

Income statement

Three months ended 30 September 2016

	Total £m	Total \$m
TURNOVER	7,542	10,100
Cost of sales	(2,525)	(3,382)
Gross profit	5,017	6,718
Selling, general and administration	(2,292)	(3,055)
Research and development	(922)	(1,231)
Royalty income	107	144
Other operating income	(479)	(604)
OPERATING PROFIT	1,431	1,972
Finance income	16	21
Finance expense	(179)	(239)
Share of after tax losses of joint ventures and associates	6	9
PROFIT BEFORE TAXATION	1,274	1,763
Taxation	(389)	(528)
PROFIT AFTER TAXATION FOR THE PERIOD	885	1,235
Profit attributable to non-controlling interests	77	107
Profit attributable to shareholders	808	1,128
	885	1,235
EARNINGS PER SHARE	16.6p	22.1¢
Diluted earnings per share	16.5p	21.9¢

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

Income statement

Nine months ended 30 September 2016

	Total £m	Total \$m
TURNOVER	20,303	28,221
Cost of sales	(6,782)	(9,427)
Gross profit	13,521	18,794
Selling, general and administration	(6,655)	(9,251)
Research and development	(2,625)	(3,649)
Royalty income	281	391
Other operating income	(2,519)	(3,501)
OPERATING PROFIT	2,003	2,784
Finance income	52	72
Finance expense	(543)	(755)
Share of after tax losses of joint ventures and associates	4	6
PROFIT BEFORE TAXATION	1,516	2,107
Taxation	(771)	(1,071)
EARNINGS AFTER TAXATION FOR THE PERIOD	745	1,036
Profit attributable to non-controlling interests	90	125
Profit attributable to shareholders	655	911
	745	1,036
EARNINGS PER SHARE	13.5p	18.8¢
Diluted earnings per share	13.4p	18.6¢

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

Pharmaceuticals turnover - three months ended 30 September 2016

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	1,589	806	328	455	2,118	1,077	435	606
<i>Anoro Ellipta</i>	53	36	10	7	70	48	13	9
<i>Armuity Ellipta</i>	3	3	-	-	3	3	-	-
<i>Avamys/Veramyst</i>	64	6	16	42	85	8	21	56
<i>Flixotide/Flovent</i>	158	99	20	39	211	132	27	52
<i>Incruse Ellipta</i>	26	18	6	2	35	24	8	3
<i>Nucala</i>	31	21	7	3	43	29	10	4
<i>Relvar/Breo Ellipta</i>	156	85	35	36	209	114	47	48
<i>Seretide/Advair</i>	857	447	195	215	1,141	597	258	286
<i>Ventolin</i>	182	93	30	59	243	124	40	79
Other	59	(2)	9	52	78	(2)	11	69
Cardiovascular, metabolic and urology (CVMU)	206	54	83	69	274	70	110	94
<i>Avodart</i>	161	10	81	70	215	13	107	95
<i>Eperzan/Tanzeum</i>	29	28	1	-	39	37	2	-
Other	16	16	1	(1)	20	20	1	(1)
Immuno-inflammation	85	77	5	3	114	103	7	4
<i>Benlysta</i>	74	66	5	3	99	88	7	4
Other	11	11	-	-	15	15	-	-
Other pharmaceuticals	564	23	166	375	751	31	222	498
Dermatology	96	5	36	55	128	6	49	73
<i>Augmentin</i>	144	-	41	103	192	-	54	138
Other anti-bacterials	39	1	11	27	52	1	15	36
Rare diseases	108	12	35	61	144	17	46	81
Oncology	28	-	-	28	36	-	-	36
Other	149	5	43	101	199	7	58	134
Established products	677	186	129	362	904	249	172	483
<i>Coreg</i>	32	32	-	-	43	43	-	-
<i>Hepsera</i>	18	-	-	18	24	-	-	24
<i>Imigran/Imitrex</i>	51	27	16	8	69	36	21	12
<i>Lamictal</i>	157	78	29	50	209	104	39	66
<i>Lovaza</i>	12	12	-	-	16	16	-	-
<i>Requip</i>	30	3	7	20	40	4	10	26
<i>Serevent</i>	25	13	8	4	33	18	10	5
<i>Seroxat/Paxil</i>	57	7	10	40	77	9	14	54
<i>Valtrex</i>	30	3	7	20	40	4	9	27
<i>Zeffix</i>	32	-	2	30	42	-	3	39
Other	233	11	50	172	311	15	66	230
HIV	940	562	273	105	1,259	753	365	141
<i>Combivir</i>	7	1	2	4	10	2	3	5
<i>Epzicom/Kivexa</i>	143	49	64	30	189	64	85	40
<i>Lexiva/Telzir</i>	12	7	2	3	16	10	2	4
<i>Selzentry</i>	32	17	10	5	43	22	13	8
<i>Tivicay</i>	250	165	61	24	335	221	81	33
<i>Triumeq</i>	468	311	118	39	629	418	159	52
<i>Trizivir</i>	4	2	3	(1)	5	3	4	(2)
Other	24	10	13	1	32	13	18	1
Pharmaceuticals	4,061	1,708	984	1,369	5,420	2,284	1,311	1,825

