

Income statement

Three months ended 30 September 2014

	Total £m	Total \$m
TURNOVER	5,646	9,428
Cost of sales	(1,829)	(3,054)
Gross profit	3,817	6,374
Selling, general and administration	(2,013)	(3,362)
Research and development	(803)	(1,340)
Royalty income	101	169
Other operating income/(expense)	(399)	(667)
OPERATING PROFIT	703	1,174
Finance income	14	24
Finance expense	(179)	(300)
Share of after tax profits of associates and joint ventures	10	17
PROFIT BEFORE TAXATION	548	915
Taxation	(163)	(272)
PROFIT AFTER TAXATION FOR THE PERIOD	385	643
(Loss)/profit attributable to non-controlling interests	(16)	(26)
Profit attributable to shareholders	401	669
	385	643
EARNINGS PER SHARE	8.3p	13.9¢
Diluted earnings per share	8.2p	13.7¢

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

Income statement

Nine months ended 30 September 2014

	Total £m	Total \$m
TURNOVER	16,820	28,089
Cost of sales	(5,294)	(8,841)
Gross profit	11,526	19,248
Selling, general and administration	(6,039)	(10,085)
Research and development	(2,471)	(4,126)
Royalty income	243	406
Other operating income/(expense)	(353)	(590)
OPERATING PROFIT	2,906	4,853
Finance income	50	84
Finance expense	(538)	(899)
Share of after tax profits of associates and joint ventures	19	32
PROFIT BEFORE TAXATION	2,437	4,070
Taxation	(631)	(1,054)
PROFIT AFTER TAXATION FOR THE PERIOD	1,806	3,016
Profit attributable to non-controlling interests	83	139
Profit attributable to shareholders	1,723	2,877
	1,806	3,016
EARNINGS PER SHARE	35.8p	59.8¢
Diluted earnings per share	35.3p	59.0¢

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

Turnover

Pharmaceuticals – Three months ended 30 September 2014

	Total £m	USA £m	Europe £m	Emerging Markets £m	Japan £m	Total \$m	USA \$m	Europe \$m	Emerging Markets \$m	Japan \$m
Respiratory	1,404	624	387	186	97	2,345	1,042	646	310	162
<i>Avamys/Veramyst</i>	52	8	13	18	7	87	13	22	31	11
<i>Flixotide/Flovent</i>	148	90	21	14	7	247	151	34	23	12
<i>Relvar/Breo</i>	15	8	4	-	2	25	13	7	-	3
<i>Seretide/Advair</i>	976	441	314	94	54	1,630	736	525	156	91
<i>Ventolin</i>	156	76	28	40	2	260	127	46	67	3
Other	57	1	7	20	25	96	2	12	33	42
Oncology	311	132	110	42	17	520	221	183	71	28
<i>Arzerra</i>	14	5	7	-	1	23	9	11	-	1
<i>Mekinist</i>	18	18	-	-	-	30	30	-	-	-
<i>Promacta</i>	62	25	19	8	9	104	42	32	13	15
<i>Tafinlar</i>	37	15	20	-	-	62	25	34	-	-
<i>Tyverb/Tykerb</i>	42	12	17	11	2	70	20	29	19	3
<i>Votrient</i>	107	48	38	12	5	179	80	62	21	9
Other	31	9	9	11	-	52	15	15	18	-
Cardiovascular, metabolic and urology (CVMU)	231	83	71	35	28	385	139	119	58	46
<i>Avodart</i>	195	58	70	27	28	325	97	117	45	46
Other	36	25	1	8	-	60	42	2	13	-
Immuno-inflammation	65	60	3	1	-	108	100	5	1	-
<i>Benlysta</i>	45	40	3	1	-	75	67	5	1	-
Other	20	20	-	-	-	33	33	-	-	-
Other pharmaceuticals	545	35	142	261	49	910	59	238	437	81
Dermatology	109	12	30	57	5	182	20	50	96	7
<i>Augmentin</i>	137	1	42	88	3	229	2	71	146	5
Other anti-bacterials	45	1	11	31	(1)	76	2	18	52	(1)
Rare diseases	103	15	34	11	39	172	25	57	19	65
Other	151	6	25	74	3	251	10	42	124	5
Innovative Pharmaceuticals	2,556	934	713	525	191	4,268	1,561	1,191	877	317
Vaccines	922	337	259	274	7	1,540	563	432	458	12
<i>Boostrix</i>	106	61	23	18	-	177	102	38	30	-
<i>Cervarix</i>	31	2	11	17	-	52	4	18	29	-
<i>Fluarix, FluLaval</i>	122	94	16	12	-	204	157	27	20	-
Hepatitis	148	67	46	24	-	248	112	77	40	-
<i>Infanrix, Pediarix</i>	212	84	87	27	-	353	140	145	45	-
<i>Rotarix</i>	102	27	17	47	7	170	45	29	78	12
<i>Synflorix</i>	101	-	13	88	-	169	-	22	147	-
Other	100	2	46	41	-	167	3	76	69	-
Innovative Pharmaceuticals and Vaccines	3,478	1,271	972	799	198	5,808	2,124	1,623	1,335	329
ViiV Healthcare (HIV)	373	166	130	38	17	623	277	217	63	29
<i>Combivir</i>	12	2	4	4	1	20	3	7	7	1
<i>Epzicom/Kivexa</i>	198	71	82	23	9	331	119	137	38	16
<i>Lexiva/Agenerase</i>	21	11	5	5	-	35	18	9	8	-
<i>Selzentry</i>	30	12	14	2	1	50	21	24	3	1
<i>Tivicay</i>	78	53	16	-	5	130	88	26	-	9
<i>Trizivir</i>	9	3	6	-	-	15	5	9	-	-
Other	25	14	3	4	1	42	23	5	7	2
Established products	724	187	139	273	107	1,209	312	232	456	178
<i>Coreg</i>	26	27	-	-	-	43	45	-	-	-
<i>Hepsera</i>	19	-	-	14	5	32	-	-	23	8
<i>Imigran/Imitrex</i>	38	15	16	2	4	64	25	27	3	7
<i>Lamictal</i>	132	64	25	19	22	220	107	42	32	36
<i>Lovaza</i>	53	53	-	-	-	89	88	-	-	-
<i>Requip</i>	27	1	10	3	12	45	1	16	5	20
<i>Serevent</i>	27	12	11	-	2	46	20	19	-	4
<i>Seroxat/Paxil</i>	51	-	9	17	24	85	-	15	28	40
<i>Valtrex</i>	36	5	6	9	12	60	9	10	15	20
<i>Zeffix</i>	42	-	2	37	3	70	-	3	62	5
Other	273	10	60	172	23	455	17	100	288	38
	4,575					7,640				

