

**FULL YEAR 2008 RESULTS PRESENTATION**  
**DAVID BRENNAN SCRIPT**

GOOD AFTERNOON, LADIES AND GENTLEMEN, AND WELCOME TO ASTRAZENECA'S ANNUAL RESULTS FOR THE FULL YEAR 2008.

AFTER MY OPENING REMARKS, YOU WILL BE HEARING FROM CHIEF FINANCIAL OFFICER SIMON LOWTH.

SIMON WILL TAKE YOU THROUGH – IN SOME DETAIL -- A VERY THOROUGH REVIEW OF THE FINANCIAL PERFORMANCE OF THE BUSINESS.

THEN JOHN PATTERSON, EXECUTIVE DIRECTOR FOR DEVELOPMENT, WILL REVIEW OUR R&D PIPELINE.

FOLLOWING THAT – THERE SHOULD BE PLENTY OF TIME TO TAKE YOUR QUESTIONS.

WE ALSO HAVE A FEW OTHER MEMBERS OF MY SENIOR EXECUTIVE TEAM HERE WHO CAN CONTRIBUTE TO THAT DISCUSSION.

AGAINST THE BACKDROP OF VIRTUALLY  
UNPRECEDENTED GLOBAL ECONOMIC DISTRESS --  
AND FINANCIAL MARKET VOLATILITY –  
ASTRAZENECA HAS DELIVERED A ROBUST  
FINANCIAL PERFORMANCE IN 2008.

THAT PERFORMANCE IS STRONG TESTIMONY TO  
THE DETERMINED EXECUTION OF OUR BUSINESS  
PLAN BY PEOPLE AT EVERY LEVEL OF THE  
COMPANY.

THESE STRONG RESULTS ARE UNDERPINNED BY  
THE UNDERLYING OPERATIONAL AND FINANCIAL  
STRENGTH OF THE ORGANISATION WE HAVE  
CREATED... AND

I'D LIKE TO PERSONALLY THANK THE ENTIRE TEAM  
FOR THIS PERFORMANCE.

OUR STRATEGY REMAINS UNCHANGED –  
SO .....I'LL JUST QUICKLY SUMMARISE IT FOR YOU  
NOW TO GIVE YOU THE CONTEXT FOR OUR  
RESULTS.

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 IT'S THINKING.

HERE ARE THE FOUR DIMENSIONS [SLIDE]:

- 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.

WE HAVE MADE SIGNIFICANT PROGRESS IN THIS

AREA OVER THE LAST FEW YEARS AND JOHN

PATTERSON WILL TAKE YOU THROUGH THE

CURRENT STATUS IN A FEW MOMENTS.

- 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 AS YOU WILL SEE IN SIMON'S PRESENTATION. 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 WE HAVE TALKED PREVIOUSLY ABOUT OUR AMBITIONS IN THE EMERGING MARKETS OF ASIA, LATIN AMERICA AND RUSSIA. AS YOU WILL SEE, 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 WILL DO THAT BY FOCUSING ON DELIVERING  
CORE ACTIVITIES REALLY WELL.....  
AND USING TECHNOLOGY AND OUTSOURCING TO  
DRIVE EFFICIENCY IN THE NON-CORE AREAS.

YOU WILL HAVE SEEN IN THE PRESS RELEASE  
THAT WE HAVE EXPANDED OUR RESTRUCTURING  
PROGRAMME SINCE IT WAS FIRST ANNOUNCED  
IN JULY 2007.

SIMON WILL COVER THE ADDITIONAL COST AND  
BENEFITS OF THIS PROGRAMME IN HIS REMARKS.

PERSONALLY, I BELIEVE THAT WE ARE MAKING  
REAL PROGRESS HERE –

NOT ONLY IN WHAT WE HAVE BEEN ABLE TO  
DELIVER SO FAR –

INCLUDING THE INVESTMENTS THAT WE HAVE  
BEEN ABLE TO MAKE IN BIOLOGICS –

AND IN THE EMERGING MARKETS –

BUT ALSO IN CHANGING THE WAY WE THINK.....

WE NO LONGER BELIEVE WE HAVE TO DO  
EVERYTHING IN-HOUSE –

OUR EXPERIENCE IN SCIENTIFIC

COLLABORATION HAS EXTENDED INTO

RELATIONSHIPS WITH COMPANIES WHICH

MANAGE CLINICAL DATA,

RUN GLOBAL IT INFRASTRUCTURE,  
AND MANUFACTURE ACTIVE PHARMACEUTICAL  
INGREDIENTS TO NAME BUT A FEW.

THIS IS A NEW WAY OF DOING BUSINESS FOR  
ASTRAZENECA AND WE ARE LEVERAGING EVERY  
OPPORTUNITY TO CHANGE THE WAY WE WORK.

- 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 HAS DELIVERED THE ROBUST RESULTS THAT WE ARE ANNOUNCING TODAY.  
SO..... NOW LET'S TAKE A LOOK AT THE HEADLINES.

