GSK FY2010 Turnover £28.4bn (-1%*)

CER growth rates; Business performance
* Underlying global sales growth excluding pandemic products, Avandia and Valtrex = +4.5%

US Pharma £7.6bn
-11%

Europe Pharma £6.5bn
+22%

Emerging Markets Pharma £3.6bn
+9%

Asia Pac/ Japan Pharma £3.1bn
+5%

Rest of Pharma £1.0bn
-1%

Consumer £5.0bn
-6%

ViiV (HIV) £1.6bn
-3%
GSK “Emerging Markets” business

Emerging Markets FY2010 £3.6bn (+22%)*
= 13% of GSK Group Turnover

Note: GSK FY2010 sales excluding pandemic, Avandia and Valtrex turnover was £3.3bn (+20%)
GSK’s pharma presence in Emerging Markets

- Mexico
- Latin America
- SSA
- MENA
- China
- CIS
- Eastern & Central Europe
- Asia Pac (excl Japan, Aus, NZ)

+ Asia Pac (excl Japan, Australia, NZ), Eastern and Central Europe = £5.0bn (+16%) FY2010
GSK’s total presence in Emerging Markets

Rx
£5.0bn FY2010 (+16%)

Cx
£1.8bn FY2010 (+13%)

£6.8bn (+15%) FY2010

24% of GSK Group Turnover
GSK Emerging Markets FY2010 turnover

FY2010 £3.6bn (+22%)

By region

- Developing World
- China*
- CIS
- MENA
- Mexico
- South Asia
- Latina

Top markets

- China* (+21%)
- Brazil (+93%)
- India (+10%)
- Turkey (+3%)
- Mexico (+9%)
- Saudi Arabia (+3%)
- Egypt (+16%)
- Russia (+25%)
- Pakistan (+15%)

GSK ranking #

11 14 3 6 7 2 1 20 1

*China includes HK

Source: Turnover and growth is GSK FY2010 as reported. Growth rates are CER. Rankings are IMS MAT Sept 2010
Markets representing 80% of GSK EM business

Sales £m

- China / HK
- Brazil
- India
- Turkey
- Mexico
- Saudi Arabia
- Egypt Group
- Russia
- Pakistan
- Argentina
- Algeria
- Venezuela
Brands representing 80% of GSK EM business
History of GSK EM sales growth

- GSK EM sales growth inc pandemic
- GSK EM sales growth exc pandemic
Emerging market characteristics

- Large markets
- Pay out of pocket
- Need for greater access
- Smaller products
- Untapped potential
- Longevity of brands
- Fast growing
- Evolving healthcare programmes
EMAP will outgrow Developed Markets

Year: 2009

Europe, £148bn
USA, £188bn
Emerging Markets £112bn

Year: 2015*

Europe, £176bn
USA, £240bn
Emerging Markets £227bn

* Extrapolations from 2009 to 2015 based on IMS projections
Emerging Markets: 12% CAGR, USA: 4% CAGR, Europe 3% CAGR
EMAP will outgrow Developed Markets

* Extrapolations from 2009 to 2015 based on IMS projections
Emerging Markets: 12% CAGR, USA: 4% CAGR, Europe 3% CAGR
Growth in ‘Pharmerging Markets’

IMS Tier 1, 2, 3 Pharmerging Markets

Incremental Growth 2009-2013
+$40bn Growth
+$5-15bn Growth
+$1-5bn Growth
Total Population with household income in excess of £10,000 per annum

Top 11 EM markets: Brazil, Mexico, Chile, Turkey, Venezuela, Saudi Arabia, Argentina, Egypt, Russia, Algeria and Pakistan
Top 13 EM markets include 11 plus India and China
Avodart in Russia: Optimal pricing delivers rapid uptake

Avodart unit growth, BPH market

# packs

90% increase in number of units sold

Price reduction initiative since Jan 2010

Source: PharmExpert data
Tykerb in India: Optimal pricing delivers rapid uptake and fewer discontinuations