Vaccines turnover - three months ended 30 September 2016

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
<i>Rotarix</i>	146	37	18	91	197	50	24	123
<i>Synflorix</i>	154	-	13	141	207	-	18	189
<i>Fluarix, FluLaval</i>	325	282	18	25	451	392	25	34
<i>Bexsero</i>	133	53	69	11	180	72	93	15
<i>Menveo</i>	63	46	4	13	85	62	5	18
<i>Boostrix</i>	159	87	39	33	216	119	52	45
<i>Infanrix, Pediarix</i>	222	100	99	23	298	135	133	30
Hepatitis	179	100	51	28	240	135	68	37
<i>Priorix, Priorix Tetra, Varilrix</i>	75	-	38	37	100	-	50	50
<i>Cervarix</i>	24	-	8	16	33	-	11	22
Other	133	20	32	81	180	27	42	111
Vaccines	1,613	725	389	499	2,187	992	521	674

Pharmaceuticals turnover - nine months ended 30 September 2016

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
Respiratory	4,592	2,253	1,023	1,316	6,383	3,132	1,422	1,829
<i>Anoro Ellipta</i>	132	90	26	16	183	125	36	22
<i>Amuity Ellipta</i>	9	9	-	-	12	12	-	-
<i>Avamys/Veramyst</i>	207	18	56	133	288	25	78	185
<i>Flixotide/Flovent</i>	447	263	67	117	621	365	93	163
<i>Incruse Ellipta</i>	76	58	15	3	106	81	21	4
<i>Nucala</i>	58	41	14	3	81	57	20	4
<i>Relvar/Breo Ellipta</i>	413	222	98	93	574	309	136	129
<i>Seretide/Advair</i>	2,510	1,273	634	603	3,489	1,770	881	838
<i>Ventolin</i>	540	280	91	169	751	389	127	235
Other	200	(1)	22	179	278	(1)	30	249
Cardiovascular, metabolic and urology (CVMU)	626	214	239	173	870	297	332	241
<i>Avodart</i>	471	63	235	173	655	88	326	241
<i>Eperzan/Tanzeum</i>	83	81	2	-	115	112	3	-
Other	72	70	2	-	100	97	3	-
Immuno-inflammation	228	207	15	6	317	288	21	8
<i>Benlysta</i>	217	196	15	6	302	273	21	8
Other	11	11	-	-	15	15	-	-
Other pharmaceuticals	1,661	67	458	1,136	2,309	93	637	1,579
Dermatology	280	12	107	161	389	16	149	224
<i>Augmentin</i>	417	-	128	289	580	-	178	402
Other anti-bacterials	130	3	37	90	181	4	52	125
Rare diseases	306	35	101	170	425	49	140	236
Oncology	123	-	-	123	171	-	-	171
Other	405	17	85	303	563	24	118	421
Established products	1,888	518	377	993	2,624	720	524	1,380
<i>Coreg</i>	94	94	-	-	131	131	-	-
<i>Hepsera</i>	49	-	-	49	68	-	-	68
<i>Imigran/Imitrex</i>	128	62	46	20	178	86	64	28
<i>Lamictal</i>	447	226	79	142	621	314	110	197
<i>Lovaza</i>	35	35	-	-	49	49	-	-
<i>Requip</i>	85	11	22	52	118	15	31	72
<i>Serevent</i>	69	33	26	10	96	46	36	14
<i>Seroxat/Paxil</i>	153	14	30	109	213	19	42	152
<i>Valtrex</i>	87	12	19	56	121	17	26	78
<i>Zeffix</i>	91	1	5	85	126	1	7	118
Other	650	30	150	470	903	42	208	653
HIV	2,534	1,498	750	286	3,522	2,082	1,042	398
<i>Combivir</i>	17	2	5	10	24	3	7	14
<i>Epzicom/Kivexa</i>	454	160	203	91	631	222	282	127
<i>Lexiva/Telzir</i>	40	22	6	12	56	31	8	17
<i>Selzentry</i>	92	47	33	12	128	65	46	17
<i>Tivicay</i>	663	437	165	61	921	607	229	85
<i>Triumeq</i>	1,205	797	312	96	1,675	1,108	434	133
<i>Trizivir</i>	13	4	8	1	18	6	11	1
Other	50	29	18	3	69	40	25	4
Pharmaceuticals	11,529	4,757	2,862	3,910	16,025	6,612	3,978	5,435

