Cautionary statement regarding forward-looking statements

Under the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995, the company cautions investors that any forward-looking statements or projections made by the company, including those made in this document are subject to risks and uncertainties that may cause actual results to differ materially from those projected.

Nothing in this document should be construed as a profit forecast.
Andrew Witty
Chief Executive Officer
Sharp focus on key strategic priorities

Changing environment

- Global economic dynamics
- US market dynamics
- Emerging Markets volume potential

Rebuild sales growth momentum
- Product launch uptake
- Supply bounce back opportunity

R&D pipeline next waves
- Advanced pipeline
- Up to 10 Phase III Rx starts
- 15 Phase II Rx NME starts

Restructuring and cost reduction
- ~ £5bn benefits

Novartis transaction
- Financial benefits
- Cost synergies
- Revenue synergies

Innovation and access
2014 performance

Financial efficiencies and cost reduction helped to mitigate 2014 sales reduction and supports shareholder return

<table>
<thead>
<tr>
<th>Core results</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>-3%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>-6%</td>
</tr>
<tr>
<td>EPS</td>
<td>-1%</td>
</tr>
<tr>
<td>Dividend</td>
<td>+3%</td>
</tr>
</tbody>
</table>
Addressing challenges in US respiratory

Improved formulary coverage expected to improve outlook

Medicare Part D coverage

<table>
<thead>
<tr>
<th>Month</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breo</td>
<td>2%</td>
<td>74%</td>
</tr>
</tbody>
</table>

* Data presented for Advair removed due to restatement, please call GSK Investor Relations if you have questions.

Source: IMS
Addressing challenges in US respiratory

Improved formulary coverage expected to improve outlook

Medicare Part D coverage

<table>
<thead>
<tr>
<th></th>
<th>April 2014</th>
<th>Jan 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anoro</td>
<td>0%</td>
<td>65%</td>
</tr>
</tbody>
</table>

Positive head-to-head vs tiotropium in promotional materials
September

DTC campaign began Q1 2015

Anoro share of market

Market = LAMA containing (Anoro, Spiriva, Tudorza)

Source: IMS
Encouraging early uptake of Relvar in Japan

Source: JMIRI G5 December 2014
Respiratory expected to return to growth in 2016*

* Assuming no material impact from A/B rated substitutable Advair generics in the US in 2016

Key milestones in 2015

- **Incruse**
  - Launch

- **Arnuity**
  - Launch

- **Relvar / Breo and Anoro**
  - Ongoing global launches

Future opportunities

- **Breo**
  - Asthma PDUFA
  - April

- **Relvar / Breo**
  - SUMMIT COPD mortality study

- **mepolizumab**
  - Severe asthma decision

- **Open triple**
  - (Incruse + Breo)
  - Expect to file

Early pipeline

- **PI3Kδ inhibitor**
  - COPD

- **mepolizumab**
  - COPD

- **Haemophilus influenza vaccine**
  - COPD exacerbations

- **Closed triple**
  - ICS/LABA/LAMA

- **ICS / LAMA**
  - MABA +/- ICS

- **LABA**
  - VI monotherapy
**ViiV launches**

Sales of £339m in 2014 for Tivicay and Triumeq

**US TRx comparison: 70 weeks post Tivicay / DTG launch**

- **Source:** IMS
Sustainable R&D pipeline to support future sales growth

**Today**

### Newly launched products
- Breo/Relvar
- Anoro
- Tivicay
- Tafinlar
- Mekinist
- Tanzeum
- QIV Flu
- Benlysta
- Duodart
- Synflorix

### Significant late-stage assets (Phase II/III)
- mepolizumab (asthma/COPD)
- sirukumab (RA)
- cabotegravir (HIV)
- losmapimod (ACS)
- ICS/LAMA/LABA (COPD)
- PHI (Anaemia)
- RTS,S (Malaria)
- ‘273 (ADA-SCID)
- HZ/su (shingles) vaccine
- Tuberculosis vaccine

### Early / mid stage pipeline
- Immuno-oncology (OX-40, ICOS, TLR-4, Adaptimmune technology)
- Epigenetics (BETi, EZH2, LSD-1)
- Respiratory (PI3Kδ)
- Cardiovascular (TRPV4)
- Immuno-inflammation (GM-CSF mAb, IL-7R mAb, RIP1 and RIP2 kinases)
- Respiratory syncytial virus (RSV) vaccine

£1.5bn, +84% CER, 8% of Rx + Vx

R&D investor day to profile new pharma and vaccines pipelines to be held in October 2015
# Reshaping GSK

## Organic restructuring*

<table>
<thead>
<tr>
<th>Programme</th>
<th>Scope</th>
<th>Period</th>
<th>Final year benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>OE programme</td>
<td>Operating model</td>
<td>2008-14</td>
<td>£2.9bn</td>
</tr>
<tr>
<td>Major Change</td>
<td>R&amp;D and manufacturing</td>
<td>2012-16</td>
<td>£1.0bn</td>
</tr>
<tr>
<td>Global pharmaceutical restructuring</td>
<td>Pharma: Commercial and R&amp;D</td>
<td>2015-17</td>
<td>£1.0bn</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>~£5bn</td>
</tr>
</tbody>
</table>