50% increase in number of units sold

Price reduction initiative since July 2010

Source: PharmExpert data
EM Avamys Repricing Initiative

Source: SB-14 and market data

* Breakeven in margin comparing UP2 2010 volumes and prices given by markets prior of re-pricing Avamys
### EMAP Region
#### Leading 10 Companies for SU Volume (Doses)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>SU (m)</th>
<th>Share</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Emap</td>
<td>748,212</td>
<td>100%</td>
<td>10%</td>
</tr>
<tr>
<td>2</td>
<td>GSK</td>
<td>42,707</td>
<td>5.7%</td>
<td>12%</td>
</tr>
<tr>
<td>3</td>
<td>Novartis</td>
<td>29,467</td>
<td>3.9%</td>
<td>5%</td>
</tr>
<tr>
<td>4</td>
<td>Sanofi-Aventis</td>
<td>25,353</td>
<td>3.4%</td>
<td>9%</td>
</tr>
<tr>
<td>5</td>
<td>Pfizer</td>
<td>17,091</td>
<td>2.3%</td>
<td>5%</td>
</tr>
<tr>
<td>6</td>
<td>Cipla</td>
<td>16,484</td>
<td>2.2%</td>
<td>13%</td>
</tr>
<tr>
<td>7</td>
<td>Lab Unknown (generics)</td>
<td>12,637</td>
<td>1.7%</td>
<td>-5%</td>
</tr>
<tr>
<td>8</td>
<td>Abbott</td>
<td>8,229</td>
<td>1.1%</td>
<td>9%</td>
</tr>
<tr>
<td>9</td>
<td>Astrazeneca</td>
<td>7,938</td>
<td>1.1%</td>
<td>7%</td>
</tr>
<tr>
<td>10</td>
<td>Merck Kgaa</td>
<td>7,936</td>
<td>1.1%</td>
<td>8%</td>
</tr>
<tr>
<td>11</td>
<td>Bayer</td>
<td>7,415</td>
<td>1.0%</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>Merck &amp; Co</td>
<td>7,387</td>
<td>1.0%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

**Notes:**
Data excludes "other Infusions" which is attributed only to Baxter Int. and inaccurate
GSK includes Aspen in South Africa

**Source:** IMS Sept 2010 MAT
EMAP Region
Leading 10 Companies (by Value) Average Price
(Pack Price: UN, and Dose Price: SU)

<table>
<thead>
<tr>
<th></th>
<th>Sales (£m)</th>
<th>Unit Price (£)</th>
<th>SU Price (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMAP</td>
<td>87,018</td>
<td>2.08</td>
<td>0.12</td>
</tr>
<tr>
<td>Pfizer</td>
<td>4,722</td>
<td>5.12</td>
<td>0.28</td>
</tr>
<tr>
<td>Sanofi-Aventis</td>
<td>4,641</td>
<td>3.41</td>
<td>0.18</td>
</tr>
<tr>
<td>Novartis</td>
<td>4,287</td>
<td>4.99</td>
<td>0.15</td>
</tr>
<tr>
<td>GSK</td>
<td>3,181</td>
<td>1.94</td>
<td>0.07</td>
</tr>
<tr>
<td>Merck &amp; Co</td>
<td>3,046</td>
<td>8.74</td>
<td>0.41</td>
</tr>
<tr>
<td>Astrazeneca</td>
<td>2,757</td>
<td>8.02</td>
<td>0.35</td>
</tr>
<tr>
<td>Roche</td>
<td>2,372</td>
<td>18.48</td>
<td>0.63</td>
</tr>
<tr>
<td>Bayer</td>
<td>2,159</td>
<td>4.87</td>
<td>0.29</td>
</tr>
<tr>
<td>Abbott</td>
<td>1,733</td>
<td>4.16</td>
<td>0.21</td>
</tr>
<tr>
<td>Johnson &amp; Johnson</td>
<td>1,449</td>
<td>6.89</td>
<td>0.26</td>
</tr>
</tbody>
</table>

Notes:
Data excludes “other Infusions” which is attributed only to Baxter Int. and inaccurate
GSK includes Aspen in South Africa

Source: IMS Sept 2010 MAT
Emerging Markets strategy

FY2010 Turnover

Scale up our Classic brands business
£1.6bn +18%

Build and capture the Vaccines market
£927m +38%
£701m +14% excl. pandemic

Drive our Innovative brands
£1.0bn +16%

; Source: GSK FY2010 reported sales; CER growth rates
## Scale up our Classic brands business

### Our own portfolio

**Augmentin**

Sales (CER Growth)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>£163m (+11%)</td>
<td>£291m (+15%)</td>
</tr>
</tbody>
</table>

**Ventolin HFA**

Sales (CER Growth)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>£69m (+4%)</td>
<td>£112m (+19%)</td>
</tr>
</tbody>
</table>

### Bolt-on acquisitions

- **Bristol-Myers Squibb**
  - **Egypt**
    - Oct 08
  - **Pakistan**
    - Dec 08
  - **Near East**
    - July 09
  - £62m sales 2010

- **EM/AP**
  - **ucl**
    - Mar 09
  - £82m sales 2010

- **STIEFEL**
  - July 09

- **LP A**
  - **Algeria**
    - Dec 09

- **Pfenix**
  - **Argentina**
    - June 10

### Portfolio deals

- **Dr. Reddy's**
  - June 09
  - Licensing - July 08

### Local Acquisitions

- **Russia**
- **Brazil**
- **Mexico**
- **CSL Behring**
- **Madrilen**
- **Novasipino**
Drive our Innovative business

Core portfolio
FY2010 Turnover

- Seretide: £328m (+16%)
- Zeffix: £136m (+17%)
- Fraxiparine: £55m (+29%)
- Hepsera: £58m (+10%)

