Cautionary statement regarding forward-looking statements

This presentation may contain forward-looking statements. Forward-looking statements give the Group’s current expectations or forecasts of future events. An investor can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as ‘anticipate’, ‘estimate’, ‘expect’, ‘intend’, ‘will’, ‘project’, ‘plan’, ‘believe’, ‘target’ and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, prospective products or product approvals, future performance or results of current and anticipated products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, and financial results.

Other than in accordance with its legal or regulatory obligations (including under the Market Abuse Regulations, UK Listing Rules and the Disclosure and Transparency Rules of the Financial Conduct Authority), the Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Investors should, however, consult any additional disclosures that the Group may make in any documents which it publishes and/or files with the US Securities and Exchange Commission (SEC). All investors, wherever located, should take note of these disclosures. Accordingly, no assurance can be given that any particular expectation will be met and investors are cautioned not to place undue reliance on the forward-looking statements.

Forward-looking statements are subject to assumptions, inherent risks and uncertainties, many of which relate to factors that are beyond the Group’s control or precise estimate. The Group cautions investors that a number of important factors, including those in this presentation, could cause actual results to differ materially from those expressed or implied in any forward-looking statement. Such factors include, but are not limited to, those discussed under Item 3.D ‘Risk factors’ in the Group’s Annual Report on Form 20-F for 2016. Any forward-looking statements made by or on behalf of the Group speak only as of the date they are made and are based upon the knowledge and information available to the Directors on the date of this presentation.

A number of adjusted measures are used to report the performance of our business. These measures are defined in our Q3 2017 earnings release and Annual Report on Form 20-F for 2016.

All expectations and targets regarding future performance should be read together with “Assumptions related to 2017 guidance and 2016-2020 outlook” on page 34 of our Q3 earnings release.

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Agenda

Tour, Group A
(1 hour 15 mins)

CEO Presentation
(25 mins)

R&D Presentation
(15 mins)

Q&A
(40 minutes)

Tour, Group B
(1 hour 15 mins)

Brian McNamara
CEO, GSK Consumer Healthcare

Richard Slater
SVP R&D, GSK Consumer Healthcare
Strong team with broad sector experience
As of January 1\textsuperscript{st} 2018

- Brian McNamara, CEO
- Colin Mackenzie, Americas
- Richard Slater, R&D
- Didier Colombeen, Supply Chain
- Didier Colombeen, Supply Chain
- Tobais Hestler, Finance
- Stuart Hepburn, HR
- Tamara Rogers, EMEA
- Carlton Lawson, Global Categories
- Terri Lyng, Quality
- Amy Landucci, IT
- Filippo Lanzi, Asia Pacific
- Marc Speichert, Digital
- Sean Roberts, Legal
- Pam McKinlay, Communications

Appointed in 2017
Global leader in Consumer Healthcare

- £7 billion net sales
  ~25% of GSK group turnover

- Attractive returns
  Strong cash outlook

- Competitive geographic footprint
  Present in 160 countries
  ~1/3 of sales from emerging markets

- Strong portfolio
  50% OTC, 50% healthcare FMCG

- Proven integration and synergy delivery
  Exceeded >£400 million synergy target

1. 12 month net sales year ending 31 December 2016. 2. As outlined at investor event 6 May 2015.
## Competing in a £135B global market
Leadership position in key categories and segments

<table>
<thead>
<tr>
<th>50% OTC</th>
<th>50% healthcare focused FMCG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pain Relief</td>
<td>Oral Health</td>
</tr>
<tr>
<td>#1 in global pain market(^1)</td>
<td>Leader in therapeutic oral health(^2)</td>
</tr>
<tr>
<td>Respiratory</td>
<td>Skin Health</td>
</tr>
<tr>
<td>#1 in global respiratory market(^1)</td>
<td>Regional leader skin(^3) health market</td>
</tr>
<tr>
<td>Digestive Health</td>
<td>Nutrition</td>
</tr>
<tr>
<td>#3 in global digestive health market(^1)</td>
<td>#2 in Asia-Pacific nutrition market(^2)</td>
</tr>
</tbody>
</table>

GSK Consumer Healthcare: leader in OTC and therapeutic oral health

**OTC market share (%)**

- GSK: 4.4
- Bayer: 4.3
- Sanofi: 4.3
- Johnson & Johnson: 4.2
- Pfizer: 3.5
- Reckitt Benkiser: 2.4
- P&G: 1.9
- Takeda: 1.1

