

Income statement

Three months ended 30th September 2011

	Total Q3 2011 £m	Total Q3 2010 £m	Growth	
			CER%	£%
TURNOVER	7,104	6,813	3	4
Cost of sales	(1,998)	(1,906)	3	5
Gross profit	5,106	4,907	4	4
Selling, general and administration	(2,098)	(2,040)	1	3
Research and development	(984)	(1,004)	(2)	(2)
Other operating income	91	95		
OPERATING PROFIT	2,115	1,958	8	8
Finance income	19	22		
Finance expense	(191)	(197)		
Profit on disposal of interest in associate	(2)	16		
PROFIT BEFORE TAXATION	1,941	1,799	8	8
Taxation	(498)	(456)		
<i>Tax rate %</i>	25.7%	25.3%		
PROFIT AFTER TAXATION FOR THE PERIOD	1,443	1,343	8	7
Profit attributable to non-controlling interests	65	55		
Profit attributable to shareholders	1,378	1,288		
	1,443	1,343		
EARNINGS PER SHARE	27.6p	25.3p	9	9
Diluted earnings per share	27.2p	25.1p		

Income statement

Nine months ended 30th September 2011

	Total 9 months 2011 £m	Total 9 months 2010 £m	Growth	
			CER%	£%
TURNOVER	20,409	21,195	(3)	(4)
Cost of sales	(5,437)	(5,515)	(2)	(1)
Gross profit	14,972	15,680	(4)	(5)
Selling, general and administration	(6,600)	(8,592)	(23)	(23)
Research and development	(2,914)	(3,360)	(12)	(13)
Other operating income	470	375		
OPERATING PROFIT	5,928	4,103	47	44
Finance income	61	58		
Finance expense	(595)	(591)		
Profit on disposal of interest in associate	584	-		
Share of after tax profits of associates and joint ventures	19	63		
PROFIT BEFORE TAXATION	5,997	3,633	67	65
Taxation	(1,823)	(1,147)		
<i>Tax rate %</i>	30.4%	31.6%		
PROFIT AFTER TAXATION FOR THE PERIOD	4,174	2,486	70	68
Profit attributable to non-controlling interests	165	162		
Profit attributable to shareholders	4,009	2,324		
	4,174	2,486		
EARNINGS PER SHARE	79.4p	45.7p	76	74
Diluted earnings per share	78.3p	45.3p		

Consumer Healthcare turnover

Three months ended 30th September 2011

	Total		
	£m	CER%	AR%
Over-the-counter medicines	606	-	1
Oral healthcare	446	10	12
Nutritional healthcare	277	9	7
	<u>1,329</u>	<u>5</u>	<u>6</u>

	Total		
	£m	CER%	AR%
USA	256	5	3
Europe	490	(3)	-
Rest of World	583	13	12
	<u>1,329</u>	<u>5</u>	<u>6</u>

Nine months ended 30th September 2011

	Total		
	£m	CER%	AR%
Over-the-counter medicines	1,828	1	1
Oral healthcare	1,297	9	9
Nutritional healthcare	802	10	8
	<u>3,927</u>	<u>5</u>	<u>5</u>

	Total		
	£m	CER%	AR%
USA	733	1	(3)
Europe	1,455	(1)	-
Rest of World	1,739	14	14
	<u>3,927</u>	<u>5</u>	<u>5</u>

