)	(665)	(13,053)	(19,201)	(1,031)	(20,232)
Research and development	(3,964)	(493)	(4,457)	(6,144)	(764)	(6,908)
Other operating income	493	-	493	764	-	764
OPERATING PROFIT	5,128	(1,345)	3,783	7,949	(2,085)	5,864
Finance income	116	-	116	180	-	180
Finance expense	(828)	(3)	(831)	(1,283)	(5)	(1,288)
Profit on disposal of interest in associates	8	-	8	12	-	12
Share of after tax profits of associates and joint ventures	81	-	81	125	-	125
PROFIT BEFORE TAXATION	4,505	(1,348)	3,157	6,983	(2,090)	4,893
Taxation	(1,544)	240	(1,304)	(2,393)	372	(2,021)
PROFIT AFTER TAXATION FOR THE YEAR	2,961	(1,108)	1,853	4,590	(1,718)	2,872
Profit attributable to non-controlling interests	219	-	219	340	-	340
Profit attributable to shareholders	2,742	(1,108)	1,634	4,250	(1,718)	2,532
	2,961	(1,108)	1,853	4,590	(1,718)	2,872
EARNINGS PER SHARE	53.9p		32.1p	83.5¢		49.8¢
Diluted earnings per share	53.5p		31.9p	82.9¢		49.4¢

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

Turnover

Pharmaceuticals - Three months ended 31st December 2010

	Total £m	USA £m	Europe £m	Emerging Markets £m	ROW £m	Total \$m	USA \$m	Europe \$m	Emerging Markets \$m	ROW \$m
Respiratory	1,917	875	557	162	323	3,025	1,382	879	256	508
<i>Avamys/Veramyst</i>	50	17	12	9	12	79	27	19	14	19
<i>Flixonase/Flonase</i>	37	5	10	11	11	58	7	16	18	17
<i>Flixotide/Flovent</i>	220	118	42	12	48	347	186	67	19	75
<i>Seretide/Advair</i>	1,346	670	416	85	175	2,124	1,058	657	134	275
<i>Serevent</i>	50	15	24	-	11	79	23	38	-	18
<i>Ventolin</i>	142	49	38	30	25	224	77	60	48	39
<i>Zyrtec</i>	23	-	-	4	19	36	-	-	7	29
Anti-virals	224	41	24	61	98	356	66	38	97	155
<i>Hepsera</i>	33	-	1	15	17	52	-	1	24	27
<i>Relenza</i>	11	(5)	-	(1)	17	19	(7)	-	(1)	27
<i>Valtrex</i>	96	24	15	8	49	154	40	25	12	77
<i>Zeffix</i>	64	3	6	39	16	101	5	9	62	25
Central nervous system	450	114	132	62	142	710	181	208	97	224
<i>Imigran/Imitrex</i>	50	15	20	1	14	80	24	32	2	22
<i>Lamictal</i>	130	66	34	16	14	205	104	54	25	22
<i>Requip</i>	60	10	33	1	16	95	16	52	2	25
<i>Seroxat/Paxil</i>	128	-	19	19	90	202	-	30	30	142
<i>Treximet</i>	14	14	-	-	-	22	22	-	-	-
<i>Wellbutrin</i>	22	7	11	4	-	35	11	18	6	-
Cardiovascular and urogenital	696	422	159	36	79	1,098	666	251	57	124
<i>Arixtra</i>	80	49	24	3	4	127	77	39	5	6
<i>Avodart</i>	177	86	50	9	32	279	137	78	14	50
<i>Coreg</i>	41	41	-	-	-	65	65	-	-	-
<i>Fraxiparine</i>	55	-	38	15	2	87	-	60	24	3
<i>Lovaza</i>	147	146	-	-	1	232	231	-	-	1
<i>Vesicare</i>	31	31	-	-	-	49	49	-	-	-
<i>Volibris</i>	16	-	13	-	3	25	-	21	1	5
Metabolic	110	40	13	17	40	176	64	21	27	64
<i>Avandia products</i>	49	40	(4)	3	10	80	64	(5)	5	16
<i>Boniva/Boniva</i>	18	-	14	-	4	29	-	22	-	7
Anti-bacterials	370	16	153	159	42	584	25	241	251	67
<i>Augmentin</i>	168	-	69	78	21	265	-	109	123	33
Oncology and emesis	172	75	55	17	25	271	118	87	27	39
<i>Arzerra</i>	9	6	3	-	-	14	10	4	-	-
<i>Hycamtin</i>	29	14	12	1	2	46	23	18	2	3
<i>Promacta</i>	10	6	3	-	1	16	10	5	-	1
<i>Tyverb/Tykerb</i>	60	17	25	9	9	95	26	40	15	14
<i>Votrient</i>	14	11	3	-	-	22	17	4	-	1
Vaccines	994	171	393	260	170	1,574	271	622	410	271
<i>Boostrix</i>	49	28	11	4	6	78	45	18	6	9
<i>Cervarix</i>	67	1	25	7	34	105	1	40	11	53
<i>Fluarix, FluLaval</i>	69	28	13	20	8	109	45	21	31	12
<i>Flu Pandemic</i>	161	-	90	25	46	260	-	144	41	75
<i>Hepatitis</i>	164	56	63	23	22	260	90	99	36	35
<i>Infanrix, Pediarix</i>	190	36	120	13	21	300	57	189	21	33
<i>Rotarix</i>	79	21	9	45	4	124	34	14	70	6
<i>Synflorix</i>	48	-	8	35	5	77	-	13	56	8
Dermatologicals	288	94	62	82	50	455	148	98	129	80
<i>Bactroban</i>	29	12	7	7	3	45	19	11	11	4
<i>Dermovate</i>	22	-	5	11	6	35	-	7	18	10
<i>Duac</i>	27	15	6	3	3	43	24	10	5	4
<i>Soriatane</i>	17	17	-	-	-	27	27	-	-	-
<i>Zovirax</i>	39	14	7	6	12	62	22	11	9	20
Other	306	6	99	113	88	481	9	156	178	138
	5,527	1,854	1,647	969	1,057	8,730	2,930	2,601	1,529	1,670
ViiV Healthcare (HIV)	403	163	145	50	45	636	258	229	78	71
<i>Combivir</i>	99	34	28	26	11	156	54	44	41	17
<i>Epivir</i>	29	10	8	6	5	46	16	12	10	8
<i>Epzicom/Kivexa</i>	146	55	63	9	19	230	86	100	14	30
<i>Lexiva</i>	36	20	10	2	4	57	32	16	3	6
<i>Selzentry</i>	22	9	11	1	1	35	15	17	1	2
<i>Trizivir</i>	32	16	14	-	2	51	25	22	-	4
	5,930					9,366				