The table above includes the sales by product reported in Other trading and unallocated pharmaceuticals segment (which includes Canada, Puerto Rico, Australasia, central vaccines tender sales and contract manufacturing sales) in the total column only. US dollar amounts shown above are a convenience translation of the sterling amounts.

Turnover

Pharmaceuticals – Nine months ended 30 September 2014

	Total £m	USA £m	Europe £m	Emerging Markets £m	Japan £m	Total \$m	USA \$m	Europe \$m	Emerging Markets \$m	Japan \$m
Respiratory	4,517	2,028	1,266	560	340	7,544	3,387	2,114	935	568
<i>Avamys/Veramyst</i>	180	23	54	53	37	301	38	90	89	62
<i>Flixotide/Flovent</i>	513	319	75	39	21	857	533	125	65	35
<i>Relvar/Breo</i>	29	14	9	1	5	48	23	15	2	8
<i>Seretide/Advair</i>	3,110	1,424	1,014	289	166	5,194	2,378	1,694	482	278
<i>Ventolin</i>	484	241	90	118	5	808	403	150	197	8
Other	201	7	24	60	106	336	12	40	100	177
Oncology	867	359	311	122	46	1,448	600	519	204	77
<i>Arzerra</i>	42	22	17	-	2	70	37	28	-	3
<i>Mekinist</i>	47	46	-	-	-	78	77	-	-	-
<i>Promacta</i>	165	64	53	20	24	276	107	89	33	40
<i>Tafinlar</i>	92	40	46	-	-	154	67	77	-	-
<i>Tyverb/Tykerb</i>	129	33	53	34	6	215	55	89	57	10
<i>Votrient</i>	295	127	114	33	11	493	212	189	56	19
Other	97	27	28	35	3	162	45	47	58	5
Cardiovascular, metabolic and urology (CVMU)	705	256	223	103	81	1,177	428	372	172	135
<i>Avodart</i>	593	184	211	80	81	990	307	352	134	135
Other	112	72	12	23	-	187	121	20	38	-
Immuno-inflammation	153	140	9	2	-	255	234	15	3	-
<i>Benlysta</i>	124	111	9	2	-	207	186	15	3	-
Other	29	29	-	-	-	48	48	-	-	-
Other pharmaceuticals	1,742	110	468	778	182	2,909	184	782	1,300	303
Dermatology	358	36	114	177	17	598	60	190	296	28
<i>Augmentin</i>	436	1	143	271	8	728	2	239	452	13
Other anti-bacterials	156	4	45	104	1	261	7	75	174	2
Rare diseases	308	48	101	31	114	514	80	169	52	190
Other	484	21	65	195	42	808	35	109	326	70
Innovative Pharmaceuticals	7,984	2,893	2,277	1,565	649	13,333	4,833	3,802	2,614	1,083
Vaccines	2,346	701	738	747	21	3,918	1,171	1,232	1,248	35
<i>Boostrix</i>	260	134	64	46	-	434	224	106	77	-
<i>Cervarix</i>	87	4	36	46	-	145	7	60	77	-
<i>Fluarix, FluLaval</i>	137	96	15	22	-	229	160	25	37	-
Hepatitis	410	167	139	73	-	685	279	232	122	-
<i>Infanrix, Pediarix</i>	616	221	272	81	-	1,028	369	454	135	-
<i>Rotarix</i>	291	77	50	132	21	486	129	84	220	35
<i>Synflorix</i>	268	-	34	231	-	448	-	57	386	-
Other	277	2	128	116	-	463	3	214	194	-
Innovative Pharmaceuticals and Vaccines	10,330	3,594	3,015	2,312	670	17,251	6,004	5,034	3,862	1,118
ViiV Healthcare (HIV)	1,036	439	386	102	43	1,730	733	645	170	72
<i>Combivir</i>	44	8	15	18	2	73	13	25	30	3
<i>Epzicom/Kivexa</i>	563	197	249	53	26	940	329	417	88	43
<i>Lexiva/Agenerase</i>	64	33	16	12	1	107	55	27	20	2
<i>Selzentry</i>	101	38	45	5	2	169	64	76	8	3
<i>Tivicay</i>	173	127	32	-	8	289	212	53	-	14
<i>Trizivir</i>	27	7	18	1	-	45	12	29	2	-
Other	64	29	11	13	4	107	48	18	22	7
Established products	2,234	626	457	780	329	3,731	1,045	763	1,303	549
<i>Coreg</i>	88	88	-	-	-	147	147	-	-	-
<i>Hepsera</i>	63	-	-	47	15	105	-	-	78	25
<i>Imigran/Imitrex</i>	128	61	46	5	12	214	102	77	8	20
<i>Lamictal</i>	382	180	79	55	62	638	301	132	92	103
<i>Lovaza</i>	185	184	-	-	-	309	307	-	-	-
<i>Requip</i>	81	5	32	10	34	135	8	53	17	57
<i>Serevent</i>	80	30	37	2	7	134	50	62	3	12
<i>Seroxat/Paxil</i>	155	-	31	47	73	259	-	52	78	122
<i>Valtrex</i>	110	19	21	25	38	184	32	35	42	63
<i>Zeffix</i>	127	2	6	108	9	212	3	10	181	15
Other	835	57	205	481	79	1,394	95	342	804	132
	13,600					22,712				

