Three commercial portfolios to drive revenue growth

<table>
<thead>
<tr>
<th>Pharmaceuticals</th>
<th>HIV</th>
<th>Vaccines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and marketing of our pure pharma business</td>
<td>Sales organisation for ViiV*</td>
<td>In-country sales, marketing and commercialisation of vaccines portfolio</td>
</tr>
</tbody>
</table>

* In all markets excluding the 15 where ViiV has legal entities.
Successfully diversified our business to drive growth and manage risk

**Changed the shape of our business**

Total sales of pharmaceuticals & vaccines (% by geography)

<table>
<thead>
<tr>
<th>Year</th>
<th>US</th>
<th>EM &amp; Others</th>
<th>Europe</th>
<th>HIV</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>40%</td>
<td>24%</td>
<td>29%</td>
<td>7%</td>
</tr>
<tr>
<td>2014</td>
<td>31%</td>
<td>36%</td>
<td>25%</td>
<td>8%</td>
</tr>
</tbody>
</table>

**Built a natural hedge in our portfolio**

- 30 products generating sales of at least £100m
- 25 markets selling £100m or more

Internal financial data.
Positioning us to succeed in a tough environment

Challenges
- Pricing
- Emerging Markets (EM) slowdown and FX devaluations

Opportunities
- Demographics
- Respiratory access and pipeline
- ViiV expansion
- Broad vaccines portfolio
- Sustainable R&D

Lack of visibility
Advair US generics timing and impact
Pharmaceuticals: Respiratory
Proactively managing the decline of Seretide/Advair

Advair access in US stabilised and back to growth when combined with Breo

Implemented multiple strategies to help Seretide compete effectively outside the US

Europe: Seretide pricing initiatives implemented

<table>
<thead>
<tr>
<th>Market</th>
<th>First generic launch</th>
<th>Market share of generic (Feb 15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>June 2012</td>
<td>3.6%</td>
</tr>
<tr>
<td>Italy</td>
<td>Sept 2013</td>
<td>1.0%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Oct 2013</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

Emerging Markets: generics gained 2 volume share points in 24 months (in markets where a generic is present)

+10% value
+13% volume

Seretide 2-year total growth in EMs where generic present

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1 IMS rolling weekly sales shown by quarter (March 2015). 2 IMS and other third party information. 3 IMS January 2015.
Pharmaceuticals: Respiratory
Strong US access for Breo and Anoro is driving uptake

Significant gains made in access over the last 12 months¹

<table>
<thead>
<tr>
<th>Access</th>
<th>March 2014</th>
<th>March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Breo</td>
<td>49%</td>
<td>65%</td>
</tr>
<tr>
<td>Anoro</td>
<td>75%</td>
<td>83%</td>
</tr>
<tr>
<td><strong>Medicare Part D</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Breo</td>
<td>35%</td>
<td>74%</td>
</tr>
<tr>
<td>Anoro</td>
<td>0%</td>
<td>67%</td>
</tr>
</tbody>
</table>

Weekly uptake data improving as Breo and Anoro share gains continue²

¹ MMIT March 2015. ² IMS Weekly Data (as of 27 April 2015).
Pharmaceuticals: Respiratory
Ex-US markets have good access, Relvar launching well

Competing well in key major markets...

...with full launch potential still to be reflected

- Major European markets and Australia now have access
- Brazil and Mexico have launched; 16 EM launches planned to year-end
- SUMMIT data in 2H 2015 and Salford Lung study COPD data in 2H 2016 provide potential for upside
- Additional near-term pipeline (mepolizumab, closed triple) and Ellipta platform leverage

1 Rolling 3 month average (JMIRI G5 March 2015). 2 IMS
2020 expect total respiratory sales to be at or above sales in 2015, whether or not there is US generic competition to Advair.

Portfolio de-risked with balanced growth as new products gain scale.

- 90% of 2015 sales: 4 products
  - Seretide/Advair
  - Avamys
  - Ventolin
  - Flixotide

- 90% of 2020 sales: 9 products
  - Seretide/Advair
  - Avamys
  - Incruse
  - Ventolin
  - Relvar/Breo
  - mepolizumab
  - Flixotide
  - Anoro
  - closed triple

Internal financial data. All expectations and targets regarding future performance should be read together with the “2015-2020 Outlook” and “Assumptions and cautionary statement regarding forward-looking statements” sections of the Q1 Results Announcements dated 6 May 2015.
Pharmaceuticals: Base Brands*

Generating volume and cash to support innovative brands

Applying commercial expertise to late-lifecycle management and access

Promote to Grow (60%): Drive volume post-patent expiry through low cost promotion

- Key assets growing low single digits outside US
- Centre of excellence in India
- Maximise existing supply

Manage for Cash (40%): Rationalise tail products and allocate based on margin

- Reduce complexities and simplify SKUs
- Targeted divestments
- Decreased SG&A

Antibacterials £789m -1%
Urology £805m +1%
Epilepsy £622m +5%

Removed over 4,500 SKUs; delivering 1% improvement in gross margin

Internal financial data. * Pharma ex-ViiV and ex-Respiratory.
HIV
Rapidly growing business, transforming the market