*Excludes structural savings

** Subject to approvals and regulatory clearances

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## Novartis transaction**

- **GSK**
  - Oncology
  - GSK Consumer Healthcare
  - Vaccines
- **Novartis**
Reshaping GSK: Proposed Novartis transaction
Better balance, quality and durability of earnings

<table>
<thead>
<tr>
<th>Consumer</th>
<th>Vaccines</th>
<th>Pharma</th>
</tr>
</thead>
<tbody>
<tr>
<td>~25%*</td>
<td>~14%*</td>
<td>~61%*</td>
</tr>
<tr>
<td>#1 OTC globally</td>
<td>#1 global position</td>
<td>#2 globally</td>
</tr>
<tr>
<td>Total consumer</td>
<td>~$26bn market growing at mid single digit</td>
<td>~$20bn market growing at ~8% p.a.</td>
</tr>
<tr>
<td>~$73bn market growing at ~4% p.a.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>~$29bn market growing at ~2% p.a.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Complemented by strength in Emerging Markets and Japan

* Percentage of sales based on 2013 Pro-forma of GSK post transaction with Novartis

Source: Internal and external data, Euromonitor, Visiongain, Evaluate Pharma
Modernising the business

Sales force compensation
Fundamental change in our business model

US sales force voted #1
Ranked 1st amongst peers by HCPs in 2014

HCP engagement
Leveraging medical and multichannel communication opportunities
Innovation and access

Malaria
30 years and counting
Regulatory decision in 2015

Ebola
Responding to a crisis
Phase III trials started February 2015

Access to Medicines Index
Number 1 for the fourth consecutive time
What to expect in 2015

- Regulatory decision for RTS,S malaria vaccines
- Closure of Novartis transaction**
- Return of £4 billion to shareholders following Novartis transaction close*
- Dividend of 80p per share (same level as 2014)
- Results from the Combi-d trial
- Investor Day (post Novartis completion)
- File GSK’s first cell & gene therapy for ADA-SCID (‘273)
- Up to 10 Phase III starts and 15 Phase II NME starts
- AdCom and PDUFA decision on asthma indication for Breo
- ViiV IPO decision
- AdCom and PDUFA decision on mepolizumab for severe eosinophilic asthma
- Phase III data for sirukumab for RA
- Readout of Breo SUMMIT study of mortality and morbidity in COPD
- R&D Investor Day
- Confirmation of filing strategy for HZ/su shingles vaccine

* 2015 returns assumes positive readout of Combi-d
** Subject to approvals and regulatory clearances
Simon Dingemans
Chief Financial Officer
**Headline results**

Core EPS -1% despite top line pressure

<table>
<thead>
<tr>
<th>£m</th>
<th>2014</th>
<th>CER</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>23,006</td>
<td>(3)</td>
<td>(10)</td>
</tr>
<tr>
<td>Core operating profit</td>
<td>6,594</td>
<td>(6)</td>
<td>(15)</td>
</tr>
<tr>
<td>Core EPS</td>
<td>95.4p</td>
<td>(1)</td>
<td>(12)</td>
</tr>
<tr>
<td>Adjusted net cash inflow from operations*</td>
<td>5,878</td>
<td>(20)</td>
<td></td>
</tr>
<tr>
<td>Adjusted FCF*</td>
<td>3,322</td>
<td>(30)</td>
<td></td>
</tr>
</tbody>
</table>

*Adjusted net cash inflow from operations and adjusted FCF exclude legal charges*
Sales growth
Most significant headwinds from US Advair, Lovaza and Consumer supply

<table>
<thead>
<tr>
<th></th>
<th>2013 Sales, ex div</th>
<th>2014 Sales at 2013 FX</th>
<th>2014 Reported Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>£25.6bn</td>
<td></td>
<td>£24.7bn</td>
<td>£23.0bn</td>
</tr>
<tr>
<td>2013 divestments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CER</td>
<td>-10%</td>
<td>flat</td>
<td></td>
</tr>
<tr>
<td>US</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>flat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>+1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emerging Markets</td>
<td></td>
<td>+5%</td>
<td></td>
</tr>
<tr>
<td>ViiV</td>
<td></td>
<td>+15%</td>
<td></td>
</tr>
<tr>
<td>EPP and other</td>
<td>-13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer</td>
<td>-1%</td>
<td>-3%</td>
<td>-7%</td>
</tr>
</tbody>
</table>

2013 divestments primarily Lucozade, Ribena, Arixtra and Fraxiparine
Operating profit margin breakdown
Reduced margin primarily reflects FX, lower sales, mix and investments

