

Income statement

Three months ended 30 September 2013

	Total £m	Total \$m
TURNOVER	6,510	10,090
Cost of sales	(2,111)	(3,272)
Gross profit	4,399	6,818
Selling, general and administration	(1,984)	(3,075)
Research and development	(900)	(1,395)
Royalty income	94	146
Other operating expense	(40)	(62)
OPERATING PROFIT	1,569	2,432
Finance income	10	16
Finance expense	(191)	(296)
Share of after tax profits of associates and joint ventures	14	22
PROFIT BEFORE TAXATION	1,402	2,174
Taxation	(392)	(608)
PROFIT AFTER TAXATION FOR THE PERIOD	1,010	1,566
Profit attributable to non-controlling interests	41	64
Profit attributable to shareholders	969	1,502
	1,010	1,566
EARNINGS PER SHARE	20.0p	31.0¢
Diluted earnings per share	19.7p	30.5¢

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

Income statement

Nine months ended 30 September 2013

	Total £m	Total \$m
TURNOVER	19,599	30,378
Cost of sales	(6,059)	(9,391)
Gross profit	13,540	20,987
Selling, general and administration	(6,280)	(9,734)
Research and development	(2,853)	(4,422)
Royalty income	289	448
Other operating expense	(109)	(169)
OPERATING PROFIT	4,587	7,110
Finance income	44	68
Finance expense	(591)	(916)
Profit on disposal of interest in associates and joint ventures	29	45
Share of after tax profits of associates and joint ventures	32	50
PROFIT BEFORE TAXATION	4,101	6,357
Taxation	(978)	(1,516)
PROFIT AFTER TAXATION FOR THE PERIOD	3,123	4,841
Profit attributable to non-controlling interests	148	230
Profit attributable to shareholders	2,975	4,611
	3,123	4,841
EARNINGS PER SHARE	61.4p	95.2¢
Diluted earnings per share	60.3p	93.5¢

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

Turnover

Pharmaceuticals – Three months ended 30 September 2013

	Total £m	USA £m	Europe £m	EMAP £m	ROW £m	Total \$m	USA \$m	Europe \$m	EMAP \$m	ROW \$m
Respiratory	1,693	830	441	191	231	2,623	1,286	683	296	358
<i>Avamys/Veramyst</i>	55	13	13	20	9	85	20	20	31	14
<i>Flixonase/Flonase</i>	19	-	7	11	1	30	-	11	18	1
<i>Flixotide/Flovent</i>	172	105	25	12	30	267	163	39	18	47
<i>Seretide/Advair</i>	1,209	632	344	87	146	1,874	979	534	135	226
<i>Serevent</i>	32	13	13	1	5	50	20	20	2	8
<i>Ventolin</i>	145	66	29	39	11	225	103	45	60	17
<i>Xyzal</i>	25	-	-	4	21	39	-	-	6	33
<i>Zyrtec</i>	15	-	-	9	6	23	-	-	14	9
Anti-virals	124	18	17	47	42	192	28	27	72	65
<i>Hepsera</i>	15	-	-	10	5	23	-	-	15	8
<i>Valtrex</i>	55	10	8	11	26	85	15	12	17	41
<i>Zovirax</i>	20	-	5	8	7	31	-	7	13	11
<i>Zeffix</i>	27	3	3	16	5	41	4	5	25	7
Central nervous system	364	109	87	82	86	564	169	135	127	133
<i>Imigran/Imitrex</i>	47	21	15	1	10	73	32	23	2	16
<i>Lamictal</i>	139	70	27	19	23	216	109	42	30	35
<i>Requip</i>	36	3	13	4	16	56	4	21	6	25
<i>Seroxat/Paxil</i>	64	-	12	16	36	99	-	19	25	55
<i>Wellbutrin</i>	23	1	12	7	3	36	2	18	11	5
Cardiovascular and urogenital	539	300	129	64	46	835	465	200	99	71
<i>Arixtra</i>	40	13	20	5	2	62	20	31	8	3
<i>Avodart</i>	207	73	67	26	41	321	114	103	40	64
<i>Coreg</i>	36	36	-	-	-	56	55	-	-	1
<i>Fraxiparine</i>	53	-	33	19	1	82	-	51	29	2
<i>Lovaza</i>	135	134	-	-	1	209	208	-	-	1
Metabolic	41	1	10	16	14	63	1	15	25	22
Anti-bacterials	282	8	85	171	18	438	13	132	265	28
<i>Augmentin</i>	140	-	43	90	7	217	-	66	140	11
Oncology and emesis	249	99	91	36	23	386	153	141	56	36
<i>Arzerra</i>	18	13	4	-	1	28	20	6	-	2
<i>Promacta</i>	49	19	15	6	9	76	30	23	9	14
<i>Tyverb/Tykerb</i>	53	14	21	12	6	82	22	33	18	9
<i>Votrient</i>	91	36	39	10	6	141	56	60	16	9
Dermatology	194	40	42	96	16	301	63	65	149	24
<i>Bactroban</i>	26	9	6	11	-	40	14	9	17	-
<i>Duac</i>	18	4	7	4	3	28	6	10	7	5
Rare diseases	125	30	32	13	50	194	46	49	21	78
<i>Volibris</i>	36	-	21	3	12	56	-	33	4	19
<i>Flolan</i>	25	5	4	-	16	39	7	7	-	25
Immuno-inflammation	48	45	2	1	-	74	69	3	2	-
<i>Benlysta</i>	42	39	2	1	-	65	60	3	2	-
Other pharmaceuticals	207	1	65	88	53	321	2	101	136	82
Vaccines	987	375	273	263	76	1,530	581	424	407	118
<i>Boostrix</i>	83	56	18	4	5	128	87	27	6	8
<i>Cervarix</i>	41	2	14	25	-	64	3	22	39	-
<i>Fluarix, FluLaval</i>	142	104	16	7	15	220	161	25	11	23
Hepatitis	168	81	48	29	10	260	125	74	45	16
<i>Infanrix, Pediarix</i>	258	100	98	44	16	400	155	152	68	25
<i>Rotarix</i>	108	32	17	50	9	167	49	26	78	14
<i>Synflorix</i>	80	-	12	66	2	124	-	19	102	3
	4,853	1,856	1,274	1,068	655	7,521	2,876	1,975	1,655	1,015
ViiV Healthcare (HIV)	344	136	124	51	33	534	211	192	80	51
<i>Combivir</i>	25	7	8	8	2	39	11	13	12	3
<i>Epivir</i>	12	3	3	3	3	19	5	5	5	4
<i>Epzicom/Kivexa</i>	190	65	79	24	22	295	101	122	37	35
<i>Selzentry</i>	34	16	14	1	3	52	25	21	2	4
<i>Trizivir</i>	24	15	8	2	(1)	37	23	13	3	(2)
	5,197					8,055				

