

Income statement

Three months ended 30 June 2012

	Total £m	Total \$m
TURNOVER	6,462	10,210
Cost of sales	(1,992)	(3,147)
Gross profit	4,470	7,063
Selling, general and administration	(2,187)	(3,455)
Research and development	(922)	(1,457)
Royalty income	66	104
Other operating income	309	488
OPERATING PROFIT	1,736	2,743
Finance income	7	11
Finance expense	(191)	(302)
PROFIT BEFORE TAXATION	1,552	2,452
Taxation	(233)	(368)
PROFIT AFTER TAXATION FOR THE PERIOD	1,319	2,084
Profit attributable to non-controlling interests	65	103
Profit attributable to shareholders	1,254	1,981
	1,319	2,084
EARNINGS PER SHARE	25.4p	40.1¢
Diluted earnings per share	25.1p	39.7¢

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

Income statement

Six months ended 30 June 2012

	Total £m	Total \$m
TURNOVER	13,102	20,701
Cost of sales	(3,802)	(6,007)
Gross profit	9,300	14,694
Selling, general and administration	(4,317)	(6,821)
Research and development	(1,893)	(2,991)
Royalty income	138	218
Other operating income	545	861
OPERATING PROFIT	3,773	5,961
Finance income	73	115
Finance expense	(425)	(671)
Share of after tax profits of associates and joint ventures	10	16
PROFIT BEFORE TAXATION	3,431	5,421
Taxation	(722)	(1,141)
PROFIT AFTER TAXATION FOR THE PERIOD	2,709	4,280
Profit attributable to non-controlling interests	130	205
Profit attributable to shareholders	2,579	4,075
	2,709	4,280
EARNINGS PER SHARE	52.1p	82.3¢
Diluted earnings per share	51.3p	81.1¢

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

Turnover

Pharmaceuticals – Three months ended 30 June 2012

	Total £m	USA £m	Europe £m	EMAP £m	ROW £m	Total \$m	USA \$m	Europe \$m	EMAP \$m	ROW \$m
Respiratory	1,814	838	483	213	280	2,866	1,324	763	336	443
<i>Avamys/Veramyst</i>	64	15	20	16	13	101	24	31	26	20
<i>Flixonase/Flonase</i>	31	2	9	15	5	49	3	14	24	8
<i>Flixotide/Flovent</i>	189	107	31	14	37	299	169	49	23	58
<i>Seretide/Advair</i>	1,269	641	364	100	164	2,005	1,013	575	158	259
<i>Serevent</i>	38	13	16	-	9	60	21	25	-	14
<i>Ventolin</i>	147	57	30	44	16	232	90	48	69	25
<i>Xyzal</i>	32	-	-	4	28	50	-	-	6	44
<i>Zyrtec</i>	18	-	-	8	10	28	-	-	13	15
Anti-virals	197	13	20	87	77	311	20	31	138	122
<i>Hepsera</i>	32	-	-	24	8	50	-	-	37	13
<i>Zovirax</i>	22	1	6	8	7	35	1	10	13	11
<i>Valtrex</i>	66	8	10	9	39	104	13	15	14	62
<i>Zeffix</i>	60	4	4	46	6	94	6	6	73	9
Central nervous system	447	136	99	81	131	706	215	157	128	206
<i>Imigran/Imitrex</i>	52	22	18	2	10	82	35	28	3	16
<i>Lamictal</i>	147	76	29	19	23	232	120	45	30	37
<i>Requip</i>	44	6	19	4	15	70	10	30	6	24
<i>Seroxat/Paxil</i>	112	-	15	22	75	177	-	24	34	119
<i>Treximet</i>	13	13	-	-	-	21	21	-	-	-
<i>Wellbutrin</i>	20	-	12	7	1	31	-	19	10	2
Cardiovascular and urogenital	572	327	129	72	44	904	517	204	114	69
<i>Arixtra</i>	47	15	24	7	1	74	24	38	10	2
<i>Avodart</i>	197	81	58	20	38	311	128	92	31	60
<i>Coreg</i>	35	35	-	-	-	56	56	-	-	-
<i>Fraxiparine</i>	59	-	39	20	-	94	-	62	32	-
<i>Lovaza</i>	157	157	-	-	-	248	248	-	-	-
<i>Vesicare</i>	-	-	-	-	-	-	-	-	-	-
Metabolic	45	(1)	7	17	22	71	(3)	12	27	35
<i>Avandia products</i>	3	(2)	-	3	2	5	(3)	-	5	3
Anti-bacterials	303	4	94	183	22	479	7	149	289	34
<i>Augmentin</i>	149	-	48	90	11	235	-	76	142	17
Oncology and emesis	196	81	61	30	24	310	128	96	47	39
<i>Arzerra</i>	15	9	6	-	-	24	15	9	-	-
<i>Promacta</i>	30	13	8	3	6	47	21	12	5	9
<i>Tyverb/Tykerb</i>	60	17	22	14	7	95	27	35	22	11
<i>Votrient</i>	39	20	14	4	1	62	32	22	6	2
Dermatology	210	59	35	96	20	332	93	55	152	32
<i>Bactroban</i>	30	13	6	10	1	48	21	10	16	1
<i>Duac</i>	23	11	4	3	5	37	18	6	5	8
Rare diseases	110	19	31	10	50	174	30	49	16	79
<i>Flolan</i>	35	8	7	-	20	56	13	11	-	32
<i>Volibris</i>	31	-	18	2	11	49	-	29	3	17
Other pharmaceuticals	202	3	37	103	59	319	5	59	162	93
<i>Benlysta</i>	12	11	-	-	1	19	18	-	-	1
Vaccines	763	183	240	277	63	1,205	289	379	437	100
<i>Boostrix</i>	58	37	13	3	5	92	59	20	5	8
<i>Cervarix</i>	50	1	15	21	13	79	1	24	34	20
<i>Fluarix, FluLaval</i>	5	1	(2)	4	2	8	2	(3)	6	3
<i>Hepatitis</i>	165	68	52	36	9	260	107	82	57	14
<i>Infanrix, Pediarix</i>	179	54	91	22	12	283	85	144	35	19
<i>Rotarix</i>	93	22	10	47	14	147	35	16	74	22
<i>Synflorix</i>	101	-	11	90	-	160	-	18	142	-
	4,859	1,662	1,236	1,169	792	7,677	2,625	1,954	1,846	1,252
ViiV Healthcare (HIV)	346	121	130	60	35	546	191	205	95	55
<i>Combivir</i>	49	5	17	24	3	77	8	26	38	5
<i>Epivir</i>	14	2	6	5	1	22	3	9	8	2
<i>Epzicom/Kivexa</i>	166	59	70	16	21	263	93	110	26	34
<i>Lexiva</i>	33	18	8	3	4	52	28	12	6	6
<i>Selzentry</i>	31	14	14	1	2	49	22	22	2	3
<i>Trizivir</i>	29	15	10	3	1	45	23	15	5	2
	5,205					8,223				