2013 OP (ex divestments) 30.4%
Currency 29.5% 0.9%
COGS 0.2%
SG&A 0.5%
R&D 0.1%
Royalties 0.2%
2014 OP 28.7%
COGS

Mix and investments largely offset by restructuring & cost savings

2013 COGS (ex divestments) 27.6%

Currency 0.6%

Mix / Price 0.6%

Investments 0.9%

Restructuring & cost management 1.3%

2014 COGS 28.4%
Cost control offsetting investments and reducing impact of lower sales

2013 SG&A (ex divestments) 30.3%

- Currency 0.1%
  - 30.2%

- Lower sales 1.0%

- Investments 0.6%

Restructuring & cost management 1.1%

2014 SG&A 30.7%
Continued delivery of restructuring and structural benefits

Delivered ~£400m of incremental savings in 2014
Further financial efficiency gains
Reduced finance costs and a lower tax rate

- Net finance costs £646m in 2014 vs. £692m in 2013
  - Net funding rate below 5% - down 3% since 2010
- Consistent short term debt rating target: A1/P1
- Effective core tax rate in 2014: 19.6%
- £238m share buyback in 2014
Cash generation and net debt

Net debt increased to £14.4bn

Working capital days

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported</th>
<th>Ex divest.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>221</td>
<td>221</td>
</tr>
<tr>
<td>2011</td>
<td>210</td>
<td>210</td>
</tr>
<tr>
<td>2012</td>
<td>194</td>
<td>194</td>
</tr>
<tr>
<td>2013</td>
<td>176</td>
<td>190</td>
</tr>
<tr>
<td>2014</td>
<td>209</td>
<td>211</td>
</tr>
</tbody>
</table>
Novartis transaction* supports sustainable growth and improving returns

- Better balanced and broader range of growth drivers
- Significant synergy and operating leverage efficiencies
- Continued financial efficiencies
- More balanced and sustained cashflow

Sales growth

Operating leverage

Financial efficiency

Cash flow growth

EPS

Free cash flow

Returns to shareholders

* Subject to approvals and regulatory clearances
Thank you
### New product launches* underway across respiratory, HIV, oncology, vaccines and diabetes

<table>
<thead>
<tr>
<th><strong>Market definition</strong></th>
<th>Respiratory Controller: ICS/LABA</th>
<th>Respiratory Controller: Bronchodilator</th>
<th>Metastatic Melanoma V600</th>
<th>HIV total</th>
<th>Seasonal Flu Vaccines</th>
<th>Type 2 Diabetes GLP-1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global market size</strong></td>
<td>~£8.4 bn</td>
<td>~£4.8 bn</td>
<td>&gt;£0.4 bn</td>
<td>~£13.6 bn</td>
<td>~£2.0 bn</td>
<td><del>£2.1 bn (</del>£1.5 bn in US)</td>
</tr>
<tr>
<td><strong>Current US market share</strong></td>
<td>TRx: ~57% Advair</td>
<td>TRx: ~2.0% Breo Ellipta: ~1.9%</td>
<td>~85% combined TRx share of V600</td>
<td>TRx: ~7%** (3rd agent/STR)</td>
<td>~40%*** (3y+ QIV injection segment 2014-2015)</td>
<td>TRx: ~2.6%</td>
</tr>
<tr>
<td><strong>Access % US pts Tier 2/3 unrest.</strong></td>
<td>~67% Commercial ~74% Part D</td>
<td>~83% Commercial ~65% Part D</td>
<td>~92% Favourable Access for combination</td>
<td>~100% Tivicay ~93% Triumeq</td>
<td>~98% Commercial 100% VFC</td>
<td>~66% Commercial ~10% Part D</td>
</tr>
<tr>
<td><strong>Key US market share data</strong></td>
<td>NBRx: ~5% All HCP ~11% Pulmonology</td>
<td>NBRx: ~8% All HCP ~13% Pulmonology</td>
<td>~85% combined NRx share of V600</td>
<td>Naive: ~18%** Switch: ~31%** (3rd agent/STR)</td>
<td>QIV doses ~30% of US flu market 2014-2015 (3y+ QIV injection segment 2014-2015)</td>
<td>NBRx: ~7% All HCP ~5% Endo</td>
</tr>
<tr>
<td><strong>Key Markets with price/reimbursement</strong></td>
<td>Launched in ~36 markets globally including 27 in EU &amp; Japan</td>
<td>Launched in ~18 markets globally, including UK, Germany &amp; Japan</td>
<td>Tafinlar launched in EU Mekinist approved in EU</td>
<td>Tivicay launching in EU, Japan and 25 other countries. Triumeq launching in EU.</td>
<td>Launching in some EU and EM markets</td>
<td>Eperzan approved in EU</td>
</tr>
</tbody>
</table>

*Incruse Ellipta and Arnuity Ellipta US launches announced Jan 2015. **Includes both Tivicay and Triumeq. ***Includes both Fluarix QIV and FluLaval QIV. Sources: IMS MIDAS MAT Sept 2014; IMS Health Weekly Rx trends; IPSOS HIV Scope; GSK estimates and CDC data.