

# Annual General Meeting

Thursday 6 May 2010

Andrew Witty

Chief Executive Officer



# Strategic priorities

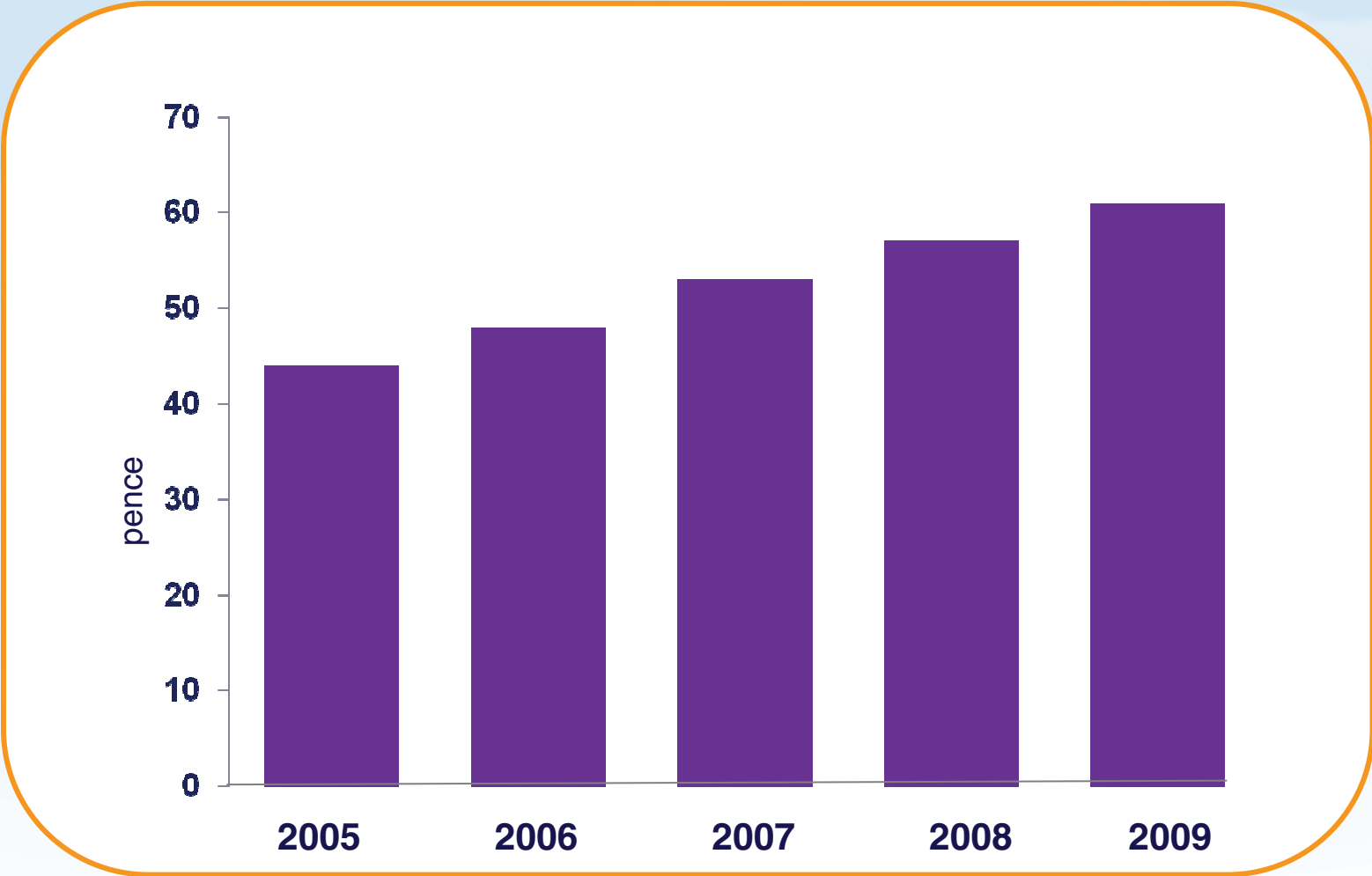


# 2009 performance summary

Results before  
major restructuring

	2009 £m	2008 £m	% Change	
			CER	£
<b>Turnover</b>	<b>28,368</b>	<b>24,352</b>	<b>3</b>	<b>16</b>
<b>EPS</b>	<b>121.2p</b>	<b>104.7p</b>	<b>2</b>	<b>16</b>
<b>Free Cash Flow</b>	<b>5,254</b>	<b>4,679</b>		<b>12</b>

# Commitment to grow dividend



A 3D rendered scene featuring a white greenhouse structure with a silver frame. The word "GROW" is printed in large, bold, orange letters on the side of the greenhouse. Three silver grow lights are mounted on top of the structure. In the foreground, a variety of plants are arranged, including a tall citrus tree with yellow fruit, a stalk of purple foxgloves, yellow foxgloves, and several other green leafy plants. The background is a light blue sky with soft white clouds, and the ground is a plain, light gray surface.