Pharmaceuticals turnover – Three months ended 30th September 2011

	Total			USA			Europe			Emerging Markets			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	1,714	(2)	(1)	783	(6)	(7)	502	(1)	3	153	8	5	276	7	12
<i>Avamys/Veramyst</i>	50	23	25	17	13	13	13	20	30	11	38	38	9	29	29
<i>Flixonase/Flonase</i>	28	(16)	(13)	2	(63)	(75)	9	-	13	12	33	33	5	(43)	(29)
<i>Flixotide/Flovent</i>	183	(3)	(2)	100	(3)	(5)	35	-	6	11	20	10	37	(10)	(5)
<i>Seretide/Advair</i>	1,217	(3)	(2)	593	(7)	(9)	384	-	4	75	-	(3)	165	7	12
<i>Serevent</i>	43	(10)	(10)	15	(6)	(6)	21	(17)	(13)	1	-	-	6	-	(14)
<i>Ventolin</i>	136	5	5	54	10	8	32	(6)	-	27	4	-	23	10	10
<i>Xyzal</i>	12	>100	>100	-	-	-	-	-	-	2	(33)	(33)	10	>100	>100
<i>Zyrtec</i>	21	5	11	-	-	-	-	-	-	5	50	25	16	(7)	7
Anti-virals	202	(10)	(7)	40	(28)	(30)	20	(21)	(17)	65	14	16	77	(11)	(5)
<i>Hepsera</i>	32	(6)	-	-	-	-	-	-	-	16	-	-	16	(13)	-
<i>Relenza</i>	2	(94)	(89)	-	(100)	(100)	-	(100)	(100)	-	(100)	(100)	2	(50)	-
<i>Valtrex</i>	87	(12)	(8)	22	(19)	(19)	11	(14)	(21)	8	14	14	46	(11)	(2)
<i>Zeffix</i>	63	11	15	1	(33)	(67)	7	(14)	-	41	25	28	14	-	8
Central nervous system	458	3	5	140	16	13	123	(11)	(6)	65	6	3	130	4	10
<i>Imigran/Imitrex</i>	54	-	2	21	17	17	20	(14)	(9)	2	100	100	11	(8)	(8)
<i>Keppra</i>	13	(13)	(13)	-	-	-	-	-	-	9	(17)	(25)	4	-	33
<i>Lamictal</i>	153	18	17	88	29	26	33	(9)	(6)	14	(7)	(7)	18	64	64
<i>Requip</i>	56	(7)	(3)	11	(15)	(15)	29	(9)	(9)	1	-	-	15	8	25
<i>Seroxat/Paxil</i>	109	(9)	(5)	-	(100)	(100)	16	(16)	(16)	21	5	11	72	(4)	-
<i>Treximet</i>	14	-	8	14	-	8	-	-	-	-	-	-	-	-	-
<i>Wellbutrin</i>	23	33	28	5	50	25	12	10	20	6	100	100	-	-	(100)
Cardiovascular and urogenital	700	7	8	404	1	(1)	165	9	15	45	35	32	86	30	37
<i>Arixtra</i>	71	(3)	(1)	39	(9)	(9)	23	5	5	4	33	33	5	-	25
<i>Avodart</i>	188	19	21	79	(8)	(9)	58	37	41	12	50	50	39	90	95
<i>Coreg</i>	38	(11)	(14)	39	(12)	(9)	-	-	-	-	-	-	(1)	-	<100
<i>Fraxiparine</i>	60	7	11	-	-	-	42	18	24	17	13	13	1	(80)	(80)
<i>Lovaza</i>	139	2	1	139	4	1	-	-	-	-	-	-	-	-	(100)
<i>Vesicare</i>	33	21	18	32	22	19	-	-	-	-	-	-	1	-	-
<i>Volibris</i>	25	>100	>100	-	-	-	18	70	80	1	-	-	6	-	-
Metabolic	83	(35)	(34)	14	(56)	(56)	18	(54)	(51)	16	42	33	35	(25)	(20)
<i>Avandia products</i>	22	(67)	(69)	14	(52)	(58)	(1)	<(100)	<100	4	100	100	5	(73)	(67)