Vaccines turnover - nine months ended 30 September 2016

	Total £m	US £m	Europe £m	Inter- national £m	Total \$m	US \$m	Europe \$m	Inter- national \$m
<i>Rotarix</i>	363	97	53	213	505	135	74	296
<i>Synflorix</i>	382	-	35	347	531	-	49	482
<i>Fluarix, FluLaval</i>	351	282	18	51	488	392	25	71
<i>Bexsero</i>	292	100	170	22	406	139	236	31
<i>Menveo</i>	152	102	22	28	211	142	31	38
<i>Boostrix</i>	343	178	106	59	477	248	147	82
<i>Infanrix, Pediarix</i>	550	231	254	65	764	321	353	90
Hepatitis	445	218	149	78	618	303	207	108
<i>Priorix, Priorix Tetra, Varilrix</i>	217	-	116	101	302	-	161	141
<i>Cervarix</i>	58	1	23	34	81	1	32	48
Other	302	36	107	159	420	50	149	221
Vaccines	3,455	1,245	1,053	1,157	4,803	1,731	1,464	1,608

Consumer Healthcare turnover - three months ended 30 September 2016

	Total £m	Total \$m
Wellness	964	1,287
Oral health	570	760
Nutrition	187	250
Skin health	147	196
	<hr/> 1,868	<hr/> 2,493

	Total £m	Total \$m
US	425	565
Europe	578	772
International	865	1,156
	<hr/> 1,868	<hr/> 2,493

Consumer Healthcare turnover - nine months ended 30 September 2016

	Total £m	Total \$m
Wellness	2,734	3,800
Oral health	1,629	2,264
Nutrition	524	728
Skin health	432	601
	<hr/> 5,319	<hr/> 7,393

	Total £m	Total \$m
US	1,294	1,799
Europe	1,626	2,260
International	2,399	3,334
	<hr/> 5,319	<hr/> 7,393

Balance sheet

	30 September 2016 £m	30 September 2016 \$m
ASSETS		
Non-current assets		
Property, plant and equipment	10,971	14,262
Goodwill	5,865	7,624
Other intangible assets	18,471	24,012
Investments in associates and joint ventures	255	332
Other investments	947	1,231
Deferred tax assets	3,751	4,876
Other non-current assets	915	1,190
Total non-current assets	41,175	53,527
Current assets		
Inventories	5,373	6,985
Current tax recoverable	151	196
Trade and other receivables	7,100	9,230
Derivative financial instruments	154	200
Liquid investments	85	111
Cash and cash equivalents	4,614	5,998
Assets held for sale	135	176
Total current assets	17,612	22,896
TOTAL ASSETS	58,787	76,423
LIABILITIES		
Current liabilities		
Short-term borrowings	(3,961)	(5,149)
Trade and other payables	(11,714)	(15,228)
Derivative financial instruments	(200)	(260)
Current tax payable	(1,337)	(1,738)
Short-term provisions	(925)	(1,203)
Total current liabilities	(18,137)	(23,578)
Non-current liabilities		
Long-term borrowings	(15,401)	(20,021)
Deferred tax liabilities	(1,755)	(2,282)
Pensions and other post-employment benefits	(4,620)	(6,006)
Other provisions	(566)	(736)
Other non-current liabilities	(14,310)	(18,603)
Total non-current liabilities	(36,652)	(47,648)
TOTAL LIABILITIES	(54,789)	(71,226)
NET ASSETS	3,998	5,197
EQUITY		
Share capital	1,341	1,743
Share premium account	2,905	3,777
Retained earnings	(6,550)	(8,515)
Other reserves	2,442	3,174
Shareholders' equity	138	179
Non-controlling interests	3,860	5,018
TOTAL EQUITY	3,998	5,197

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