

Income statement

Three months ended 31 December 2011

	Results before major restructuring £m	Major restructuring £m	Total £m	Results before major restructuring \$m	Major restructuring \$m	Total \$m
TURNOVER	6,978		6,978	11,235		11,235
Cost of sales	(1,876)	(19)	(1,895)	(3,021)	(31)	(3,052)
Gross profit	5,102	(19)	5,083	8,214	(31)	8,183
Selling, general and administration	(2,064)	(162)	(2,226)	(3,323)	(261)	(3,584)
Research and development	(1,099)	4	(1,095)	(1,769)	7	(1,762)
Other operating income	140	(23)	117	225	(37)	188
OPERATING PROFIT	2,079	(200)	1,879	3,347	(322)	3,025
Finance income	29		29	47		47
Finance expense	(203)	(1)	(204)	(327)	(1)	(328)
Profit on disposal of interest in associate	1		1	2		2
Share of after tax losses of associates and joint ventures	(4)		(4)	(7)		(7)
PROFIT BEFORE TAXATION	1,902	(201)	1,701	3,062	(323)	2,739
Taxation	(463)	46	(417)	(745)	74	(671)
PROFIT AFTER TAXATION FOR THE PERIOD	1,439	(155)	1,284	2,317	(249)	2,068
Profit attributable to non-controlling interests	32		32	51		51
Profit attributable to shareholders	1,407	(155)	1,252	2,266	(249)	2,017
	1,439	(155)	1,284	2,317	(249)	2,068
EARNINGS PER SHARE	28.4p		25.2p	45.7¢		40.6¢
Diluted earnings per share	28.0p		24.9p	45.1¢		40.1¢

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

Income statement

Year ended 31 December 2011

	Results before major restructuring £m	Major restructuring £m	Total £m	Results before major restructuring \$m	Major restructuring \$m	Total \$m
TURNOVER	27,387		27,387	44,093		44,093
Cost of sales	(7,259)	(73)	(7,332)	(11,687)	(118)	(11,805)
Gross profit	20,128	(73)	20,055	32,406	(118)	32,288
Selling, general and administration	(8,429)	(397)	(8,826)	(13,571)	(639)	(14,210)
Research and development	(3,912)	(97)	(4,009)	(6,298)	(156)	(6,454)
Other operating income	610	(23)	587	982	(37)	945
OPERATING PROFIT	8,397	(590)	7,807	13,519	(950)	12,569
Finance income	90		90	145		145
Finance expense	(797)	(2)	(799)	(1,283)	(3)	(1,286)
Profit on disposal of interest in associate	585		585	942		942
Share of after tax profits of associates and joint ventures	15		15	24		24
PROFIT BEFORE TAXATION	8,290	(592)	7,698	13,347	(953)	12,394
Taxation	(2,354)	114	(2,240)	(3,790)	184	(3,606)
PROFIT AFTER TAXATION FOR THE YEAR	5,936	(478)	5,458	9,557	(769)	8,788
Profit attributable to non-controlling interests	197		197	317		317
Profit attributable to shareholders	5,739	(478)	5,261	9,240	(769)	8,471
	5,936	(478)	5,458	9,557	(769)	8,788
EARNINGS PER SHARE	114.1p		104.6p	183.7¢		168.4¢
Diluted earnings per share	112.5p		103.2p	181.1¢		166.2¢