**Oral care market share (%)**

- Colgate: 26.0
- P&G: 18.1
- GSK: 9.7
- Unilever: 7.3
- Johnson & Johnson: 5.7

Top 5

Industry dynamics
Positive long term drivers

Increasing health awareness and self care

77%\(^1\) of consumers want to take more control over decisions about their health

Emerging middle class

Almost 2.4 billion\(^3\) more emerging middle class consumers by 2030 vs 2015

Ageing population

1.4 billion\(^2\) aged 60+ by 2030, an increase of 0.5 billion vs 2015

Innovation

Unmet consumer needs (switches, products, formats, channels, devices)

---

## Industry dynamics

### Sources of short term variability

<table>
<thead>
<tr>
<th>Seasonal</th>
<th>Timing and strength of allergy and cough/cold season</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switches</td>
<td>Growth followed by private label entry</td>
</tr>
<tr>
<td>Emerging market dynamics</td>
<td>Economic variability (e.g. Brazil, Saudi Arabia)</td>
</tr>
<tr>
<td></td>
<td>Government regulatory changes (e.g. Indian GST and demonetisation)</td>
</tr>
</tbody>
</table>

### Emerging trends

<table>
<thead>
<tr>
<th>Phenomenal digital opportunity</th>
<th>100 billion Google healthcare searches each year</th>
</tr>
</thead>
<tbody>
<tr>
<td>e-commerce</td>
<td>A challenge and an opportunity</td>
</tr>
<tr>
<td>Emergence of local brands</td>
<td>Increased quality of local competition</td>
</tr>
</tbody>
</table>
Our Consumer Healthcare priorities

Our purpose:
to help people do more, feel better, live longer

Our strategy:
meet the everyday healthcare needs of consumers by building consumer preferred and expert recommended brands, differentiated by science and insight-driven innovation

Our priorities:

<table>
<thead>
<tr>
<th>Innovation</th>
<th>Performance</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Brilliant execution of launches</td>
<td>• Sustained above market growth</td>
<td>• Reliable supply</td>
</tr>
<tr>
<td>• Strong, differentiated pipeline of consumer-led, science-based innovation and claims</td>
<td>• Competitive cost structure, margin and cash flow.</td>
<td>• Improved reputation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Highly engaged employees</td>
</tr>
</tbody>
</table>
A winning strategy for growth

Sustained above market growth and strong operating margin progression

Performance

- Building consumer preferred and expert recommended brands
- Winning with shoppers, customers and experts
- Seizing the digital opportunity
- Drive gross margin improvement, operational efficiencies & cash discipline
Building consumer preferred and expert recommended brands

Power and core brands driving >90% of growth

**Power brands**

- Strong right to win
- Higher gross margin
- Global presence in >70 markets

**Core brands**

- Right to win locally
- Ability to be more nimble
Building consumer preferred and expert recommended brands

Sensodyne: > £1 billion net sales and over ten years of double digit growth

Sensodyne vs Toothpaste market
Sales indexed to 2007

1. Euromonitor Data, CER
Building consumer preferred and expert recommended brands

Voltaren: creating the world’s leading topical analgesic, >£600 million net sales

Voltaren vs Pain market
Sales indexed to 2007

1. Nicholas Hall DB6 CER

1. 1st Rx to OTC switch
2. 1st systemic launch
3. 1st patch launch
4. 1st 12 hour launch
5. Launch of Global Pain Index
6. Voltaren and Panadol regimen
7. No mess launch

1. Nicholas Hall DB6 CER

1. 1st systemic launch
2. 2007
3. 2008
4. 2009
5. 2010
6. 2011
7. 2012
8. 2013
9. 2014
10. 2015
11. 2016
12. 2017

Voltaren
Pain Market ex. Voltaren

+11% CAGR
+4% CAGR
Winning with shoppers, customers and experts

Role of the expert is increasingly important

70% of OTC brands globally sold in pharmacies and drug stores

70% of trial for Sensodyne is driven by dentist recommendation

Improving sales force execution:
- Global sales force $\geq 4K$
- Call on $\geq 400K$ pharmacies globally
- Global CRM platform in $\geq 80$ markets

Driving dental recommendation
- Call on $\geq 400K$ dentists across over 90 markets
- $\sim 30$ scientific & conference abstracts annually
- Sensodyne no. 1 recommended brand $\geq 80\%$ of markets

Business partner to retailers
- Shopper science lab network key differentiator
- Pharmacy of the future programme
- Orange Store programme to enhance range and merchandising and promotional effectiveness