Pharmaceutical turnover includes co-promotion income. US dollar amounts shown above are a convenience translation of the sterling amounts.

Turnover

Pharmaceuticals - Year ended 31st December 2010

	Total £m	USA £m	Europe £m	Emerging Markets £m	ROW £m	Total \$m	USA \$m	Europe \$m	Emerging Markets \$m	ROW \$m
Respiratory	7,238	3,394	2,149	616	1,079	11,219	5,261	3,331	955	1,672
<i>Avamys/Veramyst</i>	193	69	56	31	37	299	107	87	48	57
<i>Flixonase/Flonase</i>	164	37	40	39	48	254	57	62	61	74
<i>Flixotide/Flovent</i>	804	431	159	48	166	1,246	668	247	74	257
<i>Seretide/Advair</i>	5,139	2,604	1,601	328	606	7,965	4,036	2,482	508	939
<i>Serevent</i>	201	64	98	2	37	312	99	152	3	58
<i>Ventolin</i>	522	179	142	112	89	809	277	220	174	138
<i>Zyrtec</i>	82	-	-	14	68	127	-	-	22	105
Anti-virals	1,086	370	109	223	384	1,683	573	169	346	595
<i>Hepsera</i>	128	-	1	58	69	198	-	1	90	107
<i>Relenza</i>	121	43	6	1	71	188	67	9	2	110
<i>Valtrex</i>	532	252	68	28	184	825	391	106	43	285
<i>Zeffix</i>	233	13	26	136	58	361	20	40	211	90
Central nervous system	1,753	505	540	223	485	2,717	783	837	345	752
<i>Imigran/Imitrex</i>	212	75	85	5	47	329	116	132	8	73
<i>Lamictal</i>	504	257	143	57	47	781	398	222	88	73
<i>Requip</i>	233	44	137	3	49	361	68	212	5	76
<i>Seroxat/Paxil</i>	482	27	82	73	300	747	42	127	113	465
<i>Treximet</i>	56	55	-	-	1	87	85	-	-	2
<i>Wellbutrin</i>	81	24	39	13	5	126	37	61	20	8
Cardiovascular and urogenital	2,570	1,571	610	134	255	3,984	2,435	946	208	395
<i>Arixtra</i>	301	177	99	10	15	467	274	154	16	23
<i>Avodart</i>	629	337	175	33	84	975	523	271	51	130
<i>Coreg</i>	171	170	-	-	1	265	263	-	-	2
<i>Fraxiparine</i>	222	-	154	55	13	344	-	239	85	20
<i>Lovaza</i>	530	528	-	-	2	822	819	-	-	3
<i>Vesicare</i>	114	113	-	-	1	177	175	-	-	2
<i>Volibris</i>	46	-	40	1	5	71	-	62	1	8
Metabolic	678	238	166	91	183	1,051	369	257	141	284
<i>Avandia products</i>	440	237	88	42	73	682	367	137	65	113
<i>Bonviva/Boniva</i>	78	-	64	2	12	121	-	99	3	19
Anti-bacterials	1,396	75	536	609	176	2,164	116	831	944	273
<i>Augmentin</i>	625	11	240	291	83	969	17	372	451	129
Oncology and emesis	688	350	201	62	75	1,066	542	312	96	116
<i>Arzerra</i>	31	26	4	-	1	48	40	6	-	2
<i>Hycamtin</i>	144	83	48	7	6	223	129	74	11	9
<i>Promacta</i>	31	25	5	-	1	48	39	8	-	1
<i>Tyverb/Tykerb</i>	227	70	94	30	33	352	108	146	47	51
<i>Votrient</i>	38	33	4	-	1	59	51	6	-	2
Vaccines	4,326	763	1,681	927	955	6,705	1,183	2,605	1,437	1,480
<i>Boostrix</i>	181	110	43	9	19	281	171	67	14	29
<i>Cervarix</i>	242	13	116	25	88	375	20	180	39	136
<i>Fluarix, FluLaval</i>	241	110	63	40	28	374	171	98	62	43
<i>Flu Pandemic</i>	1,192	1	488	226	477	1,848	2	757	350	739
<i>Hepatitis</i>	720	307	242	88	83	1,116	476	375	136	129
<i>Infanrix, Pediarix</i>	700	146	429	50	75	1,085	226	665	78	116
<i>Rotarix</i>	235	74	38	102	21	364	115	59	158	32
<i>Synflorix</i>	221	-	43	149	29	343	-	67	231	45
Dermatologicals	1,087	358	246	286	197	1,685	555	381	443	306
<i>Bactroban</i>	119	51	27	28	13	184	79	42	43	20
<i>Dermovate</i>	74	-	19	30	25	115	-	29	47	39
<i>Duac</i>	116	67	23	11	15	180	104	36	17	23
<i>Soriatane</i>	71	71	-	-	-	110	110	-	-	-
<i>Zovirax</i>	152	53	27	26	46	236	82	42	40	72
Other	994	24	310	385	275	1,541	37	481	597	426
	21,816	7,648	6,548	3,556	4,064	33,815	11,854	10,150	5,512	6,299
ViiV Healthcare (HIV)	1,566	660	585	146	175	2,427	1,023	907	226	271
<i>Combivir</i>	363	143	117	63	40	563	222	181	98	62
<i>Epivir</i>	115	40	37	18	20	178	62	57	28	31
<i>Epzicom/Kivexa</i>	555	210	245	29	71	860	325	380	45	110
<i>Lexiva</i>	155	80	51	13	11	240	124	79	20	17
<i>Selzentry</i>	80	34	41	2	3	124	53	63	3	5
<i>Trizivir</i>	144	73	60	4	7	223	113	93	6	11
	23,382					36,242				

