



30th Annual J.P. Morgan Healthcare Conference

Simon Dingemans, CFO
January 10, 2012

Underlying sales growth has been broadly sourced

38% of GSK's overall business is outside the US & Europe

Pharma*
67% of GSK
+3% 9mths YTD

Consumer
20% of GSK
+5% 9mths YTD

Vaccines
13% of GSK
+16% 9mths YTD

Group sales; CER growth rates; % of GSK excluding pandemic, Avandia and Valtrex

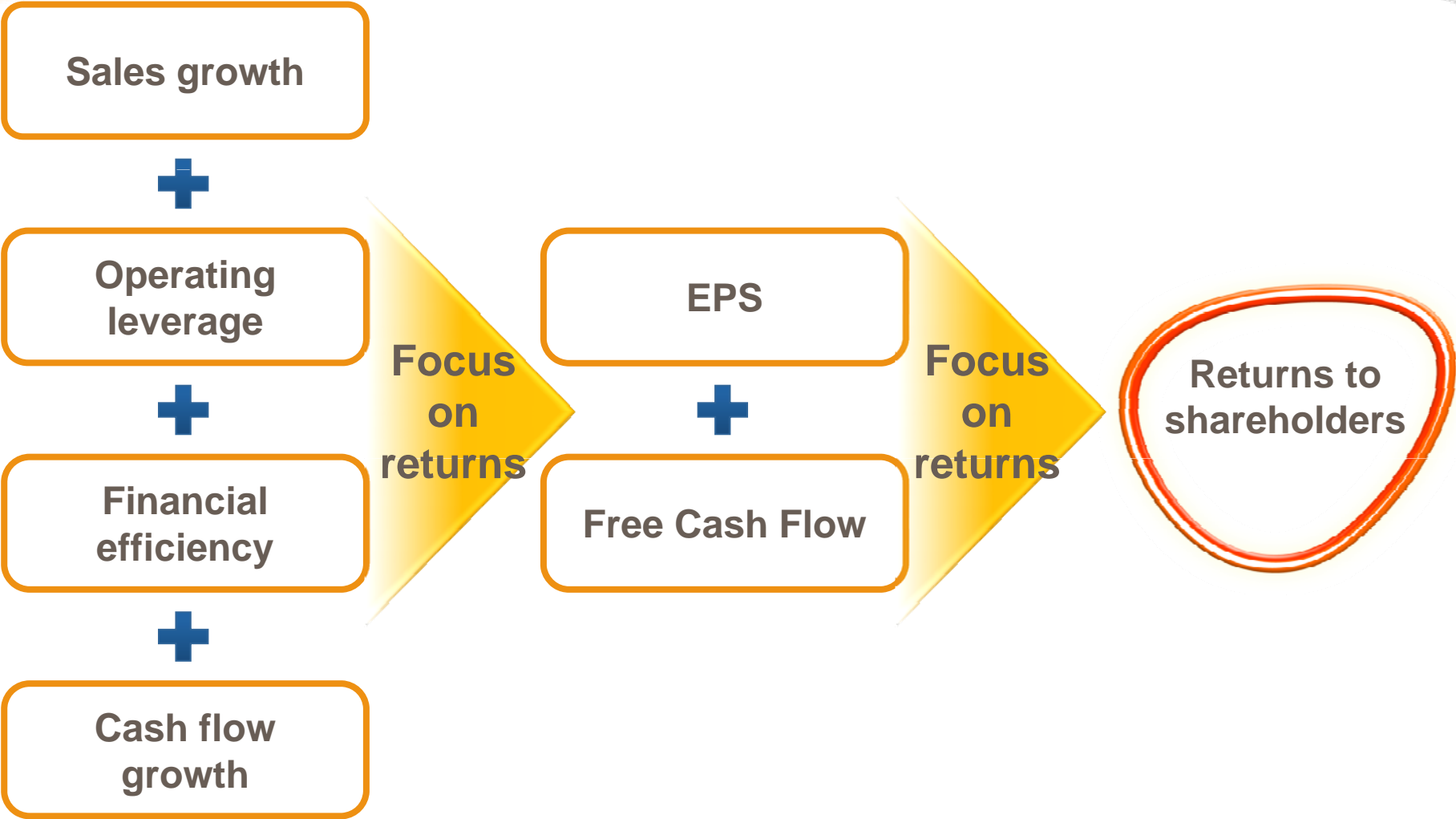
* Excluding vaccines.

