

Income statement

Year ended 31st December 2008

	Results before major restructuring £m	Major restructuring £m	Total £m	Results before major restructuring \$m	Major restructuring \$m	Total \$m
Turnover:						
Pharmaceuticals	20,381	-	20,381	37,705	-	37,705
Consumer healthcare	3,971	-	3,971	7,346	-	7,346
TURNOVER	24,352	-	24,352	45,051	-	45,051
Cost of sales	(5,776)	(639)	(6,415)	(10,687)	(1,182)	(11,869)
Gross profit	18,576	(639)	17,937	34,364	(1,182)	33,182
Selling, general and administration	(7,352)	(304)	(7,656)	(13,601)	(562)	(14,163)
Research and development	(3,506)	(175)	(3,681)	(6,486)	(324)	(6,810)
Other operating income	541	-	541	1,001	-	1,001
Operating profit:						
Pharmaceuticals	7,427	(1,096)	6,331	13,739	(2,027)	11,712
Consumer healthcare	832	(22)	810	1,539	(41)	1,498
OPERATING PROFIT	8,259	(1,118)	7,141	15,278	(2,068)	13,210
Finance income	313	-	313	579	-	579
Finance expense	(838)	(5)	(843)	(1,550)	(9)	(1,559)
Share of after tax profits of joint ventures and associates	48	-	48	89	-	89
PROFIT BEFORE TAXATION	7,782	(1,123)	6,659	14,396	(2,077)	12,319
Taxation	(2,231)	284	(1,947)	(4,127)	525	(3,602)
PROFIT AFTER TAXATION FOR THE PERIOD	5,551	(839)	4,712	10,269	(1,552)	8,717
Profit attributable to minority interests	110	-	110	203	-	203
Profit attributable to shareholders	5,441	(839)	4,602	10,066	(1,552)	8,514
	5,551	(839)	4,712	10,269	(1,552)	8,717
EARNINGS PER SHARE	104.7p		88.6p	193.7¢		163.9¢
Diluted earnings per share	104.1p		88.1p	192.6¢		163.0¢

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

Income statement

Three months ended 31st December 2008

	Business performance £m	Restructuring £m	Total £m	Business performance \$m	Restructuring £m	Total \$m
Turnover:						
Pharmaceuticals	5,803	-	5,803	9,278	-	9,278
Consumer Healthcare	1,107	-	1,107	1,761	-	1,761
TURNOVER	6,910	-	6,910	11,039	-	11,039
Cost of sales	(1,642)	(311)	(1,953)	(2,625)	(542)	(3,167)
Gross profit	5,268	(311)	4,957	8,414	(542)	7,872
Selling, general and administration	(2,205)	(91)	(2,296)	(3,564)	(147)	(3,711)
Research and development	(1,090)	(122)	(1,212)	(1,775)	(221)	(1,996)
Other operating income	133	-	133	205	-	205
Operating profit:						
Pharmaceuticals	1,818	(515)	1,303	2,802	(894)	1,908
Consumer Healthcare	288	(9)	279	478	(16)	462
OPERATING PROFIT	2,106	(524)	1,582	3,280	(910)	2,370
Finance income	37	-	37	41	-	41
Finance expense	(238)	(3)	(241)	(380)	(5)	(385)
Share of after tax profits of joint ventures and associates	18	-	18	30	-	30
PROFIT BEFORE TAXATION	1,923	(527)	1,396	2,971	(915)	2,056
Taxation	(532)	153	(379)	(814)	270	(544)
PROFIT AFTER TAXATION FOR THE PERIOD	1,391	(374)	1,017	2,157	(645)	1,512
Profit attributable to minority interests	35	-	35	57	-	57
Profit attributable to shareholders	1,356	(374)	982	2,100	(645)	1,455
	1,391	(374)	1,017	2,157	(645)	1,512
EARNINGS PER SHARE	26.7p		19.3p	41.4¢		29.9¢
Diluted earnings per share	26.6p		19.2p	41.2¢		29.8¢