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

Turnover

Pharmaceuticals - Three months ended 31 December 2011

	Total £m	USA £m	Europe £m	Emerging Markets £m	ROW £m	Total \$m	USA \$m	Europe \$m	Emerging Markets \$m	ROW \$m
Respiratory	1,957	919	524	174	340	3,151	1,480	843	281	547
<i>Avamys/Veramyst</i>	55	13	14	12	16	89	21	23	19	26
<i>Flixonase/Flonase</i>	31	1	8	12	10	50	2	13	19	16
<i>Flixotide/Flovent</i>	232	134	37	13	48	374	216	60	21	77
<i>Seretide/Advair</i>	1,351	682	390	85	194	2,175	1,098	628	137	312
<i>Serevent</i>	44	14	20	1	9	71	23	32	2	14
<i>Ventolin</i>	171	72	38	34	27	275	116	61	55	43
<i>Xyzal</i>	22	-	-	3	19	35	-	-	4	31
<i>Zyrtec</i>	24	-	-	6	18	39	-	-	9	30
Anti-virals	195	29	20	64	82	314	47	32	103	132
<i>Hepsera</i>	37	-	-	19	18	59	-	-	30	29
<i>Relenza</i>	4	2	-	-	2	6	3	-	-	3
<i>Valtrex</i>	76	6	12	9	49	123	10	19	15	79
<i>Zeffix</i>	56	3	5	35	13	91	5	8	57	21
Central nervous system	446	121	114	66	145	718	194	184	106	234
<i>Imigran/Imitrex</i>	54	20	18	1	15	87	32	29	2	24
<i>Keppra</i>	17	-	1	12	4	27	-	1	19	7
<i>Lamictal</i>	141	70	32	16	23	227	113	51	26	37
<i>Requip</i>	52	11	22	1	18	84	18	36	1	29
<i>Seroxat/Paxil</i>	116	-	17	20	79	186	-	27	32	127
<i>Treximet</i>	15	15	-	-	-	24	24	-	-	-
<i>Wellbutrin</i>	20	3	11	5	1	32	5	17	8	2
Cardiovascular and urogenital	719	406	161	51	101	1,157	654	259	82	162
<i>Arixtra</i>	56	23	24	5	4	90	37	39	8	6
<i>Avodart</i>	206	89	60	11	46	331	143	96	18	74
<i>Coreg</i>	41	40	-	-	1	66	64	-	-	2
<i>Fraxiparine</i>	60	-	39	20	1	97	-	63	32	2
<i>Lovaza</i>	158	158	-	-	-	254	254	-	-	-
<i>Vesicare</i>	32	33	-	-	(1)	52	54	-	-	(2)
<i>Volibris</i>	28	-	17	2	9	45	-	27	3	15
Metabolic	103	30	16	19	38	166	48	26	31	61
<i>Avandia products</i>	39	31	-	5	3	63	50	-	8	5
<i>Bonviva/Boniva</i>	14	-	9	-	5	23	-	15	-	8
Anti-bacterials	355	6	123	181	45	572	10	198	292	72
<i>Augmentin</i>	173	(1)	63	89	22	279	(2)	101	144	36
Oncology and emesis	182	72	62	24	24	293	116	100	39	38
<i>Arzerra</i>	12	8	3	-	1	19	13	4	-	2
<i>Hycamtin</i>	12	2	8	1	1	20	4	12	2	2
<i>Promacta</i>	24	8	8	2	6	39	13	13	3	10
<i>Tyverb/Tykerb</i>	59	17	22	11	9	95	27	35	18	15
<i>Votrient</i>	31	16	12	3	-	50	26	19	5	-
Vaccines	810	158	290	200	162	1,304	254	467	322	261
<i>Boostrix</i>	45	23	14	2	6	72	37	22	3	10
<i>Cervarix</i>	100	1	17	16	66	161	2	27	26	106
<i>Fluarix, FluLaval</i>	54	17	18	13	6	87	28	29	21	9
<i>Flu Pandemic</i>	8	-	2	-	6	13	-	3	-	10
<i>Hepatitis</i>	161	59	54	25	23	260	95	88	40	37
<i>Infanrix, Pediarix</i>	181	32	115	12	22	292	51	185	20	36
<i>Rotarix</i>	73	25	10	23	15	118	40	16	37	25
<i>Synflorix</i>	67	-	16	44	7	108	-	26	70	12
Dermatologicals	266	68	61	89	48	428	110	98	143	77
<i>Bactroban</i>	29	13	6	7	3	47	21	10	11	5
<i>Dermovate</i>	24	-	6	11	7	39	-	10	18	11
<i>Duac</i>	26	14	6	3	3	41	22	10	5	4
<i>Soriatane</i>	22	21	-	-	1	36	34	-	-	2
<i>Zovirax</i>	26	-	7	7	12	41	-	11	11	19
Other	275	7	74	105	89	443	11	119	169	144
	5,308	1,816	1,445	973	1,074	8,546	2,924	2,326	1,568	1,728
ViiV Healthcare (HIV)	402	176	138	50	38	647	284	222	80	61
<i>Combivir</i>	68	30	19	15	4	109	48	31	24	6
<i>Epivir</i>	27	9	7	7	4	43	14	12	11	6
<i>Epzicom/Kivexa</i>	170	65	70	13	22	273	104	113	21	35
<i>Lexiva</i>	38	20	10	7	1	62	32	17	12	1
<i>Selzentry</i>	33	13	12	2	6	53	21	19	3	10
<i>Trizivir</i>	32	18	11	2	1	52	29	19	3	1
	5,710					9,193				