Pipeline delivery and visibility continues

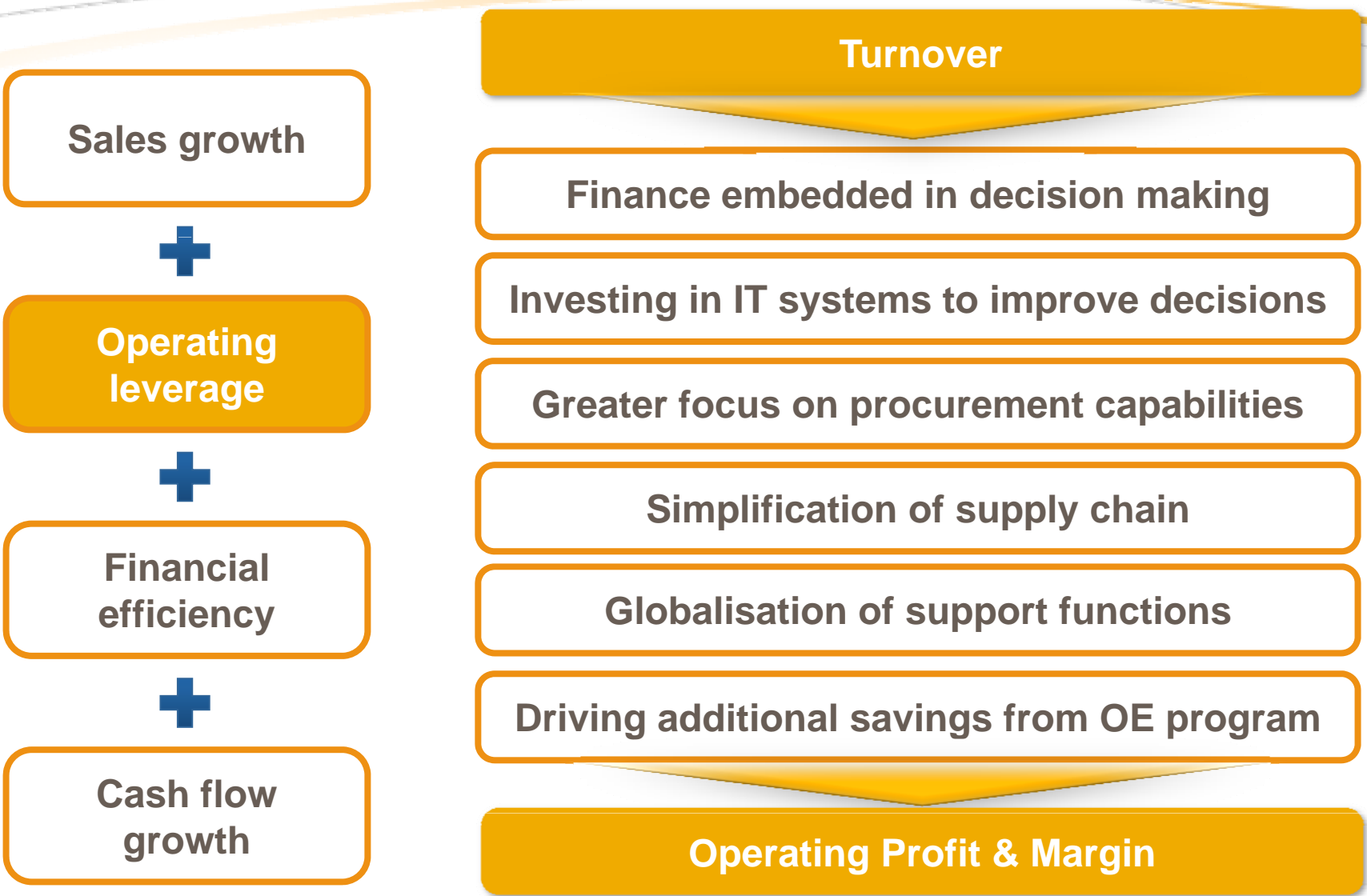
Key phase III studies for 15 assets in 2011 and 2012; data in house for 8; >30 studies from 12 of these assets expected to report in 2012

