

Income statement

Year ended 31 December 2019

	Total £m	Total \$m
TURNOVER	33,754	43,205
Cost of sales	(11,863)	(15,185)
Gross profit	21,891	28,020
Selling, general and administration	(11,402)	(14,594)
Research and development	(4,568)	(5,847)
Royalty income	351	449
Other operating expense	689	882
OPERATING PROFIT	6,961	8,910
Finance income	98	125
Finance expense	(912)	(1,167)
Share of after tax profits of joint ventures and associates	74	95
PROFIT BEFORE TAXATION	6,221	7,963
Taxation	(953)	(1,220)
PROFIT AFTER TAXATION	5,268	6,743
Profit attributable to non-controlling interests	623	797
Profit attributable to shareholders	4,645	5,946
	5,268	6,743
EARNINGS PER SHARE	93.9p	120.2¢
Diluted earnings per share	92.6p	118.5¢

US dollar amounts shown above are a convenience translation of the sterling amounts. US dollar results for the year ended 31 December 2019 are calculated using average rates for the period. US dollar results for the three months ended 31 December 2019 are calculated as the difference between these full year results translated into US dollars and US dollar results previously published for the nine months ended 30 September 2019.

Income statement

Three months ended 31 December 2019

	Total £m	Total \$m
TURNOVER	8,899	11,639
Cost of sales	(3,248)	(4,244)
Gross profit	5,651	7,395
Selling, general and administration	(3,443)	(4,486)
Research and development	(1,243)	(1,624)
Royalty income	82	107
Other operating expense	855	1,093
OPERATING PROFIT	1,902	2,485
Finance income	11	14
Finance expense	(206)	(270)
Share of after tax profits of joint ventures and associates	4	6
PROFIT BEFORE TAXATION	1,711	2,235
Taxation	(194)	(256)
PROFIT AFTER TAXATION	1,517	1,979
Profit attributable to non-controlling interests	218	283
Profit attributable to shareholders	1,299	1,696
	1,517	1,979
EARNINGS PER SHARE	26.2p	34.3¢
Diluted earnings per share	25.9p	33.9¢

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Pharmaceuticals turnover – year ended 31 December 2019

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	3,081	1,742	783	556	3,944	2,230	1,002	712
Ellipta products	2,313	1,289	577	447	2,961	1,650	739	572
<i>Anoro Ellipta</i>	514	324	120	70	658	414	154	90
<i>Arnuity Ellipta</i>	48	41	-	7	62	53	-	9
<i>Incruse Ellipta</i>	262	161	73	28	335	206	93	36
<i>Relvar/Breo Ellipta</i>	971	381	282	308	1,243	488	361	394
<i>Trelegy Ellipta</i>	518	382	102	34	663	489	131	43
<i>Nucala</i>	768	453	206	109	983	580	263	140
HIV	4,854	3,004	1,156	694	6,213	3,845	1,480	888
Dolutegravir products	4,633	2,938	1,086	609	5,930	3,761	1,390	779
<i>Tivicay</i>	1,662	977	395	290	2,127	1,251	505	371
<i>Triumeq</i>	2,549	1,611	626	312	3,263	2,062	802	399
<i>Juluca</i>	366	303	56	7	468	388	71	9
<i>Dovato</i>	56	47	9	-	72	60	12	-
<i>Epzicom/Kivexa</i>	75	3	23	49	96	4	29	63
<i>Selzentry</i>	97	53	29	15	124	67	38	19
Other	49	10	18	21	63	13	23	27
Immuno-inflammation	613	535	46	32	785	685	59	41
<i>Benlysta</i>	613	535	46	32	785	685	59	41
Oncology	230	134	96	-	294	171	123	-
<i>Zejula</i>	229	134	95	-	293	171	122	-
Established Pharmaceuticals	8,776	1,987	2,044	4,745	11,233	2,543	2,616	6,074
Established Respiratory	3,900	1,415	807	1,678	4,992	1,811	1,033	2,148
<i>Seretide/Advair</i>	1,730	502	502	726	2,214	643	642	929
<i>Flixotide/Flovent</i>	629	368	88	173	805	471	112	222
<i>Ventolin</i>	938	547	120	271	1,201	700	154	347
<i>Avamys/Veramyst</i>	324	(2)	69	257	414	(3)	88	329
Other Respiratory	279	-	28	251	357	-	36	321
Dermatology	445	3	159	283	570	4	204	362
<i>Augmentin</i>	602	-	172	430	771	-	220	551
<i>Avodart</i>	574	4	208	362	735	5	266	464
<i>Imigran/Imitrex</i>	138	59	52	27	177	75	67	35
<i>Lamictal</i>	566	284	112	170	724	364	143	217
<i>Seroxat/Paxil</i>	160	-	37	123	205	-	48	157
<i>Valtrex</i>	107	14	31	62	137	18	40	79
Other	2,284	208	466	1,610	2,923	266	596	2,061
Pharmaceuticals	17,554	7,402	4,125	6,027	22,469	9,474	5,280	7,715