Pharmaceutical turnover includes co-promotion income. US dollar amounts shown above are a convenience translation of the sterling amounts.

Turnover

Consumer Healthcare Three months ended 31st December 2010

	Total £m	Total \$m
Over-the-counter medicines	645	1,018
Oral healthcare	411	649
Nutritional healthcare	211	335
	<u>1,267</u>	<u>2,002</u>

	Total £m	Total \$m
USA	279	441
Europe	503	794
Rest of World	485	767
	<u>1,267</u>	<u>2,002</u>

Turnover

Consumer Healthcare Year ended 31st December 2010

	Total £m	Total \$m
Over-the-counter medicines	2,456	3,807
Oral healthcare	1,602	2,483
Nutritional healthcare	952	1,476
	<u>5,010</u>	<u>7,766</u>

	Total £m	Total \$m
USA	1,037	1,608
Europe	1,958	3,035
Rest of World	2,015	3,123
	<u>5,010</u>	<u>7,766</u>

Balance sheet

	31st December 2010 £m	31st December 2010 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	9,108	14,209
Goodwill	3,606	5,625
Other intangible assets	8,469	13,212
Investments in associates and joint ventures	1,081	1,686
Other investments	711	1,109
Deferred tax assets	2,388	3,725
Derivative financial instruments	97	151
Other non-current assets	556	868
Total non-current assets	26,016	40,585
Current assets		
Inventories	3,837	5,986
Current tax recoverable	56	87
Trade and other receivables	5,793	9,037
Derivative financial instruments	93	145
Liquid investments	184	287
Cash and cash equivalents	6,057	9,449
Assets held for sale	16	25
Total current assets	16,036	25,016
TOTAL ASSETS	42,052	65,601
LIABILITIES		
Current liabilities		
Short-term borrowings	(291)	(454)
Trade and other payables	(6,888)	(10,745)
Derivative financial instruments	(188)	(293)
Current tax payable	(869)	(1,356)
Short-term provisions	(4,380)	(6,833)
Total current liabilities	(12,616)	(19,681)
Non-current liabilities		
Long-term borrowings	(14,809)	(23,102)
Deferred tax liabilities	(707)	(1,103)
Pensions and other post-employment benefits	(2,672)	(4,168)
Other provisions	(904)	(1,410)
Derivative financial instruments	(5)	(8)
Other non-current liabilities	(594)	(927)
Total non-current liabilities	(19,691)	(30,718)
TOTAL LIABILITIES	(32,307)	(50,399)
NET ASSETS	9,745	15,202
EQUITY		
Share capital	1,418	2,212
Share premium account	1,428	2,228
Retained earnings	4,779	7,455
Other reserves	1,262	1,969
Shareholders' equity	8,887	13,864
Non-controlling interests	858	1,338
TOTAL EQUITY	9,745	15,202

US dollar amounts shown above are a convenience transaction of the sterling amounts using the period end rate of £1/\$1.56.