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

Turnover

Pharmaceuticals including vaccines

Year ended 31st December 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
Respiratory	5,817	2,720	1,982	1,115	10,761	5,032	3,666	2,063
<i>Seretide/Advair</i>	4,137	2,161	1,416	560	7,653	3,998	2,619	1,036
<i>Flixotide/Flovent</i>	677	317	175	185	1,252	586	324	342
<i>Serevent</i>	263	72	136	55	487	133	252	102
<i>Veramyst</i>	72	56	11	5	133	104	20	9
<i>Flixonase/Flonase</i>	186	52	52	82	344	96	96	152
Anti-virals	3,206	1,600	850	756	5,931	2,960	1,572	1,399
HIV	1,513	640	636	237	2,799	1,184	1,177	438
<i>Epzicom/Kivexa</i>	442	178	209	55	818	329	387	102
<i>Combivir</i>	433	180	166	87	801	333	307	161
<i>Trizivir</i>	212	106	92	14	392	196	170	26
<i>Agenerase, Lexiva</i>	160	83	61	16	296	153	113	30
<i>Epivir</i>	139	47	58	34	257	87	107	63
<i>Ziagen</i>	106	45	36	25	196	83	67	46
<i>Valtrex</i>	1,195	870	144	181	2,211	1,610	266	335
<i>Zeffix</i>	188	15	27	146	348	28	50	270
<i>Relenza</i>	57	20	6	31	105	37	11	57
Central nervous system	2,897	1,815	565	517	5,359	3,358	1,045	956
<i>Lamictal</i>	926	711	147	68	1,713	1,315	272	126
<i>Imigran/Imitrex</i>	687	550	96	41	1,271	1,017	178	76
<i>Seroxat/Paxil</i>	514	79	115	320	951	146	213	592
<i>Wellbutrin</i>	342	310	18	14	633	574	33	26
<i>Requip</i>	266	102	133	31	492	189	246	57
<i>Requip XL</i>	43	9	34	-	80	17	63	-
<i>Treximet</i>	25	25	-	-	46	46	-	-
Cardiovascular and urogenital	1,847	1,107	512	228	3,417	2,048	947	422
<i>Avodart</i>	399	242	118	39	738	448	218	72
<i>Lovaza</i>	290	289	-	1	537	535	-	2
<i>Coreg</i>	203	200	-	3	376	370	-	6
<i>Coreg CR</i>	165	163	-	2	306	302	-	4
<i>Coreg IR</i>	38	37	-	1	70	68	-	2
<i>Fraxiparine</i>	226	-	178	48	418	-	329	89
<i>Arixtra</i>	170	88	71	11	315	163	132	20
<i>Vesicare</i>	71	71	-	-	131	131	-	-
<i>Levitra</i>	60	57	3	-	111	105	6	-
Metabolic	1,191	590	294	307	2,203	1,091	544	568
<i>Avandia products</i>	805	434	198	173	1,489	803	366	320
<i>Avandia</i>	512	299	82	131	947	553	152	242
<i>Avandamet</i>	256	109	111	36	474	202	205	67
<i>Bonviva/Boniva</i>	237	156	74	7	438	288	137	13
Anti-bacterials	1,429	174	635	620	2,644	322	1,175	1,147
<i>Augmentin</i>	587	49	272	266	1,086	91	503	492
<i>Altabax</i>	16	15	1	-	30	28	2	-
Oncology and emesis	496	243	169	84	918	450	313	155
<i>Hycamtin</i>	140	81	49	10	259	150	91	18
<i>Zofran</i>	110	3	63	44	204	6	117	81
<i>Tykerb</i>	102	47	42	13	189	87	78	24
Vaccines	2,539	629	1,155	755	4,697	1,163	2,137	1,397
<i>Hepatitis</i>	665	275	263	127	1,230	509	486	235
<i>Infanrix/Pediarix</i>	682	212	377	93	1,262	392	698	172
<i>Fluarix, FluLaval</i>	215	85	78	52	398	157	145	96
<i>Flu-prepandemic</i>	66	1	64	1	122	2	118	2
<i>Cervarix</i>	125	-	104	21	231	-	192	39
<i>Rotarix</i>	167	21	43	103	309	39	79	191
<i>Boostrix</i>	70	35	26	9	130	65	48	17
Other	959	16	321	622	1,774	29	594	1,151
	20,381	8,894	6,483	5,004	37,704	16,453	11,993	9,258