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

Turnover

Pharmaceuticals – Nine months ended 30 September 2013

	Total £m	USA £m	Europe £m	EMAP £m	ROW £m	Total \$m	USA \$m	Europe \$m	EMAP \$m	ROW \$m
Respiratory	5,534	2,680	1,424	639	791	8,577	4,154	2,207	990	1,226
<i>Avamys/Veramyst</i>	195	36	53	53	53	302	56	82	82	82
<i>Flixonase/Flonase</i>	85	3	24	39	19	132	5	37	61	29
<i>Flixotide/Flovent</i>	587	358	87	41	101	910	555	135	63	157
<i>Seretide/Advair</i>	3,876	2,028	1,090	310	448	6,008	3,143	1,690	481	694
<i>Serevent</i>	98	38	41	3	16	152	59	63	5	25
<i>Ventolin</i>	467	211	94	124	38	724	327	146	192	59
<i>Xyzal</i>	101	-	-	13	88	157	-	-	20	137
<i>Zyrtec</i>	56	-	-	30	26	87	-	-	47	40
Anti-virals	465	40	50	222	153	721	62	78	344	237
<i>Hepsera</i>	73	-	-	55	18	113	-	-	85	28
<i>Valtrex</i>	165	30	22	30	83	256	46	34	47	129
<i>Zovirax</i>	61	1	15	25	20	95	2	23	39	31
<i>Zeffix</i>	139	10	9	107	13	215	15	14	166	20
Central nervous system	1,099	324	269	251	255	1,703	502	417	389	395
<i>Imigran/Imitrex</i>	142	62	48	5	27	220	96	74	8	42
<i>Lamictal</i>	405	199	82	58	66	628	309	127	90	102
<i>Requip</i>	96	6	41	11	38	149	9	64	17	59
<i>Seroxat/Paxil</i>	216	-	41	60	115	335	-	64	93	178
<i>Wellbutrin</i>	71	10	37	22	2	110	16	57	34	3
Cardiovascular and urogenital	1,691	948	398	214	131	2,621	1,469	617	332	203
<i>Arixtra</i>	134	43	64	22	5	208	67	99	34	8
<i>Avodart</i>	631	232	201	77	121	978	360	311	119	188
<i>Coreg</i>	102	101	-	-	1	158	156	-	-	2
<i>Fraxiparine</i>	166	-	104	62	-	257	-	161	96	-
<i>Lovaza</i>	444	442	-	-	2	688	685	-	-	3
Metabolic	131	2	30	52	47	203	3	46	81	73
Anti-bacterials	930	21	291	566	52	1,442	33	451	877	81
<i>Augmentin</i>	465	-	150	292	23	721	-	232	453	36
Oncology and emesis	703	278	250	103	72	1,090	431	387	160	112
<i>Arzerra</i>	56	33	22	-	1	87	51	34	-	2
<i>Promacta</i>	134	54	39	16	25	208	84	60	25	39
<i>Tyverb/Tykerb</i>	158	44	63	33	18	245	68	98	51	28
<i>Votrient</i>	241	105	95	26	15	374	163	147	41	23
Dermatology	599	119	128	304	48	928	185	198	471	74
<i>Bactroban</i>	75	22	18	31	4	116	34	28	48	6
<i>Duac</i>	53	11	21	12	9	82	17	32	19	14
Rare diseases	365	86	95	34	150	566	133	147	53	233
<i>Volibris</i>	107	-	61	8	38	166	-	95	12	59
<i>Flolan</i>	80	19	14	-	47	124	29	22	-	73
Immuno-inflammation	115	107	6	1	1	178	165	9	2	2
<i>Benlysta</i>	109	101	6	1	1	169	156	9	2	2
Other pharmaceuticals	544	2	121	271	150	843	3	188	420	232
Vaccines	2,453	735	774	735	209	3,802	1,139	1,200	1,139	324
<i>Boostrix</i>	197	118	50	13	16	305	183	77	20	25
<i>Cervarix</i>	127	5	42	67	13	197	8	65	104	20
<i>Fluarix, FluLaval</i>	164	110	14	21	19	254	170	22	33	29
<i>Hepatitis</i>	477	208	146	89	34	739	322	226	138	53
<i>Infanrix, Pediarix</i>	654	210	297	100	47	1,014	326	460	155	73
<i>Rotarix</i>	275	84	44	118	29	426	130	68	183	45
<i>Synflorix</i>	244	-	36	203	5	378	-	56	314	8
	14,629	5,342	3,836	3,392	2,059	22,674	8,279	5,945	5,258	3,192
ViiV Healthcare (HIV)	1,001	381	391	130	99	1,552	591	606	202	153
<i>Combivir</i>	85	24	32	24	5	132	37	50	37	8
<i>Epivir</i>	34	7	12	9	6	53	11	19	14	9
<i>Epzicom/Kivexa</i>	552	189	240	60	63	856	293	372	93	98
<i>Selzentry</i>	106	44	46	5	11	164	68	71	8	17
<i>Trizivir</i>	71	42	25	3	1	110	65	39	5	1
	15,630					24,226				