The table above includes the sales by product reported in Other trading and unallocated pharmaceuticals segment (which includes Canada, Puerto Rico, Australasia, central vaccines tender sales and contract manufacturing sales) in the total column only. US dollar amounts shown above are a convenience translation of the sterling amounts.

Turnover

Consumer Healthcare – Three months ended 30 September 2014

	Total £m	Total \$m
Wellness	394	658
Oral health	446	745
Nutrition	160	267
Skin health	71	118
	<u>1,071</u>	<u>1,788</u>

	Total £m	Total \$m
USA	202	337
Europe	310	517
Rest of World	559	934
	<u>1,071</u>	<u>1,788</u>

Turnover

Consumer Healthcare – Nine months ended 30 September 2014

	Total £m	Total \$m
Wellness	1,176	1,964
Oral health	1,337	2,233
Nutrition	481	803
Skin health	226	377
	<u>3,220</u>	<u>5,377</u>

	Total £m	Total \$m
USA	599	1,000
Europe	929	1,551
Rest of World	1,692	2,826
	<u>3,220</u>	<u>5,377</u>

Balance sheet

	30 September 2014 £m	30 September 2014 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	8,828	14,301
Goodwill	3,733	6,048
Other intangible assets	8,370	13,560
Investments in associates and joint ventures	328	531
Other investments	1,068	1,730
Deferred tax assets	2,226	3,606
Other non-current assets	889	1,440
Total non-current assets	25,442	41,216
Current assets		
Inventories	4,274	6,924
Current tax recoverable	114	185
Trade and other receivables	5,071	8,215
Derivative financial instruments	213	345
Liquid investments	67	109
Cash and cash equivalents	4,104	6,648
Assets held for sale	1,018	1,649
Total current assets	14,861	24,075
TOTAL ASSETS	40,303	65,291
LIABILITIES		
Current liabilities		
Short-term borrowings	(5,340)	(8,651)
Trade and other payables	(7,541)	(12,216)
Derivative financial instruments	(246)	(398)
Current tax payable	(1,284)	(2,080)
Short-term provisions	(859)	(1,392)
Total current liabilities	(15,270)	(24,737)
Non-current liabilities		
Long-term borrowings	(13,619)	(22,063)
Deferred tax liabilities	(633)	(1,025)
Pensions and other post-employment benefits	(2,384)	(3,862)
Other provisions	(551)	(893)
Derivative financial instruments	(24)	(39)
Other non-current liabilities	(2,072)	(3,357)
Total non-current liabilities	(19,283)	(31,239)
TOTAL LIABILITIES	(34,553)	(55,976)
NET ASSETS	5,750	9,315
EQUITY		
Share capital	1,338	2,168
Share premium account	2,717	4,402
Retained earnings	(1,190)	(1,928)
Other reserves	2,178	3,528
Shareholders' equity	5,043	8,170
Non-controlling interests	707	1,145
TOTAL EQUITY	5,750	9,315

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