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 WHICH, GREW AT JUST 1.4 PERCENT IN VALUE TERMS, ....  
ACCORDING TO IMS.  
AND.....THAT'S THE LOWEST RATE OF GROWTH SINCE 1994.

AND WE OUTPERFORMED IN THE U.S. MARKET.  
THAT'S BECAUSE EXCELLENT COMMERCIAL EXECUTION DROVE THE GROWTH OF KEY BRANDS LIKE CRESTOR, SYMBICORT, AND SEROQUEL AHEAD OF THEIR RESPECTIVE MARKETS.

NEXIUM, DIDN'T QUITE KEEP PACE WITH THE OVERALL PPI MARKET GROWTH RATE THAT WAS FUELLED BY GENERIC PRODUCTS, BUT.....IT OUTPACED THE PERFORMANCE OF EVERY OTHER MAJOR BRAND.

NEXIUM WAS THE ONLY BRANDED PPI TO GROW VOLUME IN 2008 IN THE U.S.

WE ALSO CONTINUED TO DRIVE STRONG GROWTH IN OUR EMERGING MARKETS.

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.

THE ENTIRE INDUSTRY HAS PRODUCED GOOD GROWTH IN THE EMERGING MARKETS.

BUT..... OUR PERFORMANCE AT ASTRAZENECA IS WELL AHEAD OF MARKET GROWTH.....

AND WE RANK AMONG THE BEST OF OUR PEERS IN THESE MARKETS.

CLEARLY, OUR STRATEGIC INVESTMENT IS DRIVING STRONG PERFORMANCE.

IN 3 SETS OF PATENT LITIGATION, WE SUCCESSFULLY UPHELD OUR INTELLECTUAL PROPERTY.....

AND MITIGATED THE NEAR-TERM RISK TO REVENUE:

- IN APRIL, WE REACHED A SETTLEMENT OF THE NEXIUM PATENT LITIGATION WITH RANBAXY
- IN JULY, WE ACHIEVED A SUCCESSFUL SUMMARY JUDGEMENT IN ASTRAZENECA'S FAVOUR IN THE SEROQUEL PATENT LITIGATION WITH SANDOZ AND TEVA; AND
- IN NOVEMBER, WE REACHED A SETTLEMENT OF THE PULMICORT RESPULES PATENT LITIGATION – AGAIN WITH TEVA.

ALL THREE OF THESE ACTIONS HAVE GIVEN US IMPORTANT CLARITY AND STABILITY AS WE DEVELOP OUR BUSINESS PLANS FOR THE NEXT SEVERAL YEARS.

TURNING TO CORE OPERATING PROFIT.

WE WERE ABLE TO LEVERAGE 3 PERCENT SALES GROWTH INTO A 9 PERCENT INCREASE IN CORE OPERATING PROFIT.

AGAIN, THAT'S IN CONSTANT CURRENCY TERMS.... REACHING \$10.9 BILLION.

WE HAVE MADE A DETERMINED EFFORT TO DRIVE EFFICIENCIES IN THE DAY TO DAY OPERATIONS THROUGHOUT THE ORGANISATION.

THAT EFFORT HAS ENABLED US TO MAKE THOSE STRATEGIC INVESTMENTS I MENTIONED IN THE EMERGING MARKETS – AND TO INVEST IN STRENGTHENING THE PIPELINE. AT THE SAME TIME WE'VE BEEN IMPROVING OPERATING MARGIN.

GOING FORWARD, WE WILL CONTINUE TO DRIVE EFFICIENCY AND PRODUCTIVITY.

AND WE WILL SEEK TO DERIVE EVERY BIT OF LEVERAGE BETWEEN SALES AND PROFIT GROWTH THAT IS AVAILABLE, WHILE AT THE SAME TIME MANAGING THE BUSINESS FOR SUSTAINABLE PERFORMANCE IN THE LONG-TERM.

WITH THAT LONG-TERM SUSTAINABILITY OBJECTIVE  
IN MIND....

WE HAVE EXPANDED THE SCOPE OF OUR  
RESTRUCTURING AND RE-SHAPING PROGRAMME.  
IN A FEW MOMENTS, SIMON WILL GO INTO THE  
DETAILS OF WHAT WE HAVE ACCOMPLISHED TO  
DATE – AND OUR PLANS FOR THE FUTURE.

CORE EARNINGS PER SHARE FOR THE YEAR WERE  
\$5.10, AN 8 PERCENT INCREASE AT CONSTANT  
CURRENCY.

THE BOARD HAS RECOMMENDED AN INCREASE IN  
THE SECOND INTERIM DIVIDEND.....  
BRINGING THE TOTAL DIVIDEND FOR THE YEAR TO  
\$2.05, THAT'S A 10 PERCENT INCREASE.

AS YOU WILL RECALL....THIS IS IN LINE WITH OUR  
POLICY TO GROW DIVIDENDS IN LINE WITH  
EARNINGS BEFORE RESTRUCTURING COST,  
WHILE MAINTAINING TWO TIMES COVER.