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

Consumer Healthcare
Three months ended 30 September 2013

	Total £m	Total \$m
Total wellness	482	747
Oral care	476	737
Nutrition	290	450
Skin health	65	101
	<u>1,313</u>	<u>2,035</u>

	Total £m	Total \$m
USA	233	361
Europe	473	733
Rest of World	607	941
	<u>1,313</u>	<u>2,035</u>

Consumer Healthcare
Nine months ended 30 September 2013

	Total £m	Total \$m
Total wellness	1,466	2,272
Oral care	1,437	2,227
Nutrition	861	1,335
Skin health	205	318
	<u>3,969</u>	<u>6,152</u>

	Total £m	Total \$m
USA	709	1,099
Europe	1,384	2,145
Rest of World	1,876	2,908
	<u>3,969</u>	<u>6,152</u>

Balance sheet

	30 September 2013 £m	30 September 2013 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	8,766	14,201
Goodwill	4,316	6,992
Other intangible assets	9,865	15,981
Investments in associates and joint ventures	520	842
Other investments	1,322	2,142
Deferred tax assets	2,097	3,397
Derivative financial instruments	1	2
Other non-current assets	751	1,216
Total non-current assets	27,638	44,773
Current assets		
Inventories	4,167	6,751
Current tax recoverable	91	147
Trade and other receivables	5,206	8,434
Derivative financial instruments	155	251
Liquid investments	67	109
Cash and cash equivalents	3,252	5,268
Assets held for sale	534	865
Total current assets	13,472	21,825
TOTAL ASSETS	41,110	66,598
LIABILITIES		
Current liabilities		
Short-term borrowings	(2,752)	(4,458)
Trade and other payables	(7,795)	(12,628)
Derivative financial instruments	(143)	(232)
Current tax payable	(1,194)	(1,934)
Short-term provisions	(948)	(1,536)
Total current liabilities	(12,832)	(20,788)
Non-current liabilities		
Long-term borrowings	(15,655)	(25,361)
Deferred tax liabilities	(1,018)	(1,649)
Pensions and other post-employment benefits	(2,569)	(4,162)
Other provisions	(634)	(1,027)
Derivative financial instruments	(4)	(6)
Other non-current liabilities	(1,597)	(2,587)
Total non-current liabilities	(21,477)	(34,792)
TOTAL LIABILITIES	(34,309)	(55,580)
NET ASSETS	6,801	11,018
EQUITY		
Share capital	1,341	2,173
Share premium account	2,507	4,061
Retained earnings	(129)	(209)
Other reserves	2,255	3,653
Shareholders' equity	5,974	9,678
Non-controlling interests	827	1,340
TOTAL EQUITY	6,801	11,018

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