	<u>Data Announced in 2011</u>	<u>Data Expected in 2012</u>
1120212 (MEK inhibitor)		
2118436 (BRAF inhibitor)		
2402968 (DMD)		
'444+'719 (LABA+LAMA)		
albiglutide (GLP-1 for T2D)		
dolutegravir (HIV integrase)		
IPX066 (Parkinson's disease)	EU filing strategy under review	
MAGE-A3 (therapeutic vaccine)		
migalastat HCl (Fabry's)		
Mosquirix (malaria vaccine)		
otelixizumab (type I diabetes)	Ph III not progressing	
Promacta (hepatitis C)	Data under review	
Relovair (LABA+ICS for asthma/COPD)		
Tykerb (cancer)	Negative TEACH study	
Votrient (cancer)		

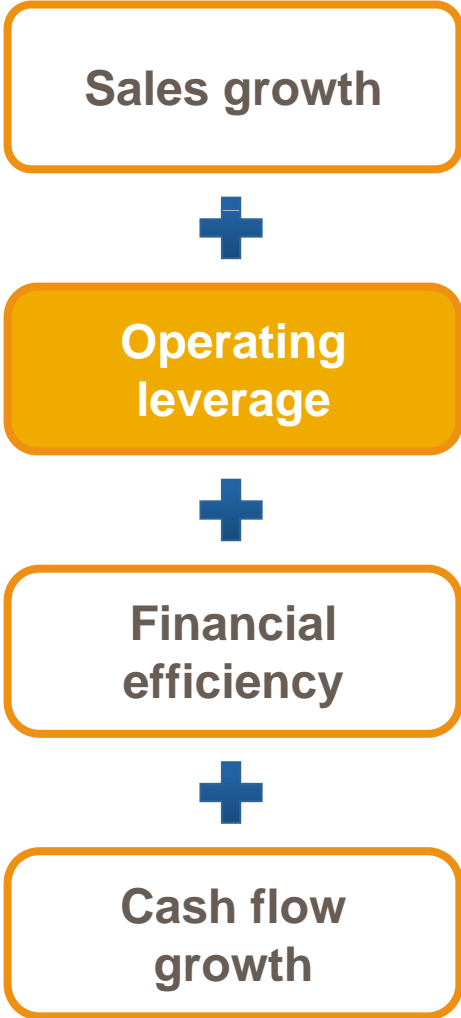
GSK Financial Architecture: Driving Returns