<i>Bonviva/Boniva</i>	17	(6)	-	-	-	-	12	(15)	(8)	1	-	-	4	33	33
Anti-bacterials	323	(3)	(3)	13	-	(7)	112	(12)	(7)	155	5	2	43	(9)	(7)
<i>Augmentin</i>	139	(10)	(9)	(1)	(100)	<100	54	(7)	(2)	66	(8)	(11)	20	(22)	(13)
Oncology and emesis	196	13	14	84	(3)	(6)	66	29	35	20	18	18	26	47	53
<i>Arzerra</i>	12	33	33	9	13	13	3	>100	>100	-	-	-	-	-	-
<i>Hycamtin</i>	18	(49)	(49)	4	(81)	(81)	11	(9)	-	1	(50)	(50)	2	>100	100
<i>Promacta</i>	22	>100	>100	10	67	67	6	>100	>100	1	-	-	5	-	-
<i>Tyverb/Tykerb</i>	61	3	5	19	11	6	24	(4)	4	9	11	-	9	-	13
<i>Votrient</i>	30	>100	>100	16	89	78	12	>100	>100	2	-	-	-	(100)	(100)
Vaccines	1,142	14	16	323	20	16	285	(12)	(8)	238	9	10	296	58	66
<i>Boostrix</i>	62	7	5	43	10	5	13	-	8	2	-	-	4	-	-
<i>Cervarix</i>	232	>100	>100	4	(25)	-	12	-	9	18	100	100	198	>100	>100
<i>Fluarix, FluLaval</i>	159	(2)	(5)	109	40	35	24	(52)	(52)	9	(53)	(53)	17	6	-
<i>Flu Pandemic</i>	1	(98)	(98)	-	-	-	2	-	-	-	-	-	(1)	<(100)	<100
<i>Hepatitis</i>	178	(6)	(6)	82	(14)	(15)	55	(4)	-	23	15	15	18	12	6
<i>Infanrix, Pediarix</i>	192	12	14	60	61	58	97	(4)	1	12	(25)	(25)	23	28	28
<i>Rotarix</i>	75	44	44	25	47	47	11	25	38	29	55	45	10	29	43
<i>Synflorix</i>	107	14	19	-	-	-	11	11	22	91	18	23	5	(14)	(29)
Dermatologicals	283	4	4	80	(12)	(14)	62	-	5	93	30	27	48	-	2
<i>Bactroban</i>	36	9	9	16	14	14	8	14	14	8	13	-	4	(25)	-
<i>Dermovate</i>	22	17	22	-	-	-	6	20	20	8	29	14	8	-	33
<i>Duac</i>	30	(12)	(9)	17	(15)	(15)	6	-	20	3	33	-	4	(40)	(20)
<i>Soriatane</i>	19	-	-	19	-	-	-	-	-	-	-	-	-	-	-
<i>Zovirax</i>	25	(19)	(19)	1	(88)	(88)	7	17	17	8	33	33	9	(18)	(18)
Other	239	1	-	11	13	38	57	(12)	(12)	99	2	(6)	72	11	18
	5,340	3	4	1,892	(1)	(3)	1,410	(5)	(1)	949	11	9	1,089	15	27
ViiV Healthcare (HIV)	435	7	8	177	11	9	145	1	7	79	17	14	34	(6)	-
<i>Combivir</i>	112	17	18	37	8	3	22	(19)	(15)	47	62	62	6	-	50
<i>Epivir</i>	28	(10)	(10)	10	-	-	8	(11)	(11)	8	-	(11)	2	(50)	(50)
<i>Epzicom/Kivexa</i>	160	14	16	61	26	22	69	16	21	13	(7)	(7)	17	(12)	-
<i>Lexiva</i>	35	(13)	(13)	19	5	-	11	(23)	(15)	2	(57)	(71)	3	100	>100
<i>Selzentry</i>	28	40	40	12	63	50	14	40	40	1	-	-	1	(100)	(50)
<i>Trizivir</i>	33	(16)	(13)	17	(5)	(11)	13	(20)	(13)	2	(33)	(33)	1	(100)	-
	5,775	3	4												