Pharmaceuticals turnover – three months ended 31 December 2019

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	892	521	214	157	1,164	679	280	205
<i>Ellipta products</i>	674	389	158	127	879	507	207	165
<i>Anoro Ellipta</i>	141	91	33	17	184	118	43	23
<i>Arnuity Ellipta</i>	15	13	-	2	20	17	-	3
<i>Incruse Ellipta</i>	77	52	18	7	100	68	23	9
<i>Relvar/Breo Ellipta</i>	269	107	74	88	351	140	97	114
<i>Trelegy Ellipta</i>	172	126	33	13	224	164	44	16
<i>Nucala</i>	218	132	56	30	284	172	72	40
HIV	1,257	782	296	179	1,645	1,023	388	234
<i>Dolutegravir products</i>	1,208	768	278	162	1,580	1,005	364	211
<i>Tivicay</i>	426	244	100	82	557	320	130	107
<i>Triumeq</i>	638	408	153	77	836	534	202	100
<i>Juluca</i>	111	89	19	3	144	116	24	4
<i>Dovato</i>	33	27	6	-	43	35	8	-
<i>Epzicom/Kivexa</i>	15	-	5	10	20	-	6	14
<i>Selzentry</i>	23	13	7	3	30	16	10	4
<i>Other</i>	11	1	6	4	15	2	8	5
Immuno-inflammation	170	148	12	10	222	193	16	13
<i>Benlysta</i>	170	148	12	10	222	193	16	13
Oncology	66	37	29	-	86	48	38	-
<i>Zejula</i>	66	37	29	-	86	48	38	-
Established Pharmaceuticals	2,173	470	497	1,206	2,847	616	651	1,580
<i>Established Respiratory</i>	965	341	196	428	1,265	447	257	561
<i>Seretide/Advair</i>	414	104	119	191	543	137	156	250
<i>Flixotide/Flovent</i>	186	115	22	49	242	150	28	64
<i>Ventolin</i>	226	124	31	71	297	163	41	93
<i>Avamys/Veramyst</i>	72	(2)	15	59	94	(3)	19	78
<i>Other Respiratory</i>	67	-	9	58	88	-	12	76
<i>Dermatology</i>	112	-	40	72	147	-	53	94
<i>Augmentin</i>	158	-	47	111	207	-	61	146
<i>Avodart</i>	140	-	48	92	184	-	63	121
<i>Imigran/Imitrex</i>	35	15	13	7	46	19	17	10
<i>Lamictal</i>	145	73	28	44	189	96	36	57
<i>Seroxat/Paxil</i>	38	-	9	29	50	-	12	38
<i>Valtrex</i>	27	4	8	15	35	5	11	19
<i>Other</i>	553	37	108	408	725	49	141	535
Pharmaceuticals	4,558	1,958	1,048	1,552	5,964	2,559	1,373	2,032

Vaccines turnover – year ended 31 December 2019

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	1,018	430	343	245	1,303	550	439	314
<i>Bexsero</i>	679	260	319	100	869	333	408	128
<i>Menveo</i>	267	170	18	79	342	217	23	102
<i>Other</i>	72	-	6	66	92	-	8	84
Influenza	541	412	56	73	692	527	72	93
<i>Fluarix, FluLaval</i>	541	412	56	73	692	527	72	93
Shingles	1,810	1,669	54	87	2,317	2,136	69	112
<i>Shingrix</i>	1,810	1,669	54	87	2,317	2,136	69	112
Established Vaccines	3,788	1,394	1,035	1,359	4,849	1,784	1,325	1,740
<i>Infanrix, Pediarix</i>	733	360	213	160	938	461	272	205
<i>Boostrix</i>	584	299	156	129	748	383	200	165
Hepatitis	874	529	231	114	1,119	677	296	146
<i>Rotarix</i>	558	140	112	306	714	179	143	392
<i>Synflorix</i>	468	-	54	414	599	-	69	530
<i>Priorix, Priorix Tetra, Varilrix</i>	232	-	100	132	297	-	128	169
<i>Cervarix</i>	50	-	21	29	64	-	27	37
<i>Other</i>	289	66	148	75	370	84	190	96
Vaccines	7,157	3,905	1,488	1,764	9,161	4,997	1,905	2,259