GSK Financial Architecture: Driving Returns



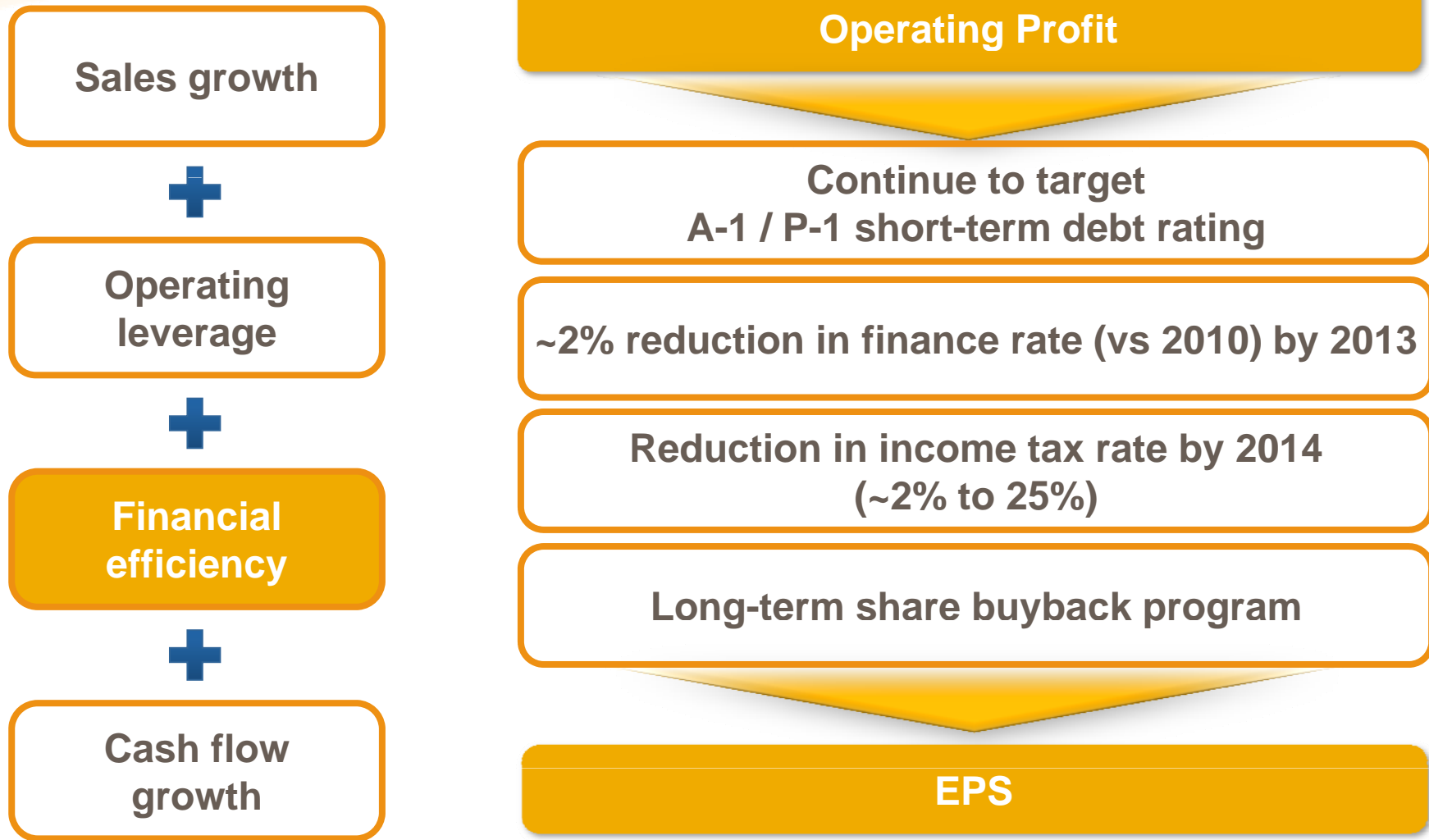
GSK Financial Architecture: Driving Returns