New portfolio
FY2010 Turnover

- Tykerb: £30m (+36%)
- Veramyst: £31m (+>100%)
- Arixtra: £10m (+43%)
- Avodart: £33m (+50%)

Future portfolio

- New products:
  - Votrient
  - Arzerra
  - Prolia
  - Benlysta
  - Relovair
  - darapladib

- Targeted R&D
developing EM-specific portfolio
  - Tykerb for gastric and H&N cancers
  - Liver cancer
  - Market-specific FDCs

Source: GSK FY2010 reported sales; CER growth rates
Stiefel opportunity is greatest in EM

Stiefel acquisition provides access to ~80% of the EM Derms market

<table>
<thead>
<tr>
<th>Category</th>
<th>£m</th>
<th>Stiefel</th>
<th>GSK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topical Corticosteroids</td>
<td>£717</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Emollients &amp; Protectives</td>
<td>£470</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Oral Anti-Acne Preps</td>
<td>£239</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Topical Anti-Acne Preps</td>
<td>£202</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Antifungals Dermatological</td>
<td>£403</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Topical Antibacterials</td>
<td>£218</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Top Viral Inf Products</td>
<td>£69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Woundhealing Agents</td>
<td>£238</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Antiseptics+Disinfectant</td>
<td>£197</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Ster Prd Inflam Skin</td>
<td>£82</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Topical Antipruritics</td>
<td>£60</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Gynae. Anti-Infect &amp; antifung</td>
<td>£466</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Dermatologica</strong></td>
<td><strong>£3,363</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IMS Sept 2010 MAT

FY2010 GSK EM Derms Sales
£286m (+52%)

Source: GSK FY2010 reported sales; CER growth rates
Build and capture the Vaccines market

GSK has 38% of the market and is growing faster

Total EM Vaccines Market 2010
£2.46bn (+28%)

Significant market growth potential
- Growing government attention to public health agenda
- Large birth cohorts for paediatric vaccines

Significant GSK growth potential
- New geographies
- Broad portfolio, well-positioned to provide for spectrum of needs
- Local partnership is critical

Source: GSK estimates for market; GSK reported sales. (2010 EM vaccines data).
GSK has the broadest vaccine portfolio in EM

<table>
<thead>
<tr>
<th>Vaccine</th>
<th>GSK</th>
<th>Merck</th>
<th>Sanofi</th>
<th>Pfizer</th>
<th>Novartis</th>
</tr>
</thead>
<tbody>
<tr>
<td>DTPw combos</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>DTPa combos</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MMR / Varicella</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hepatitis A</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rotavirus</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meningococcal</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
<td>d</td>
</tr>
<tr>
<td>Pneumococcal</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Influenza</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>HPV</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malaria</td>
<td>d</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dengue</td>
<td>d</td>
<td></td>
<td></td>
<td></td>
<td>d</td>
</tr>
</tbody>
</table>

✓ = available in EM; d = Ph III / registration in EM
Strong launches are building the vaccines business

- The best launch in a decade of new launches in GSK - £149M in 2010
- Submitted in 114 & Approved in 78 countries
- Brazil Fiocruz 10+ year contract
- Mexico 3 year contract
- Added to new 6 countries UMV
- AMC 10 year contract for GAVI countries ($1.3bn)
Outgrow the market

- IMS projects EM market growth of 12-14%\(^1\)
- Our objective is to grow faster than the market\(^2\)

Evolve our business

- FY2010
- 2015 ambition

---

1 Source: IMS Market Prognosis (Sept 2010) redefined for GSK EM region.
2 including organic growth and bolt-on acquisition strategy.
GSK’s reported regional margins exclude R&D and legal expenses which are heavily weighted towards Europe and US.

EM has been in “investment mode”

EM margin expected to remain in mid-30s range

FY2010 Operating Profit Margin\(^1\)(%)

<table>
<thead>
<tr>
<th>Region</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>65.9</td>
</tr>
<tr>
<td>Europe</td>
<td>57.2</td>
</tr>
<tr>
<td>EM</td>
<td>35.7</td>
</tr>
<tr>
<td>AP/J</td>
<td>55.8</td>
</tr>
</tbody>
</table>

\(^1\) Operating margin excluding R&D, legal and other unallocated pharmaceuticals costs, and including pandemic.
Targeting both “Haves” and “Have Less” Patients will increase GSK Coverage to almost 50% of the Population*

*Data from 15 countries in EMAP (Argentina, Brazil, Chile, China, Egypt, India, Indonesia, Malaysia, Mexico, Pakistan, Philippines, Russia, Thailand, Turkey, Vietnam)

** Health Expenditure inc pharmaceuticals, hospital and HCP consultation fees etc

Source of Data: Global Demographic 2010