Pharmaceuticals turnover – Nine months ended 30th September 2011

	Total			USA			Europe			Emerging Markets			Rest of World		
	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%	£m	CER%	£%
Respiratory	5,341	1	-	2,382	(1)	(5)	1,591	(2)	-	468	6	3	900	14	19
<i>Avamys/Veramyst</i>	186	29	30	49	(2)	(6)	51	14	16	32	45	45	54	>100	>100
<i>Flixonase/Flonase</i>	107	(17)	(16)	6	(78)	(81)	29	(7)	(3)	33	21	18	39	(3)	5
<i>Flixotide/Flovent</i>	581	1	(1)	313	4	-	114	(4)	(3)	35	3	(3)	119	(3)	1
<i>Seretide/Advair</i>	3,710	(1)	(2)	1,793	(3)	(7)	1,190	(1)	-	232	(2)	(5)	495	10	15
<i>Serevent</i>	138	(9)	(9)	48	2	(2)	65	(14)	(12)	2	-	-	23	(15)	(12)
<i>Ventolin</i>	431	15	13	167	35	28	103	(3)	(1)	87	10	6	74	11	16
<i>Xyzal</i>	42	>100	>100	-	-	-	-	-	-	6	-	-	36	>100	>100
<i>Zyrtec</i>	72	17	22	-	-	-	-	-	-	14	50	40	58	10	18
Anti-virals	612	(30)	(29)	120	(62)	(64)	62	(28)	(27)	178	10	10	252	(17)	(12)
<i>Hepsera</i>	90	(7)	(5)	-	-	-	-	-	-	42	-	(2)	48	(13)	(8)
<i>Relenza</i>	23	(81)	(79)	-	-	-	-	-	-	-	-	-	23	(61)	(57)
<i>Valtrex</i>	263	(41)	(40)	66	(70)	(71)	36	(32)	(32)	22	10	10	139	(4)	3
<i>Zeffix</i>	181	7	7	8	(10)	(20)	19	(10)	(5)	114	18	18	40	(7)	(5)
Central nervous system	1,275	(3)	(2)	353	(6)	(10)	366	(12)	(10)	182	16	13	374	3	9
<i>Imigran/Imitrex</i>	156	(5)	(4)	62	5	3	56	(17)	(14)	4	-	-	34	-	3
<i>Keppra</i>	36	20	20	-	-	-	1	-	-	23	20	15	12	22	33
<i>Lamictal</i>	395	7	6	207	13	8	99	(11)	(9)	41	2	-	48	39	45
<i>Requip</i>	166	(5)	(4)	31	(6)	(9)	91	(13)	(13)	3	50	50	41	18	24
<i>Seroxat/Paxil</i>	319	(13)	(10)	(3)	<(100)	<100	49	(22)	(22)	59	11	9	214	(4)	2
<i>Treximet</i>	42	5	-	42	5	2	-	-	-	-	-	-	-	-	-
<i>Wellbutrin</i>	65	10	10	13	(18)	(24)	34	18	21	14	67	56	4	(40)	(20)
Cardiovascular and urogenital	2,021	10	8	1,158	5	1	495	8	10	123	30	26	245	34	39
<i>Arixtra</i>	220	1	-	124	1	(3)	73	(4)	(3)	10	57	43	13	9	18
<i>Avodart</i>	542	21	20	242	1	(4)	163	28	30	30	29	25	107	98	>100
<i>Coreg</i>	114	(8)	(12)	114	(9)	(12)	-	-	-	-	-	-	-	-	-
<i>Fraxiparine</i>	174	3	4	-	-	-	123	3	6	49	25	23	2	(82)	(82)
<i>Lovaza</i>	411	12	7	409	12	7	-	-	-	-	-	-	2	-	-
<i>Vesicare</i>	94	18	13	93	18	13	-	-	-	-	-	-	1	-	-
<i>Vollibris</i>	69	>100	>100	-	-	-	52	89	93	3	>100	>100	14	>100	>100
Metabolic	259	(55)	(54)	60	(68)	(70)	51	(67)	(67)	48	(34)	(35)	100	(33)	(30)