Vaccines turnover – three months ended 31 December 2019

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Meningitis	203	25	83	95	268	36	109	123
<i>Bexsero</i>	112	12	76	24	149	18	99	32
<i>Menveo</i>	66	13	6	47	87	18	8	61
<i>Other</i>	25	-	1	24	32	-	1	31
Influenza	138	92	22	24	180	120	29	31
<i>Fluarix, FluLaval</i>	138	92	22	24	180	120	29	31
Shingles	532	494	19	19	694	644	24	26
<i>Shingrix</i>	532	494	19	19	694	644	24	26
Established Vaccines	869	298	226	345	1,142	392	298	452
<i>Infanrix, Pediarix</i>	156	68	44	44	205	90	57	58
<i>Boostrix</i>	130	66	34	30	172	87	46	39
Hepatitis	195	111	53	31	257	146	70	41
<i>Rotarix</i>	141	34	28	79	184	44	36	104
<i>Synflorix</i>	124	-	10	114	162	-	13	149
<i>Priorix, Priorix Tetra, Varilrix</i>	70	-	26	44	91	-	34	57
<i>Cervarix</i>	(13)	-	5	(18)	(16)	-	7	(23)
<i>Other</i>	66	19	26	21	87	25	35	27
Vaccines	1,742	909	350	483	2,284	1,192	460	632

Consumer Healthcare turnover – year ended 31 December 2019

	Total £m	Total \$m
Wellness	4,526	5,793
Oral health	2,673	3,422
Nutrition	1,176	1,505
Skin health	620	794
	<u>8,995</u>	<u>11,514</u>

	Total £m	Total \$m
US	2,583	3,306
Europe	2,456	3,144
International	3,956	5,064
	<u>8,995</u>	<u>11,514</u>

Corporate and other unallocated turnover was £48 million (\$61 million) for the year ended 31 December 2019.

Consumer Healthcare turnover – three months ended 31 December 2019

	Total £m	Total \$m
Wellness	1,294	1,688
Oral health	651	854
Nutrition	463	599
Skin health	163	214
	<u>2,571</u>	<u>3,355</u>

	Total £m	Total \$m
US	889	1,155
Europe	621	813
International	1,061	1,387
	<u>2,571</u>	<u>3,355</u>

Corporate and other unallocated turnover was £28 million (\$36 million) for the three months ended 31 December 2019

Balance sheet

	31 December 2019 £m	31 December 2019 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	10,348	13,659
Right of use assets	966	1,275
Goodwill	10,562	13,942
Other intangible assets	30,955	40,861
Investments in associates and joint ventures	314	414
Other investments	1,837	2,425
Deferred tax assets	4,096	5,407
Derivative financial instruments	103	136
Other non-current assets	1,020	1,346
Total non-current assets	60,201	79,465
Current assets		
Inventories	5,947	7,850
Current tax recoverable	262	346
Trade and other receivables	7,202	9,507
Derivative financial instruments	421	556
Liquid investments	79	104
Cash and cash equivalents	4,707	6,213
Assets held for sale	873	1,152
Total current assets	19,491	25,728
TOTAL ASSETS	79,692	105,193
LIABILITIES		
Current liabilities		
Short-term borrowings	(6,918)	(9,132)
Contingent consideration liabilities	(755)	(997)
Trade and other payables	(14,939)	(19,719)
Derivative financial instruments	(188)	(248)
Current tax payable	(629)	(830)
Short-term provisions	(621)	(820)
Total current liabilities	(24,050)	(31,746)
Non-current liabilities		
Long-term borrowings	(23,590)	(31,139)
Corporation tax payable	(189)	(250)
Deferred tax liabilities	(3,810)	(5,029)
Pensions and other post-employment benefits	(3,457)	(4,563)
Other provisions	(670)	(884)
Derivative financial instruments	(1)	(1)
Contingent consideration liabilities	(4,724)	(6,236)
Other non-current liabilities	(844)	(1,114)
Total non-current liabilities	(37,285)	(49,216)
TOTAL LIABILITIES	(61,335)	(80,962)
NET ASSETS	18,357	24,231
EQUITY		
Share capital	1,346	1,777
Share premium account	3,174	4,189
Retained earnings	5,109	6,744
Other reserves	2,355	3,109
Shareholders' equity	11,984	15,819
Non-controlling interests	6,373	8,412
TOTAL EQUITY	18,357	24,231

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