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

Turnover

Pharmaceuticals including vaccines Three months ended 31st December 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
Respiratory	1,731	852	550	329	2,793	1,389	874	530
<i>Seretide/Advair</i>	1,237	674	392	171	1,998	1,098	622	278
<i>Flixotide/Flovent</i>	208	103	50	55	337	169	80	88
<i>Serevent</i>	70	22	33	15	111	36	51	24
<i>Veramyst</i>	25	18	6	1	41	30	10	1
<i>Flixonase/Flonase</i>	42	8	12	22	63	10	18	35
Anti-virals	924	500	224	200	1,481	815	351	315
HIV	417	193	165	59	662	312	259	91
<i>Epzicom/Kivexa</i>	129	55	57	17	208	89	91	28
<i>Combivir</i>	114	53	42	19	179	85	65	29
<i>Trizivir</i>	59	32	22	5	94	52	34	8
<i>Agenerase, Lexiva</i>	47	26	15	6	76	42	23	11
<i>Epivir</i>	36	14	15	7	56	23	23	10
<i>Ziagen</i>	28	14	9	5	44	23	14	7
<i>Valtrex</i>	366	279	38	49	594	457	59	78
<i>Zeffix</i>	53	4	7	42	85	7	11	67
<i>Relenza</i>	13	5	5	3	19	8	9	2
Central nervous system	665	353	151	161	1,007	507	238	262
<i>Lamictal</i>	177	119	39	19	252	161	61	30
<i>Imigran/Imitrex</i>	161	123	25	13	245	184	40	21
<i>Seroxat/Paxil</i>	154	19	29	106	249	29	45	175
<i>Wellbutrin</i>	66	56	6	4	95	79	10	6
<i>Requip</i>	58	11	38	9	86	11	61	14
<i>Requip XL</i>	20	5	15	-	35	9	26	-
<i>Treximet</i>	13	13	-	-	23	23	-	-
Cardiovascular and urogenital	548	344	137	67	884	560	216	108
<i>Avodart</i>	120	75	33	12	194	123	52	19
<i>Lovaza</i>	98	98	-	-	163	163	-	-
<i>Coreg</i>	61	60	-	1	99	97	-	2
<i>Coreg CR</i>	50	49	-	1	82	80	-	2
<i>Coreg IR</i>	11	11	-	-	17	17	-	-
<i>Fraxiparine</i>	58	-	44	14	90	-	67	23
<i>Arixtra</i>	55	31	21	3	91	52	35	4
<i>Vesicare</i>	23	23	-	-	37	37	-	-
<i>Levitra</i>	17	16	1	-	27	25	2	-
Metabolic	345	182	76	87	553	295	119	139
<i>Avandia products</i>	229	132	47	50	366	214	72	80
<i>Avandia</i>	147	89	20	38	235	143	31	61
<i>Avandamet</i>	70	34	26	10	111	56	39	16
<i>Bonviva/Boniva</i>	76	51	23	2	124	83	38	3
Anti-bacterials	397	50	179	168	632	80	286	266
<i>Augmentin</i>	159	15	74	70	251	24	117	110
<i>Altabax</i>	5	5	-	-	9	9	-	-
Oncology and emesis	138	64	50	24	220	101	81	38
<i>Hycamtin</i>	41	25	14	2	66	41	23	2
<i>Zofran</i>	17	(10)	16	11	23	(19)	25	17
<i>Tykerb</i>	35	14	17	4	58	23	29	6
Vaccines	796	178	356	262	1,298	283	579	436
<i>Hepatitis</i>	185	74	74	37	294	117	117	60
<i>Infanrix/Pediarix</i>	194	56	113	25	310	88	183	39
<i>Fluarix, FLULaval</i>	66	22	21	23	107	34	34	39
<i>Flu-prepandemic</i>	17	1	15	1	26	2	22	2
<i>Cervarix</i>	55	-	45	10	94	-	77	17
<i>Rotarix</i>	66	17	13	36	112	31	21	60
<i>Boostrix</i>	17	8	7	2	27	13	11	3
Other	259	3	103	153	409	4	169	236
	5,803	2,526	1,826	1,451	9,277	4,034	2,913	2,330

