

David Brennan AGM Script

Thank-you chairman and good afternoon, ladies and gentlemen.

Against the backdrop of virtually unprecedented global economic turmoil and financial market volatility, AstraZeneca has delivered a very robust financial performance in the past year.

That performance is a reflection of the determined execution of our business plan by people at every level of the Company and it is underpinned by the operational and financial strength of the organisation we have built.

Despite the changes in the world economy, our strategy remains unchanged – and I would like to take this opportunity to remind you of the key elements.

We are a research-based pharmaceutical business focused exclusively on human health.

In order to achieve our short and long term objectives, there are four dimensions to our plan, and we are confident that success in each area will deliver sustainable returns to Shareholders while creating a business that is lean in its approach and agile in its thinking.

Here are the four dimensions:

- The first is building a portfolio of Medicines that are valued by payers and Patients.

Those medicines will come from a pipeline that is efficient, cost-effective and reflects leading edge research, both from our own laboratories and those of our alliances and partners.

- The second dimension is about driving growth of our existing and future brands through innovation in our sales and marketing activities.

Our key brands are continuing to grow in their respective segments. In addition, 2008 was characterised by some serious patent challenges, which we navigated successfully while defending our intellectual property.

Expanding our global footprint also falls under this dimension – and I have talked previously about our ambitions in the emerging markets of Asia, Latin America and Russia. Our early investments in these markets are delivering strong growth in the business.

- The third dimension relates to the way, that we run our business. We are determined to reduce our cost base and increase productivity. We are doing that

by focusing on delivering core activities really well, and using technology and outsourcing to drive efficiency in the non-core areas.

I reported in January that we have expanded our restructuring programme since it was first announced in July 2007.

As a CEO it is always difficult to make decisions that involve losing loyal employees, but I remain absolutely confident that the changes that we are making to our business model are the right ones to ensure that we remain flexible and competitive for the future. I can also assure you that we do not make these changes lightly: every proposal is subject to consultation and local labour laws.

- The fourth dimension in this strategy is about doing business responsibly.

This is an absolute requirement of every employee in AstraZeneca and we take it very seriously. An example of what this means in practice is the training provided to every employee last year to ensure that they were aware of our recently revised code of conduct. We operate in 50 countries around the world – and distribute products in many more. We want AstraZeneca to be recognised as making a valuable contribution everywhere we operate.

This strategy delivered robust results in 2008 and that momentum has continued into the first quarter of 2009 as we have seen today.

Let me take you through the headlines.

This morning we reported sales in the first quarter of just over \$7.7 billion, a 7% increase in constant currency. Core operating profit for the quarter was up 19% at constant currency to \$3.36 billion and earnings per share in the quarter were \$1.58, 20% up on last year.

These results show the resilience of our business, the result of determined execution driving growth of our key products, and in all our regions, while delivering efficiency improvements across the business.

Our sales line benefited from some unexpected sales of TOPROL XL as a result of the market withdrawal of two generic competitors. Without this benefit, sales in the US were up by 3 percent on the back of strong sales of Crestor and Symbicort.

In our other established markets, sales were up 4% including strong performances from Japan and Australia, and sales in emerging markets were up 15%.

I won't report on each of our brands but I will pick out Crestor for delivering a very strong performance across the board. Worldwide sales in Crestor increased by 35% to \$969 million – growing at 4 times the market growth rate both in the U.S. and the rest of world segments.

These results for the first quarter of the year build on a very strong full year in 2008 where, on a worldwide basis, we achieved real revenue growth, up 3% in constant currency terms, to \$31.6 billion.

That \$31.6 billion represents actual sales growth of 7 percent when you factor in the benefit from currency. We achieved that growth against the background of a U.S. Market that grew at just 1.4 percent in value terms we outperformed in the U.S. Market. As a result of strong commercial execution, which drove the growth of our key brands. We also achieved strong growth in our emerging markets where full year sales reached over \$4.2 billion. That's a 16 percent increase on a constant currency basis the emerging markets account for just under 14 percent of total Company turnover, but they accounted for more than half of the company's constant currency sales growth in 2008.

Handling litigation is a growing concern in our industry. Last year, we successfully responded to challenges relating to the Nexium, Seroquel and Pulmicort Respules patents. So far this year, we have received a further challenge to our Pulmicort Respules patent and we are actively defending our intellectual property.

We are also addressing litigation of a different nature relating to patients who have taken Seroquel.

Seroquel is used to treat patients with devastating mental disorders such as schizophrenia and bi-polar disorder. Over the past 10 years, millions of patients have taken Seroquel to help them to lead fuller and healthier lives.

At the heart of these cases are unproven claims that Seroquel caused diabetes in individual patients. We believe that plaintiffs will not be able to present evidence that Seroquel caused this problem and we plan to defend each case on its merits including going to trial if necessary.

The medicines that we market today are only one part of the story. Equally important is our pipeline of compounds that will improve patients' lives in future.

As you can see from this chart, we have made some big strides in expanding the pipeline over the last few years. From 2004, we have increased the number of projects in clinical development by more than 60 percent, and, we have doubled the number of projects in phase III or registration.

In 2008 alone, our phase II portfolio increased by more than 50 percent.

We have 4 important projects, including 2 new molecular entities, awaiting registration. And, most importantly we have plans to file up to four new products for regulatory approval in 2009.

We are also continuing to focus on driving compounds through development more quickly, our aim is to reach a median 8 year development cycle by 2010 which would be top quartile in the industry. This would ensure that patients have access to new medicines sooner as well as driving additional value for shareholders.

So we turned in a very strong performance in 2008 and have announced a good first quarter today. We achieved earnings per share growth ahead of sales. We are successfully driving efficiency and Productivity throughout the organisation, and improving margins, but at the same time we are making the investments that are vital to our long-term performance in both the emerging markets and in R&D.

As for 2009, the economic environment has never been tougher: Forecasters are projecting GDP contraction in both the U.S. and in Western Europe; they're also predicting slower growth in the emerging markets. Against this backdrop, our performance reflects the relative resilience of our industry compared to other industrial sectors.

Unlike others, we have the added challenge of healthcare reform, which is high on the agenda in the United States, and of concern to many other governments around the world.

In the U.S. it is clear that increased unemployment will result in millions more people losing access to health insurance. Costs of the programmes that provide healthcare funding for the poor, elderly and disabled, will continue to rise and President Obama has made it clear - and we agree with him – that the 40 million people who currently do not have access to healthcare, need to be covered.

All this amounts to comprehensive reform of the healthcare system. Medicines form only a small percentage of the total cost of healthcare but it is important that we play an active role in finding a meaningful solution to this challenge working together with government, insurers, and others.

The solution is not straightforward. It will surely involve some give and take so having a seat at this table is important for the industry and it is vital for AstraZeneca.

Many of you will be aware that I took over as chairman of PhRMA, the U.S. industry association, in April so I am pleased that during this critical year, I shall be well-placed to play a leading role.

In closing, let me come back to where I started. Last year was both challenging and successful and there is no doubt that the challenges will continue this year.

But the actions we have taken and the results we have achieved over the last 5-years, driving more than 20 percent compound growth in earnings and dividends per share have created a sound foundation for this company that will allow us to navigate through difficult times and, more importantly, leverage any opportunities that arise.

I have a strong leadership team, a clear strategy and an organisation that has a track record of being able to respond quickly and courageously to changing circumstances.

I am confident that we are well positioned to meet our targets this year and play an important role in shaping the industry for future success.

Thank-You.