4% growth in Q1 2014

42% growth in Q1 2015

>90% of total sales

5 Tivicay markets

2 Triumeq markets

Legacy portfolio
Tivicay
Triumeq
DTG-based regimens
cabotegravir (‘744)
New ARVs
Search for cure

Rapidly growing business, transforming the market

US TRx 85 weeks post-Tivicay launch

Competitor #1
Competitor #2

0 2,000 4,000 6,000 8,000 10,000 12,000 14,000 16,000
Wk1 Wk10 Wk19 Wk28 Wk37 Wk46 Wk55 Wk64 Wk73 Wk82

1 Internal financial data. 2 IMS NPA Audit (4/3/15) and Symphony Health Solutions, CRx (3/27/15).
Vaccines
Balanced sources expected to drive growth from 2016-2020

Marketed Portfolio
• Driving uptake in unvaccinated populations
• Sales synergies from Novartis portfolio

Meningitis Portfolio
• Driving top-line synergies in Menveo (US & International)
• Accelerating uptake of Bexsero globally

Pipeline
• Successfully launching Shingrix
• Launching Mosquirix in Africa
Pipeline and productivity

**Strong future asset flow while restructuring drives margin**

### Sustainable pipeline flow in existing and new growth areas

- Breo (asthma US decision, SUMMIT COPD)
- mepolizumab (severe asthma decision)
- sirukumab (RA PhIII data)
- ‘273 (ADA-SCID EMA filing)

### 2015 Milestones

- closed triple (COPD)
- cabotegravir (HIV)
- ‘863/PHI (anaemia)
- Shingrix (zoster vaccine)

### PhII/III Assets

- Respiratory (PI3Kδ)
- Inflammation (RIP kinases)
- Cardio-metabolic (TRPV4)
- Oncology (BETi, EZH2, LSD-1)

### Early Stage

- Respiratory
- Inflammation
- Cardio-metabolic
- Oncology

### OpEx programmes are delivering improved overall productivity

**Sales productivity** $(Rx+Vx+ViiV)^1$ (est. sales per sales FTE)

- Estimated sales/sales FTE
  - 2007
  - 2014: +12%
  - 2017E: +23%

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1 Internal estimates. All expectations and targets regarding future performance should be read together with the “2015-2020 Outlook” and “Assumptions and cautionary statement regarding forward-looking statements” sections of the Q1 Results Announcements dated 6 May 2015.
Portfolio approach at market level gives flexibility to deliver revenue growth

Expected CAGR 2016-20*

- **Vaccines**
  - Long-term growth creation with a strong perpetuity value

- **HIV**
  - Immediate growth driver with untapped potential

- **Pharma (Respiratory)**
  - Maintain topline and reduce dependency on Seretide/Advair

- **Pharma (Base Brands**)**
  - Promote to Grow ↑ and Manage for Cash ↓↓

Strong operational management
Restructuring and Novartis synergies
Sustainable R&D pipeline

* Expected CAGR to 2020, using 2015 as the base year. All expectations and targets regarding future performance should be read together with the “2015-2020 Outlook” and “Assumptions and cautionary statement regarding forward-looking statements” sections of the Q1 Results Announcements dated 6 May 2015. All sales growth rates at CER.
**Pharma ex-ViiV and ex-Respiratory.
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 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.

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A number of adjusted measures are used to report the performance of our business. These measures are defined in our Q1 2015 earnings release and annual report on Form 20-F.
The unaudited pro forma financial information in this presentation has been prepared to illustrate the effect of (i) the disposal of the oncology assets, (ii) the Consumer Healthcare joint venture (i.e. the acquisition of the Novartis OTC Business), and (iii) the acquisition of the Vaccines business (which excludes the Influenza Vaccines business) on the results of the Group as if they had taken place as at January 1, 2014.

The unaudited pro forma financial information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and, therefore, does not represent the Group’s actual financial position or results. The unaudited pro forma financial does not purport to represent what the Group’s financial position actually would have been if the disposal of the Oncology assets, the Consumer Healthcare joint venture and the Vaccines acquisition had been completed on the dates indicated; nor does it purport to represent the financial condition at any future date.

In addition to the matters noted above, the unaudited pro forma financial information does not reflect the effect of anticipated synergies and efficiencies associated with the Oncology disposal, the Consumer Healthcare joint venture and the Vaccines acquisition.

The unaudited pro forma financial information does not constitute financial statements within the meaning of Section 434 of the Companies Act 2006. The unaudited pro forma financial information in this presentation should be read in conjunction with the financial statements included in (i) the Group’s Q1 2015 earnings report dated May 6, 2015 and furnished to the SEC on Form 6-K, (ii) the Group’s Annual Report on Form 20-F for 2014 and (iii) the Circular to Shareholders and Notice of General Meeting furnished to the SEC on Form 6-K on November 24, 2014.