**GROW**

# Investments to grow and diversify GSK's business

14 deals completed across the business in 2009






## Emerging Markets

 **Pakistan**  
 **Near East**  
 **EM/AP**  
  
  
 **Algeria**

## Pharma

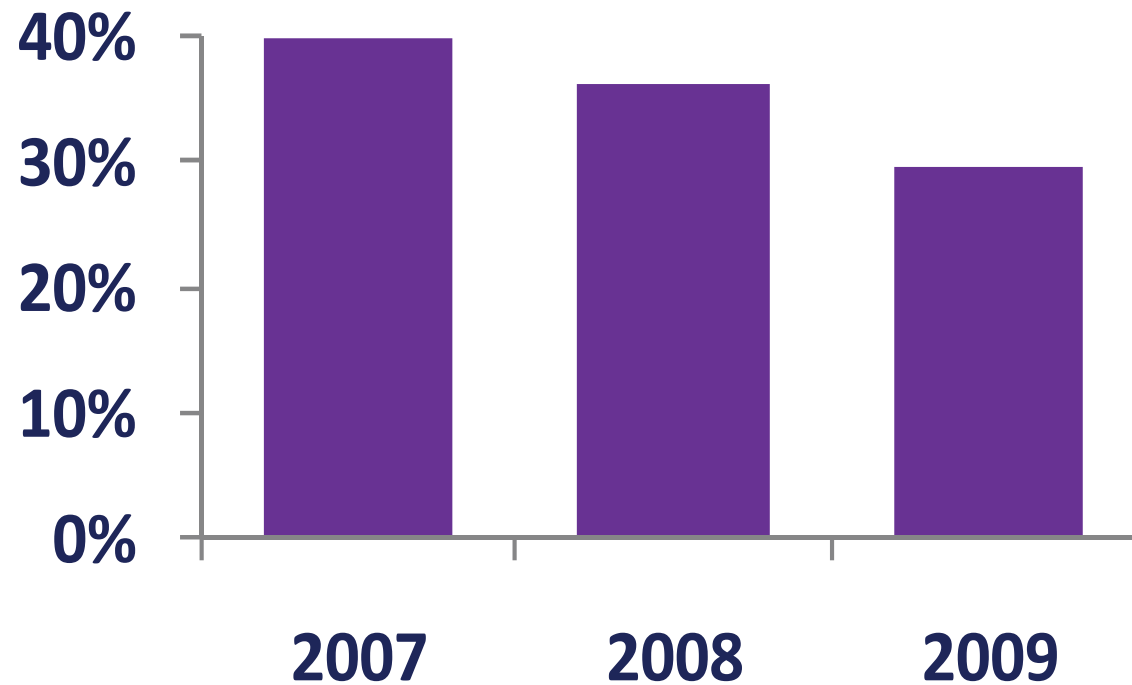
## Vaccines

## Consumer

  
  
**Walvax**  
  
  
**AZ Tika**  
  


Dr Reddy's (ex-India); Laboratoire Pharmaceutique Algérien (LPA Algeria); Walvax (Priorix in China); Neptunus (flu in China); Intercell (needle-free vaccine technology); AZ Tika (Alvedon); Uni-President (Lucozade in China); Novamin (specialty oral care technology)