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

Turnover

Pharmaceuticals – Six months ended 30 June 2012

	Total £m	USA £m	Europe £m	EMAP £m	ROW £m	Total \$m	USA \$m	Europe \$m	EMAP \$m	ROW \$m
Respiratory	3,655	1,686	984	411	574	5,775	2,664	1,555	649	907
<i>Avamys/Veramyst</i>	133	29	37	29	38	210	46	58	46	60
<i>Flixonase/Flonase</i>	73	9	17	26	21	115	14	27	41	33
<i>Flixotide/Flovent</i>	388	220	65	27	76	613	347	103	43	120
<i>Seretide/Advair</i>	2,521	1,271	739	198	313	3,983	2,008	1,168	313	494
<i>Serevent</i>	76	26	33	1	16	120	41	52	2	25
<i>Ventolin</i>	302	126	63	85	28	477	199	100	134	44
<i>Xyzal</i>	68	-	-	8	60	107	-	-	12	95
<i>Zyrtec</i>	42	-	-	17	25	66	-	-	27	39
Anti-virals	381	24	42	172	143	602	38	66	272	226
<i>Hepsera</i>	61	-	-	46	15	96	-	-	72	24
<i>Zovirax</i>	46	2	12	17	15	73	3	19	27	24
<i>Valtrex</i>	129	15	20	17	77	204	24	31	27	122
<i>Zeffix</i>	118	6	9	91	12	186	9	14	144	19
Central nervous system	848	260	201	155	232	1,340	411	318	245	366
<i>Imigran/Imitrex</i>	96	37	35	3	21	152	59	55	5	33
<i>Lamictal</i>	295	160	58	36	41	466	253	91	57	65
<i>Requip</i>	89	15	40	7	27	141	24	63	11	43
<i>Seroxat/Paxil</i>	203	-	29	42	132	321	-	46	66	209
<i>Treximet</i>	25	25	-	-	-	40	40	-	-	-
<i>Wellbutrin</i>	40	4	22	13	1	63	6	35	20	2
Cardiovascular and urogenital	1,300	819	260	140	81	2,054	1,294	411	221	128
<i>Arixtra</i>	95	31	48	13	3	150	49	76	20	5
<i>Avodart</i>	383	157	113	40	73	605	248	179	63	115
<i>Coreg</i>	70	70	-	-	-	111	111	-	-	-
<i>Fraxiparine</i>	120	-	80	40	-	190	-	127	63	-
<i>Lovaza</i>	308	307	-	-	1	487	485	-	-	2
<i>Vesicare</i>	174	174	-	-	-	275	275	-	-	-
Metabolic	78	(13)	13	32	46	123	(22)	21	51	73
<i>Avandia products</i>	(5)	(14)	-	5	4	(8)	(22)	-	8	6
Anti-bacterials	621	10	215	354	42	981	16	340	559	66
<i>Augmentin</i>	302	-	110	173	19	477	-	174	273	30
Oncology and emesis	375	151	123	59	42	593	239	194	93	67
<i>Arzerra</i>	27	18	9	-	-	43	29	14	-	-
<i>Promacta</i>	57	24	16	5	12	90	38	25	8	19
<i>Tyverb/Tykerb</i>	120	34	45	27	14	190	54	71	43	22
<i>Votrient</i>	72	36	27	8	1	114	57	43	12	2
Dermatology	423	118	74	191	40	668	186	117	302	63
<i>Bactroban</i>	60	24	13	19	4	95	38	21	30	6
<i>Duac</i>	51	27	11	6	7	81	43	17	10	11
Rare diseases	216	41	63	19	93	341	65	99	30	147
<i>Flolan</i>	70	16	14	-	40	111	26	22	-	63
<i>Volibris</i>	59	-	36	4	19	93	-	57	6	30
Other pharmaceuticals	411	19	91	201	100	649	30	144	317	158
<i>Benlysta</i>	21	19	1	-	1	33	30	2	-	1
Vaccines	1,521	331	465	487	238	2,403	523	735	769	376
<i>Boostrix</i>	105	58	25	8	14	166	92	39	13	22
<i>Cervarix</i>	181	2	29	34	116	286	3	46	54	183
<i>Fluarix, FluLaval</i>	12	1	(2)	8	5	19	2	(3)	12	8
Hepatitis	318	131	100	61	26	502	207	158	96	41
<i>Infanrix, Pediarix</i>	340	91	183	36	30	537	144	289	57	47
<i>Rotarix</i>	169	48	20	75	26	267	76	32	118	41
<i>Synflorix</i>	174	-	20	151	3	275	-	32	238	5
	9,829	3,446	2,531	2,221	1,631	15,529	5,444	4,000	3,508	2,577
ViiV Healthcare (HIV)	680	259	268	88	65	1,074	409	423	139	103
<i>Combivir</i>	83	9	35	33	6	131	14	55	52	10
<i>Epivir</i>	27	4	12	7	4	43	6	19	11	7
<i>Epzicom/Kivexa</i>	325	119	142	25	39	514	188	224	40	62
<i>Lexiva</i>	64	35	18	6	5	101	55	28	10	8
<i>Selzentry</i>	60	27	28	1	4	95	43	44	2	6
<i>Trizivir</i>	56	30	20	3	3	88	47	31	5	5
	10,509					16,603				