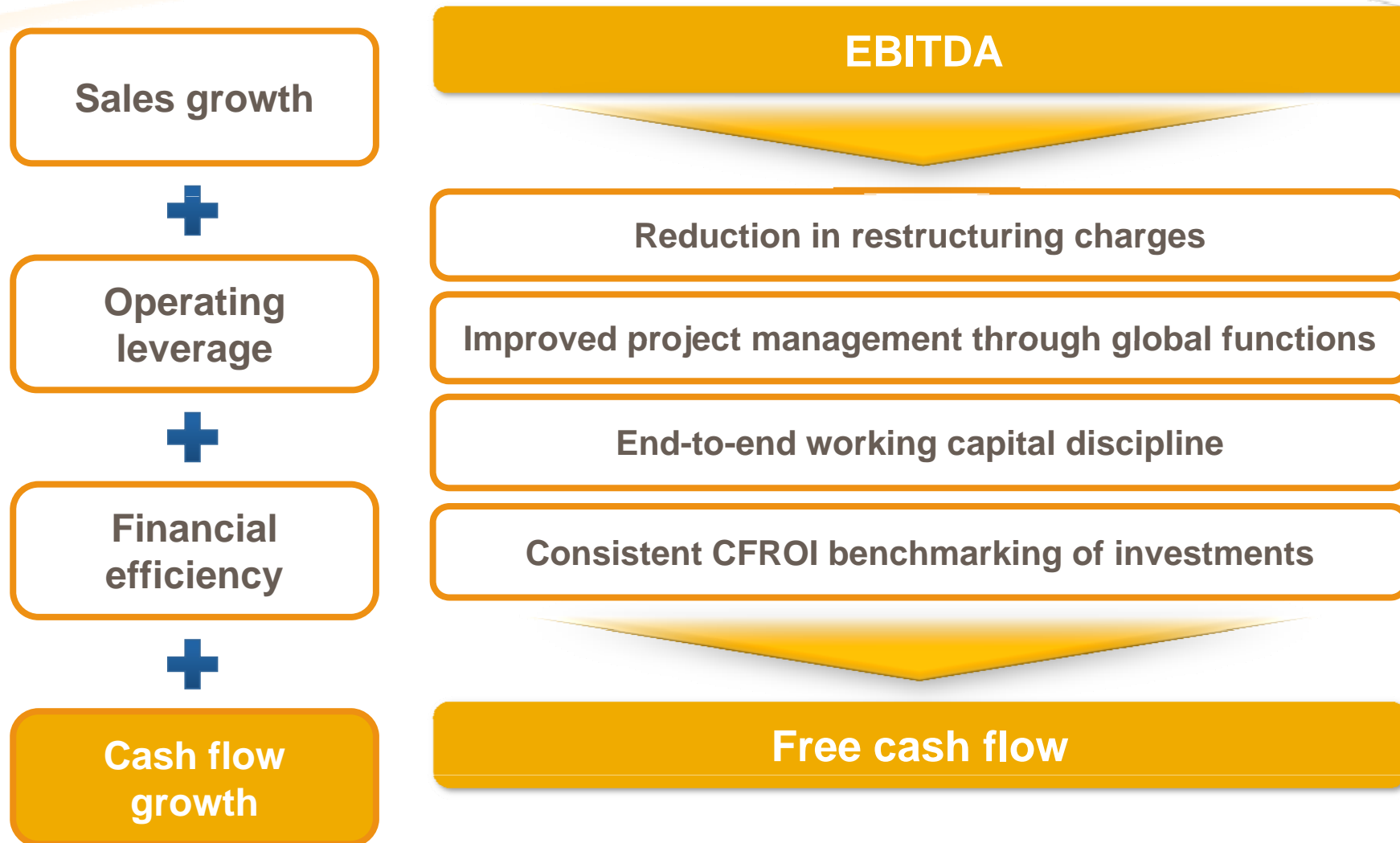
**Expect margin*
to begin
to improve
gradually
from 2012**

*Operating profit margin excluding legal and OOI

GSK Financial Architecture: Driving Returns



GSK Financial Architecture: Driving Returns



Measurement and Reporting aligned to Financial Architecture

- Simplified turnover disclosure
 - Business
 - Regional

Sales growth



Operating leverage



Financial efficiency



Cash flow growth

- Greater visibility on R&D spend
- Focus on core operating profit and margin
- End of middle column