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

Turnover

Pharmaceuticals - Year ended 31 December 2011

	Total £m	USA £m	Europe £m	Emerging Markets £m	ROW £m	Total \$m	USA \$m	Europe \$m	Emerging Markets \$m	ROW \$m
Respiratory	7,298	3,301	2,115	642	1,240	11,750	5,315	3,405	1,034	1,996
<i>Avamys/Veramyst</i>	241	62	65	44	70	388	100	105	70	113
<i>Flixonase/Flonase</i>	138	7	37	45	49	222	11	60	72	79
<i>Flixotide/Flovent</i>	813	447	151	48	167	1,309	720	243	77	269
<i>Seretide/Advair</i>	5,061	2,475	1,580	317	689	8,148	3,985	2,544	510	1,109
<i>Serevent</i>	182	62	85	3	32	293	100	137	5	51
<i>Ventolin</i>	602	239	141	121	101	969	385	227	195	162
<i>Xyzal</i>	64	-	-	9	55	103	-	-	14	89
<i>Zyrtec</i>	96	-	-	20	76	155	-	-	32	123
Anti-virals	807	149	82	242	334	1,299	240	132	389	538
<i>Hepsera</i>	127	-	-	61	66	204	-	-	98	106
<i>Relenza</i>	27	2	-	-	25	43	3	-	-	40
<i>Valtrex</i>	339	72	48	31	188	546	116	77	50	303
<i>Zeffix</i>	237	11	24	149	53	382	18	39	240	85
Central nervous system	1,721	474	480	248	519	2,771	763	773	399	836
<i>Imigran/Imitrex</i>	210	82	74	5	49	338	132	119	8	79
<i>Keppra</i>	53	-	2	35	16	85	-	3	56	26
<i>Lamictal</i>	536	277	131	57	71	863	446	211	92	114
<i>Requip</i>	218	42	113	4	59	351	68	182	6	95
<i>Seroxat/Paxil</i>	435	(3)	66	79	293	700	(5)	106	127	472
<i>Treximet</i>	57	57	-	-	-	92	92	-	-	-
<i>Wellbutrin</i>	85	16	45	19	5	137	26	72	31	8
Cardiovascular and urogenital	2,740	1,564	656	174	346	4,411	2,518	1,056	280	557
<i>Arixtra</i>	276	147	97	15	17	444	237	156	24	27
<i>Avodart</i>	748	331	223	41	153	1,204	533	359	66	246
<i>Coreg</i>	155	154	-	-	1	250	248	-	-	2
<i>Fraxiparine</i>	234	-	162	69	3	377	-	261	111	5
<i>Lovaza</i>	569	567	-	-	2	916	913	-	-	3
<i>Vesicare</i>	126	126	-	-	-	203	203	-	-	-
<i>Volibris</i>	97	-	69	5	23	156	-	111	8	37
Metabolic	362	90	67	67	138	583	145	108	108	222
<i>Avandia products</i>	123	91	(3)	16	19	198	146	(5)	26	31
<i>Bonviva/Boniva</i>	65	-	47	2	16	105	-	76	3	26
Anti-bacterials	1,390	54	513	649	174	2,238	87	826	1,045	280
<i>Augmentin</i>	641	-	248	311	82	1,032	-	399	501	132
Oncology and emesis	693	272	249	76	96	1,116	438	401	123	154
<i>Arzerra</i>	44	31	12	-	1	71	50	19	-	2
<i>Hycamtin</i>	57	6	40	5	6	92	10	64	8	10
<i>Promacta</i>	75	32	23	4	16	121	52	37	6	26
<i>Tyverb/Tykerb</i>	231	64	97	36	34	372	103	156	58	55
<i>Votrient</i>	100	56	37	6	1	161	90	59	10	2
Vaccines	3,497	814	1,091	810	782	5,630	1,310	1,757	1,304	1,259
<i>Boostrix</i>	192	108	48	8	28	309	174	77	13	45
<i>Cervarix</i>	506	8	58	50	390	815	13	93	81	628
<i>Fluarix, FluLaval</i>	230	132	40	28	30	370	213	64	45	48
<i>Flu Pandemic</i>	18	-	13	-	5	29	-	21	-	8
<i>Hepatitis</i>	688	293	227	84	84	1,108	472	366	135	135
<i>Infanrix, Pediarix</i>	690	163	403	44	80	1,111	262	649	71	129
<i>Rotarix</i>	300	110	41	110	39	483	177	66	177	63
<i>Synflorix</i>	350	-	52	276	22	564	-	84	444	36
Dermatologicals	1,087	287	251	354	195	1,750	462	404	570	314
<i>Bactroban</i>	123	51	28	30	14	198	82	45	48	23
<i>Dermovate</i>	87	-	24	35	28	140	-	39	56	45
<i>Duac</i>	109	60	24	11	14	175	96	39	18	22
<i>Soriatane</i>	75	74	-	-	1	121	119	-	-	2
<i>Zovirax</i>	109	11	27	28	43	175	18	43	45	69
Other	1,028	30	263	418	317	1,655	48	423	673	511
	20,623	7,035	5,767	3,680	4,141	33,203	11,326	9,285	5,925	6,667
ViiV Healthcare (HIV)	1,569	660	574	199	136	2,526	1,063	924	320	219
<i>Combivir</i>	322	127	93	83	19	518	204	150	134	30
<i>Epivir</i>	110	39	32	27	12	177	63	52	43	19
<i>Epzicom/Kivexa</i>	617	230	272	43	72	993	370	438	69	116
<i>Lexiva</i>	142	74	45	16	7	229	119	73	26	11
<i>Selzentry</i>	110	45	51	4	10	177	73	82	6	16
<i>Trizivir</i>	126	67	50	5	4	203	108	81	8	6
	22,192					35,729				