1. Nicholas Hall. 2. US DHCP study. 3. Excludes 3rd party sales force and key account teams. 4. GfK global performance tracking.
Seizing the digital opportunity

Digital is half of all media consumption

Almost half of offline sales are influenced by online information

When consumers go online, they consider 40% more brands

4.6% total FMCG sales via e-commerce (~2% for OTC)

Chief Digital Officer
Digital function restructured around consumer journey

Tech stack deal: owning our data and providing deeper consumer insights

Optimising digital spend: currently >20% of A&P
More efficient search
Improving ROI

Leadership
Capability
Data
Growth
Efficiency

Digital advisory board
Over 800 GSK marketers trained e.g. search optimisation

Data driven precision marketing
New sales channels
Digital innovation pipeline

Investing in digital capability to win in OTC
Strong execution of integration leading to over delivery of £400m synergy target

Synergy delivery while improving operating model

• More efficient structure
• Leveraging scale to drive procurement savings
• Manufacturing & distribution simplification
• Full back office integration

Reported operating margin¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2015</td>
<td>11.3%</td>
</tr>
<tr>
<td>FY 2016</td>
<td>15.5%</td>
</tr>
<tr>
<td>9M 2017</td>
<td>18.3%</td>
</tr>
</tbody>
</table>

Industry leading growth in 2015 & 2016

1.12 month operating margin year ending 2015, 2016 and 9 months ending 30th September 2017.
Drive gross margin improvement, operational efficiencies and cash discipline

Clear roadmap to 20%+ operating margin

1. All 2020 outlook statements are at constant, 2015 exchange rates. The CAGRs are 5 years to 2020, using 2015 pro-forma as the base for sales. 12 month operating margin year ending 2015, 2016 and 9 months ending 30th September 2017.
Consumer led, science based innovation
Building a competitive advantage through consumer-led, science-based innovation

- Integrated category and R&D innovation hubs
- Scientific and technical excellence
- Novel packaging, sensorials and claims
- Emerging markets and digital innovation
- External innovation and partnerships
Integrated innovation hubs

Co-located commercial and R&D facilities in 6 key locations

New Jersey - Rx/OTC Switch - Regulatory/Medical

London - Oral Health - Skin Health

Switzerland - Respiratory - Pain Relief

China - EM focus

Singapore - Nutrition and Digestive Health

India - EM focus
Scientific and technical excellence

For clinically proven relief in just 60 SECONDS
Novel packaging, sensorials and claims
Innovating for our emerging market consumers
Innovating for our emerging market consumers
Accelerating our external innovation and partnerships

New team, closely embedded in our hubs

A step-change in quality, quantity and speed

Major step up in external innovation pipeline value

A key enabler of Digital (‘connected’) Innovation
This focus is driving a pipeline transformation

Major focus of spend and capability on Power and Core brands

Halved the number of projects whilst increasing overall pipeline value (vs. ’15)

Top 10 projects (by value) have doubled in size (vs. ‘16)

5-fold increase in external innovation pipeline value

A strong set of launches across categories in 2017

Example 2017 launches include:

- Flonase Sensimist
  “Gentle mist, powerful relief”

- parodontax US launch
  “Leave bleeding gums behind”

- Voltaren No Mess Applicator
  “Triple effect pain relief, now with clean hands!”

- Sensodyne Rapid
  “Clinically proven relief in just 60 seconds”

- Tums Chewy Bites
  “Fast relief in every bite”

- Polident Max Seal
  “All day hold and maximum food seal protection”
GSK Consumer Healthcare
meeting everyday healthcare needs
and delivering shareholder value
A winning strategy for growth and strong operating margin progression

- Brilliant execution of launches
- Strong, differentiated pipeline of consumer-led, science-based innovation and claims

- Sustained above market growth
- Competitive cost structure, margin and cash flow.

- Reliable supply
- Improved reputation
- Highly engaged employees

5 year sales CAGR: low to mid single digit

Adjusted operating margin: 20%+ by 2020

1. The CAGRs are 5 years to 2020, using 2015 pro-forma as the base for sales. 2. All 2020 outlook statements are at constant, 2015 exchange rates.
Fundamentals in place to lead Consumer Healthcare

Sustained above market growth and strong operating margin progression

- Category leadership
- Strong pipeline
- Strong and increasing capability
- Seizing digital opportunities
- Integration track record
- Clear margin progression roadmap
Thank you and?