<i>Avandia products</i>	84	(78)	(79)	60	(68)	(70)	(3)	<(100)	<100	11	(72)	(72)	16	(76)	(75)
<i>Bonviva/Boniva</i>	51	(17)	(15)	-	-	-	38	(26)	(24)	2	-	-	11	38	38
Anti-bacterials	1,035	2	1	48	(15)	(19)	390	-	2	468	8	4	129	(4)	(2)
<i>Augmentin</i>	468	3	2	1	(91)	(91)	185	6	8	222	7	4	60	(3)	(2)
Oncology and emesis	511	-	(1)	200	(24)	(27)	187	25	28	52	18	16	72	38	44
<i>Arzerra</i>	32	50	45	23	20	15	9	>100	>100	-	-	-	-	-	-
<i>Hycamtin</i>	45	(62)	(61)	4	(94)	(94)	32	(14)	(11)	4	(33)	(33)	5	25	25
<i>Promacta</i>	51	>100	>100	24	32	26	15	>100	>100	2	-	-	10	-	-
<i>Tyverb/Tykerb</i>	172	3	3	47	(8)	(11)	75	6	9	25	24	19	25	-	4
<i>Votrient</i>	69	>100	>100	40	91	82	25	>100	>100	3	-	-	1	-	-
Vaccines	2,687	(20)	(19)	656	16	11	801	(39)	(38)	610	(8)	(9)	620	(25)	(21)
<i>Boostrix</i>	147	13	11	85	9	4	34	3	6	6	20	20	22	62	69
<i>Cervarix</i>	406	>100	>100	7	(42)	(42)	41	(56)	(55)	34	84	79	324	>100	>100
<i>Fluarix, FluLaval</i>	176	5	2	115	46	40	22	(56)	(56)	15	(25)	(25)	24	20	20
<i>Flu Pandemic</i>	10	(99)	(99)	-	-	-	11	(97)	(97)	-	-	-	(1)	<100	<100
<i>Hepatitis</i>	527	(4)	(5)	234	(2)	(7)	173	(5)	(3)	59	(8)	(9)	61	(5)	-
<i>Infanrix, Pediarix</i>	509	(1)	-	131	25	19	288	(9)	(7)	32	(14)	(14)	58	4	7
<i>Rotarix</i>	227	49	46	85	66	60	31	3	7	87	58	53	24	41	41
<i>Synflorix</i>	283	61	64	-	-	-	36	-	3	232	100	>100	15	(38)	(38)
Dermatologicals	821	4	3	219	(13)	(17)	190	2	3	265	32	30	147	(3)	-
<i>Bactroban</i>	94	7	4	38	3	(3)	22	10	10	23	14	10	11	-	10
<i>Dermovate</i>	63	21	21	-	-	-	18	29	29	24	37	26	21	-	11
<i>Duac</i>	83	(6)	(7)	46	(8)	(12)	18	-	6	8	13	-	11	(17)	(8)
<i>Soriatane</i>	53	2	(2)	53	2	(2)	-	-	-	-	-	-	-	-	-
<i>Zovirax</i>	83	(27)	(27)	11	(72)	(72)	20	-	-	21	5	5	31	(12)	(9)
Other	753	10	9	23	17	28	189	(11)	(10)	313	22	15	228	16	19
	15,315	(5)	(5)	5,219	(6)	(10)	4,322	(13)	(12)	2,707	7	5	3,067	(3)	2
Viiv Healthcare	1,167	1	-	484	2	(3)	436	(3)	(1)	149	22	21	98	(10)	(5)
<i>Combivir</i>	254	(3)	(4)	97	(6)	(11)	74	(19)	(17)	68	36	36	15	(13)	(6)
<i>Epivir</i>	83	(2)	(3)	30	3	-	25	(14)	(14)	20	25	25	8	(27)	(27)
<i>Epzicom/Kivexa</i>	447	10	9	165	12	6	202	9	11	30	15	15	50	2	9
<i>Lexiva</i>	104	(11)	(13)	54	(5)	(10)	35	(17)	(15)	9	(9)	(18)	6	(29)	(14)
<i>Selzentry</i>	77	34	33	32	36	28	39	30	30	2	100	100	4	50	100
<i>Trizivir</i>	94	(15)	(16)	49	(9)	(14)	39	(17)	(15)	3	(25)	(25)	3	(60)	(40)
	16,482	(5)	(6)												