- Working Capital days & %
- Cash flow from operations

Focus on returns

- CFROI
- IRR

EPS

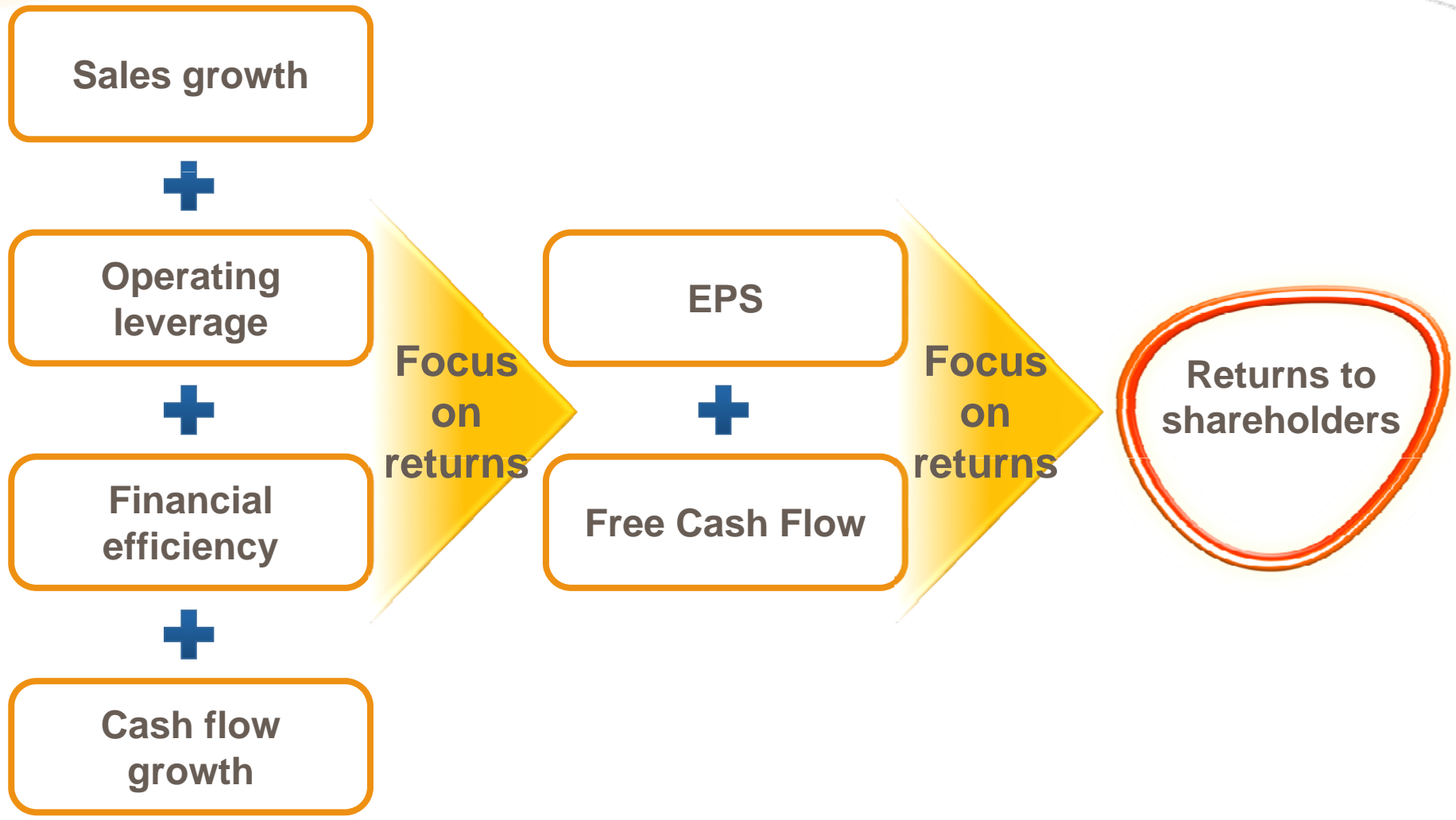
- Core EPS



Free Cash Flow

- Free Cash Flow
- Cash Conversion

GSK Financial Architecture: Driving Returns



GSK today



- Broadly sourced growth and sales momentum
- Large and maturing late-stage pipeline
- Operational leverage & financial efficiencies
- Strong cash flow
- Rigorous capital allocation
- Commitment to grow dividends
- Long-term share buyback program



Thank you