AND ....WE EXECUTED NET SHARE REPURCHASES OF \$451 MILLION IN 2008 PRIOR TO SUSPENDING THE PROGRAMME AT THE THIRD QUARTER TO MAINTAIN FLEXIBILITY TO INVEST IN THE BUSINESS.

THE BOARD HAS REVIEWED THAT DECISION, AND HAS DECIDED TO MAINTAIN THIS STANCE. SO WE HAVE NO SHARE REPURCHASES PLANNED FOR 2009.

AND WHILE IT'S NOT ON THIS SLIDE, I WOULD BE REMISS IF I FAILED TO MENTION OUR STRONG CASH PERFORMANCE IN 2008.

OUR STRONG OPERATING CASH FLOW AND MANAGEMENT FOCUS ALLOWED US TO REDUCE NET DEBT BY \$1.9 BILLION....., TO \$7.2 BILLION. WE ARE WELL AHEAD OF OUR PLAN TO GET TO THESE SORTS OF LEVELS BY 2010.

THE FINAL ELEMENT OF 2008 PERFORMANCE I'D LIKE TO ADDRESS IN MY OPENING REMARKS..... IS THE PROGRESS WE CONTINUE TO MAKE ON THE PIPELINE.

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 HAS 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.

AND JUST TO BE CLEAR.....,

ALTHOUGH THE INTERMEDIATE MARKERS FOR PROGRESS ARE ALL POINTING IN THE RIGHT DIRECTION.....,

IT IS SUCCESSFUL REGISTRATION AND LAUNCH OF NEW PRODUCTS THAT WILL ULTIMATELY BE THE MEASURE ON WHICH WE JUDGE THE PROGRESS IN OUR PIPELINE.

SO – THOSE ARE SOME OF THE HEADLINES ON OUR 2008 PERFORMANCE. I WILL NOW TURN OVER TO SIMON LOWTH, WHO WILL TAKE YOU THROUGH THE DETAILS OF OUR FINANCIAL PERFORMANCE FOR 2008. SIMON....

## **SUMMARY REMARKS POST Q&A**

SO..... WE TURNED IN A VERY SOLID PERFORMANCE IN 2008.

WE HAD 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, MARKET CONDITIONS HAVE NEVER BEEN TOUGHER:

ECONOMIC FORECASTERS ARE PROJECTING GDP CONTRACTION IN BOTH THE US AND IN WESTERN EUROPE.

THEY'RE ALSO PREDICTING SLOWER GROWTH IN EMERGING MARKETS

AGAINST THIS BACKDROP, OUR PERFORMANCE TARGETS ARE A REFLECTION OF THE RELATIVE RESILIENCE OF OUR INDUSTRY COMPARED TO OTHER INDUSTRIAL SECTORS.

AND IT WON'T BE EASY,  
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 THE OPERATING AND FINANCIAL  
STRENGTH THAT SHOULD ALLOW US TO NAVIGATE  
THE CHOPPY WATERS AHEAD.....,

EXECUTE OUR PLANS.....

AND DELIVER ON THE TARGETS WE'VE SET.

IN CLOSING, I WOULD LIKE TO SAY A FEW WORDS  
TO MARK JOHN PATTERSON'S RETIREMENT.

AS I'VE SAID BEFORE, INNOVATIVE RESEARCH AND  
DEVELOPMENT IS THE LIFEBLOOD OF A  
PHARMACEUTICAL COMPANY.

JOHN HAS BEEN AT THE HEART OF R&D IN  
ASTRAZENECA AND HAS LED REAL CHANGE IN THIS  
AREA.

AS HE SIGNS OFF HIS LAST SET OF RESULTS FOR  
THE COMPANY, I WOULD LIKE TO TAKE THIS  
OPPORTUNITY TO THANK HIM FOR HIS LEADERSHIP,  
HIS FRIENDSHIP AND HIS CONTRIBUTION TO THE  
COMPANY OVER HIS 34 YEAR CAREER WHICH HAS  
SPANNED BOTH THE COMMERCIAL AND R&D  
FUNCTIONS.

JOHN, YOU ARE LEAVING THE DEVELOPMENT  
FUNCTION IN THE SAFE HANDS OF ANDERS EKBLÖM  
BUT WE WILL CERTAINLY MISS YOUR  
CONTRIBUTION ON OUR EXECUTIVE TEAM AND IN  
THE BOARDROOM.

LADIES AND GENTLEMEN, THAT BRINGS US TO THE  
END OF OUR PRESENTATION.

OUR STRATEGY IS CLEAR,  
AS ARE OUR CRITICAL SUCCESS FACTORS FOR  
2009.

AND WE WILL KEEP YOU UP-TO-DATE ON OUR  
PROGRESS IN THE QUARTERS TO COME. IN THE  
MEANTIME,  
THANK-YOU AND GOOD DAY TO EVERYONE.