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

Turnover

Consumer Healthcare Year ended 31st December 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
Over-the-counter medicines	1,935	630	607	698	3,580	1,166	1,123	1,291
<i>Panadol franchise</i>	324	-	79	245	599	-	146	453
Smoking cessation products	299	213	60	26	553	394	111	48
<i>Tums</i>	91	78	1	12	168	144	2	22
Cold sore franchise	89	41	38	10	165	76	70	19
<i>Breathe Right</i>	81	48	20	13	150	89	37	24
<i>alli</i>	75	71	-	4	139	131	-	8
Oral healthcare	1,240	222	691	327	2,294	411	1,278	605
<i>Aquafresh franchise</i>	452	84	275	93	836	155	509	172
<i>Sensodyne franchise</i>	363	68	175	120	672	126	324	222
Dental healthcare	271	63	110	98	501	116	204	181
Nutritional healthcare	796	-	481	315	1,473	-	890	583
<i>Lucozade</i>	382	-	336	46	707	-	622	85
<i>Horlicks</i>	204	-	22	182	377	-	41	336
<i>Ribena</i>	161	-	121	40	298	-	224	74
	3,971	852	1,779	1,340	7,347	1,577	3,291	2,479

Turnover

Consumer Healthcare Three months ended 31st December 2008

	Total £m	USA £m	Europe £m	ROW £m	Total \$m	USA \$m	Europe \$m	ROW \$m
Over-the counter medicines	579	207	187	185	936	341	304	291
<i>Panadol franchise</i>	84	-	23	61	131	-	37	94
Smoking cessation products	93	68	18	7	151	111	29	11
<i>Tums</i>	27	23	1	3	43	37	2	4
Cold sore franchise	28	15	11	2	46	25	18	3
<i>Breathe Right</i>	27	16	6	5	45	27	10	8
<i>alli</i>	30	28	-	2	51	47	-	4
Oral healthcare	343	68	189	86	545	111	299	135
<i>Aquafresh franchise</i>	122	26	73	23	192	42	115	35
<i>Sensodyne franchise</i>	100	21	48	31	159	34	76	49
Dental healthcare	77	19	32	26	123	30	52	41
Nutritional healthcare	185	-	110	75	281	-	166	115
<i>Lucozade</i>	89	-	76	13	136	-	115	21
<i>Horlicks</i>	47	-	6	41	71	-	10	61
<i>Ribena</i>	37	-	27	10	56	-	41	15
	1,107	275	486	346	1,762	452	769	541

Balance sheet

	31st December 2008 £m	31st December 2008 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	9,678	13,936
Goodwill	2,101	3,026
Other intangible assets	5,869	8,451
Investments in associates and joint ventures	552	795
Other investments	478	688
Deferred tax assets	2,760	3,975
Derivative financial instruments	107	154
Other non-current assets	579	834
Total non-current assets	22,124	31,859
Current assets		
Inventories	4,056	5,841
Current tax recoverable	76	109
Trade and other receivables	6,265	9,021
Derivative financial instruments	856	1,233
Liquid investments	391	563
Cash and cash equivalents	5,623	8,097
Assets held for sale	2	3
Total current assets	17,269	24,867
TOTAL ASSETS	39,393	56,726
LIABILITIES		
Current liabilities		
Short-term borrowings	(956)	(1,376)
Trade and other payables	(6,075)	(8,748)
Derivative financial instruments	(752)	(1,083)
Current tax payable	(780)	(1,123)
Short-term provisions	(1,454)	(2,094)
Total current liabilities	(10,017)	(14,424)
Non-current liabilities		
Long-term borrowings	(15,231)	(21,933)
Deferred tax liabilities	(714)	(1,028)
Pensions and other post-employment benefits	(3,039)	(4,376)
Other provisions	(1,645)	(2,369)
Derivative financial instruments	(2)	(3)
Other non-current liabilities	(427)	(615)
Total non-current liabilities	(21,058)	(30,324)
TOTAL LIABILITIES	(31,075)	(44,748)
NET ASSETS	8,318	11,978
EQUITY		
Share capital	1,415	2,038
Share premium account	1,326	1,909
Retained earnings	4,622	6,656
Other reserves	568	818
Shareholders' equity	7,931	11,421
Minority interests	387	557
TOTAL EQUITY	8,318	11,978

US dollar amounts shown above are a convenience transaction of the sterling amounts using the period end rate of £1/\$1.44.