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 30 June 2012

	Total £m	Total \$m
Total wellness	486	768
Oral care	440	695
Nutrition	271	428
Skin health	60	95
	<u>1,257</u>	<u>1,986</u>

	Total £m	Total \$m
US	220	347
Europe	457	722
Rest of World	580	917
	<u>1,257</u>	<u>1,986</u>

Consumer Healthcare Six months ended 30 June 2012

	Total £m	Total \$m
Total wellness	1,025	1,620
Oral care	902	1,425
Nutrition	540	853
Skin health	126	199
	<u>2,593</u>	<u>4,097</u>

	Total £m	Total \$m
US	449	709
Europe	924	1,460
Rest of World	1,220	1,928
	<u>2,593</u>	<u>4,097</u>

Balance sheet

	30 June 2012 £m	30 June 2012 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	8,663	13,601
Goodwill	3,722	5,843
Other intangible assets	7,674	12,048
Investments in associates and joint ventures	639	1,003
Other investments	731	1,148
Deferred tax assets	3,077	4,831
Derivative financial instruments	72	113
Other non-current assets	615	966
Total non-current assets	25,193	39,553
Current assets		
Inventories	3,959	6,216
Current tax recoverable	79	124
Trade and other receivables	5,519	8,665
Derivative financial instruments	48	75
Liquid investments	204	320
Cash and cash equivalents	7,389	11,601
Assets held for sale	66	104
Total current assets	17,264	27,105
TOTAL ASSETS	42,457	66,658
LIABILITIES		
Current liabilities		
Short-term borrowings	(3,657)	(5,742)
Trade and other payables	(7,160)	(11,241)
Derivative financial instruments	(65)	(102)
Current tax payable	(1,653)	(2,595)
Short-term provisions	(2,867)	(4,501)
Total current liabilities	(15,402)	(24,181)
Non-current liabilities		
Long-term borrowings	(13,574)	(21,311)
Deferred tax liabilities	(824)	(1,294)
Pensions and other post-employment benefits	(3,775)	(5,927)
Other provisions	(478)	(750)
Derivative financial instruments	(1)	(2)
Other non-current liabilities	(607)	(953)
Total non-current liabilities	(19,259)	(30,237)
TOTAL LIABILITIES	(34,661)	(54,418)
NET ASSETS	7,796	12,240
EQUITY		
Share capital	1,367	2,146
Share premium account	1,877	2,947
Retained earnings	2,051	3,220
Other reserves	1,757	2,759
Shareholders' equity	7,052	11,072
Non-controlling interests	744	1,168
TOTAL EQUITY	7,796	12,240

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