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 31 December 2011

	Total £m	Total \$m
Over-the-counter medicines	625	1,006
Oral healthcare	420	677
Nutritional healthcare	223	359
	<u>1,268</u>	<u>2,042</u>

	Total £m	Total \$m
USA	259	417
Europe	475	765
Rest of World	534	860
	<u>1,268</u>	<u>2,042</u>

Consumer Healthcare Year ended 31 December 2011

	Total £m	Total \$m
Over-the-counter medicines	2,453	3,949
Oral healthcare	1,717	2,765
Nutritional healthcare	1,025	1,650
	<u>5,195</u>	<u>8,364</u>

	Total £m	Total \$m
USA	992	1,597
Europe	1,930	3,107
Rest of World	2,273	3,660
	<u>5,195</u>	<u>8,364</u>

Balance sheet

	31 December 2011 £m	31 December 2011 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	8,748	13,559
Goodwill	3,754	5,819
Other intangible assets	7,802	12,093
Investments in associates and joint ventures	560	868
Other investments	590	914
Deferred tax assets	2,849	4,416
Derivative financial instruments	85	132
Other non-current assets	525	814
Total non-current assets	24,913	38,615
Current assets		
Inventories	3,873	6,003
Current tax recoverable	85	132
Trade and other receivables	5,576	8,643
Derivative financial instruments	70	108
Liquid investments	184	285
Cash and cash equivalents	5,714	8,857
Assets held for sale	665	1,031
Total current assets	16,167	25,059
TOTAL ASSETS	41,080	63,674
LIABILITIES		
Current liabilities		
Short-term borrowings	(2,698)	(4,182)
Trade and other payables	(7,359)	(11,406)
Derivative financial instruments	(175)	(271)
Current tax payable	(1,643)	(2,547)
Short-term provisions	(3,135)	(4,859)
Total current liabilities	(15,010)	(23,265)
Non-current liabilities		
Long-term borrowings	(12,203)	(18,915)
Deferred tax liabilities	(822)	(1,274)
Pensions and other post-employment benefits	(3,091)	(4,791)
Other provisions	(499)	(774)
Derivative financial instruments	(2)	(3)
Other non-current liabilities	(626)	(970)
Total non-current liabilities	(17,243)	(26,727)
TOTAL LIABILITIES	(32,253)	(49,992)
NET ASSETS	8,827	13,682
EQUITY		
Share capital	1,387	2,150
Share premium account	1,673	2,593
Retained earnings	3,370	5,224
Other reserves	1,602	2,483
Shareholders' equity	8,032	12,450
Non-controlling interests	795	1,232
TOTAL EQUITY	8,827	13,682

US dollar amounts shown above are a convenience transaction of the sterling amounts using the period end rate of £1/\$1.55.