# Return to sales growth...with a more diversified portfolio

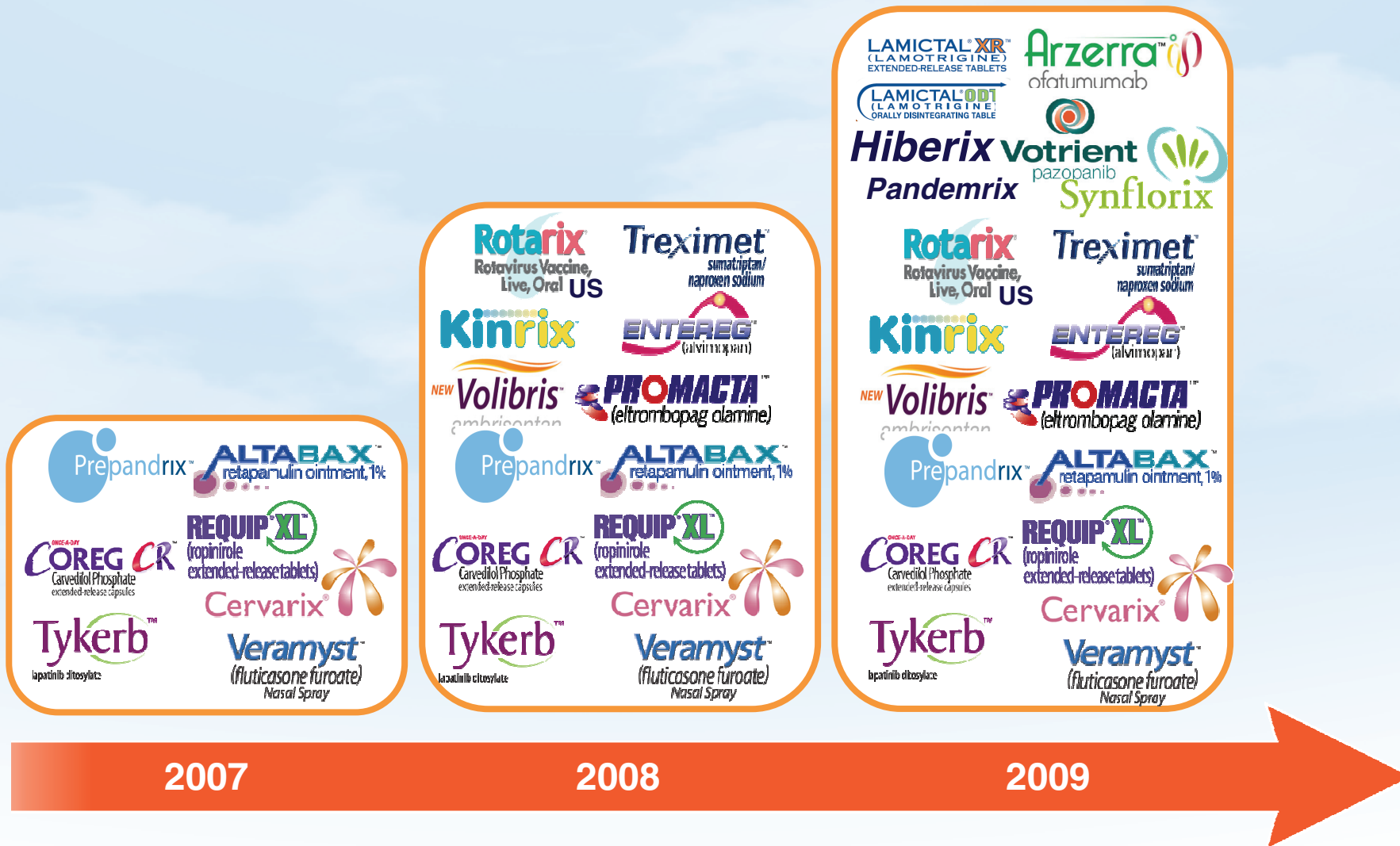


**Proportion of sales from 'white pill/western markets'  
reduced 40% to <30%**





# Pipeline delivers: increasing new product contribution

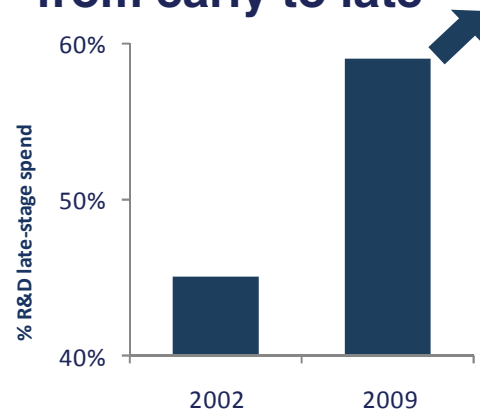


Sales from 2007-09 launches; CER growth rates

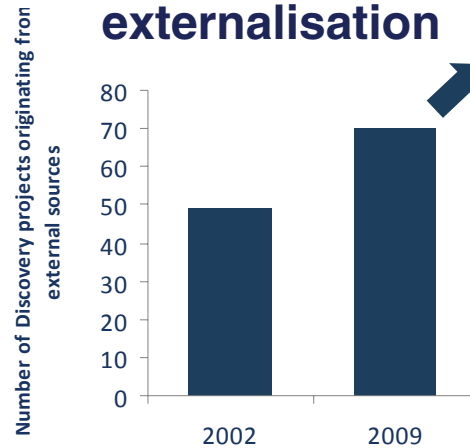


# Improving returns in pharmaceutical R&D

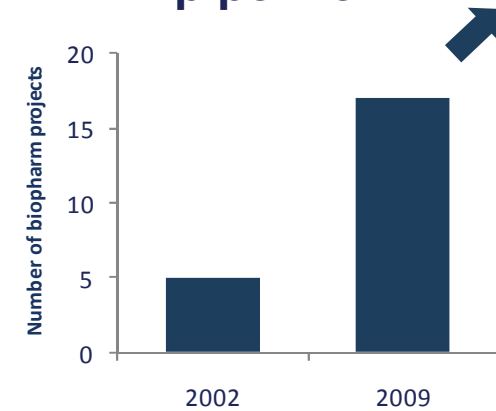
## Shift R&D spend from early to late<sup>1</sup>



## Increase Discovery<sup>2</sup> externalisation



## Grow biopharm pipeline



**More rigorous focus on potential differentiation prior to commit to full development**

**Drive efficiencies throughout R&D**

*Do more with the same or less cost*

1. Early = pre-Commit to Medicines Development (C2MD); Late = post-C2MD  
2. Discovery = Start of Chemistry to C2MD



GlaxoSmithKline